



## Planning and Transportation Committee

**Date:** TUESDAY, 25 JUNE 2013  
**Time:** 11.00am  
**Venue:** LIVERY HALL - GUILDHALL

**Members:**

Deputy Michael Welbank (Chairman)	Gregory Jones QC
Oliver Lodge (Deputy Chairman)	Deputy Henry Jones
Randall Anderson	Deputy Keith Knowles
Alex Bain-Stewart	Alderman Sir David Lewis
David Bradshaw	Paul Martinelli
Deputy John Chapman	Brian Mooney
Dennis Cotgrove	Sylvia Moys
Revd Dr Martin Dudley	Deputy John Owen-Ward
Peter Dunphy	Alderman Dr Andrew Parmley
Sophie Fernandes	Ann Pembroke
John Fletcher	Deputy Henry Pollard
Marianne Fredericks	Chris Punter
Deputy Bill Fraser	Jeremy Simons
Alderman John Garbutt	Tom Sleigh
George Gillon (Chief Commoner)	Graeme Smith
Alderman David Graves	Patrick Streeter
Christopher Hayward	Deputy James Thomson
Michael Hudson	

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**Lunch will be served in Guildhall Club at 1PM**

**John Barradell**  
Town Clerk and Chief Executive

# AGENDA

## Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**  
To agree the public minutes and summary of the meeting held on 4 June 2013.  

**For Decision**  
(Pages 1 - 6)
4. **DELEGATED DECISIONS OF THE CITY PLANNING OFFICER AND THE PLANNING SERVICES AND DEVELOPMENT DIRECTOR**  
Report of the City Planning Officer relative to development and advertisement applications dealt with under delegated authority.  

**For Decision**  
(Pages 7 - 18)
5. **REPORTS OF THE CITY PLANNING OFFICER RELATIVE TO PLANNING APPLICATIONS**
  - a) North Wing St Bartholomew's Hospital West Smithfield London  

**For Information**  
(Pages 19 - 20)
6. **GOLDEN LANE ESTATE LISTED BUILDING MANAGEMENT GUIDELINES DRAFT SPD**  
Report of the City Planning Officer.  

**For Decision**  
(Pages 21 - 48)
7. **REPORTS OF THE DIRECTOR OF THE BUILT ENVIRONMENT**
  - a) 20Mph Speed Limit Benefits and Dis-benefits Investigation  

**For Decision**  
(Pages 49 - 78)
  - b) Consultation on City of London Community Infrastructure Levy Draft Charging Schedule  

**For Decision**  
(Pages 79 - 172)
  - c) Mobile Phone Payment Technology for Parking  

**For Decision**  
(Pages 173 - 180)

- d) Road Danger Reduction Plan 2013 - Progress Report

**For Decision**  
(Pages 181 - 188)

- e) Department of the Built Environment Business Plan 2012-15 - Quarter 4  
Update and Financial Outturn Report

**For Information**  
(Pages 189 - 206)

**8. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

**9. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

**10. EXCLUSION OF THE PUBLIC**

MOTION – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

**For Decision**

**Part 2 - Non-public Agenda**

**11. DEBT ARREARS - PERIOD ENDING 31 MARCH 2013**

Report of the Director of the Built Environment.

**For Information**  
(Pages 207 - 212)

**12. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

**13. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

**Any drawings and details of materials submitted for approval will be available for inspection by Members in the Livery Hall from Approximately 9:30 a.m.**

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# Agenda Item 3

## PLANNING AND TRANSPORTATION COMMITTEE

Tuesday, 4 June 2013

**Minutes of the meeting of the Planning and Transportation Committee held at the Guildhall EC2 at 11.00am**

### **Present**

#### **Members:**

Deputy Michael Welbank (Chairman)	Gregory Jones QC
Oliver Lodge (Deputy Chairman)	Deputy Henry Jones
Randall Anderson	Deputy Keith Knowles
Alex Bain-Stewart	Paul Martinelli
David Bradshaw	Brian Mooney
Deputy John Chapman	Sylvia Moys
Dennis Cotgrove	Deputy John Owen-Ward
Revd Dr Martin Dudley	Ann Pembroke
Peter Dunphy	Deputy Henry Pollard
John Fletcher	Chris Punter
Marianne Fredericks	Jeremy Simons
Deputy Bill Fraser	Tom Sleigh
Christopher Hayward	Graeme Smith
Michael Hudson	Patrick Streeter

#### **Officers:**

Simon Murrells	- Assistant Town Clerk
Katie Odling	- Town Clerk's Department
Deborah Cluett	- Comptroller and City Solicitor's Department
Philip Everett	- Director of the Built Environment
Peter Rees	- City Planning Officer, Department of the Built Environment
Annie Hampson	- Department of the Built Environment
Ted Rayment	- Department of the Built Environment
Peter Young	- Corporate Property Group Director, City Surveyor's Department
Steve Blake	- Department of Markets and Consumer Protection
Sanjay Odedra	- Press Officer, Public Relations Office
Alan Rickwood	- City Police

#### **1. APOLOGIES**

Apologies for absence were received from Sophie Fernandes, George Gillon (Chief Commoner), Alderman David Graves, Alderman Sir David Lewis, Alderman Dr Andrew Parmley and Deputy James Thomson.

#### **2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations of interest received.

3. **MINUTES**

RESOLVED – That the Minutes of the meeting held on 14 May 2013 be agreed as a correct record subject to the following sentence being deleted in item 12.1 (St Paul's Cathedral External Lighting – Outline Options Appraisal) –

~~“The scheme is to be managed by the City on behalf of the Cathedral which will be the recipient of the external sponsorship.”~~

The Town Clerk informed the Committee that at this point it was not certain who the recipient was likely to be and that this would be confirmed in the next Gateway Report.

4. **TOWN PLANNING AND DEVELOPMENT APPLICATIONS**

The Committee received a report of the City Planning Officer relative to development and advertisement applications that he had dealt with using his delegated authority since the previous meeting.

RECEIVED.

5. **REPORTS OF THE CITY PLANNING OFFICER RELATIVE TO PLANNING APPLICATIONS**

5.1 **Land At Moor Lane, Barbican, London EC2 - Non Material Amendment**

**Registered Plan No.:** 13/00373/NMA

**Proposal:-** Non-material amendment under Section 96A of the Town and Country Planning Act 1990 to planning permission reference 09/00302/FULL dated 28<sup>th</sup> July 2009 and as amended by non-material amendment reference 12/00675/NMA dated 17<sup>th</sup> August 2012, to allow the marketing pavilion to remain in use (in connection with the Milton Court development) until 30 June 2013.

During discussion, reference was made to paragraph 28 of the report regarding the removal of the pavilion. It was agreed that, should the pavilion not be removed by the 30<sup>th</sup> June then the most appropriate enforcement action would be determined by the Town Clerk in consultation with the Chairman and Deputy Chairman under delegated authority.

RESOLVED – That,

- a) the amendment to condition 1 of planning permission 09/00302/FULL, to enable the marketing pavilion to remain in place until 30<sup>th</sup> June 2013, constitutes a non-material amendment to the original permission in accordance with the details set out in the attached schedule; and
- b) delegated authority be granted to the Town Clerk in consultation with the Chairman and Deputy Chairman of the Planning and Transportation Committee to agree enforcement proceedings if the pavilion was not removed by 30<sup>th</sup> June 2013.

5.2 **Land At Moor Lane Barbican London EC2 - Listed Building Consent**

RESOLVED – That the application for Listed Building Consent in respect of Land at Moor Lane, Barbican be granted for the reasons set out in the schedule on pages 57 and 58 of the report.

5.3 **St Bartholomew's Hospital North Block**

**Registered Plan No.:** 13/00111/FULL

**Proposal:-** Demolition of the existing 1960's extension to the building and the erection of a replacement three storey building for use as a cancer care facility (Class D1) with ancillary roof terrace and external landscaping.

The City Planning Officer informed Members that some additional letters of both objection and support had been received and had been tabled for Members consideration.

The City Planning Officer detailed site and related information to Members.

Marcus Setchell, Peter Schmitt, Professor Gerald Libby and Wendy Mead spoke against the application and Peter Morris and Laura Lee were heard in reply.

During the discussion, reference was made to the following –

- the modern visual appearance of the proposed development against the existing architecture. Some Members considered there should have been other options to consider;
- the historical significance of the site;
- the impact the proposed development would have on the North Wing;
- land ownership and confirmation that adequate notice of the planning application had been served, to which Members were informed it had;
- provision of conveniences including DDA compliant facilities;
- fire escape regulations;
- landscaping, which Members noted would form part of a separate scheme and would be brought to the Committee for consideration, subject to this application being approved; and
- the future use of the Great Hall, which Members were informed was not a matter for consideration as part of this application.

To summarise the debate, some Members supported the scheme and its principle, however, other Members considered there were still unresolved issues particularly in regard to the conservation and visual appearance of the proposal.

The Town Clerk reminded the Committee of the guidelines contained in the Planning Protocol around determinations contrary to recommendations of the City Planning Officer. He advised that if the Committee were minded to refuse planning permission, then the original report of the City Planning Officer would be re-submitted to the subsequent meeting, accompanied by a further report setting out reasons for refusal which reflected the views of the Committee.

Upon being put to a vote planning permission was refused –

8 – for approval

11 – for refusal

2 – abstentions

**RESOLVED** – That planning permission be refused and the original report of the City Planning Officer be re-submitted to the subsequent meeting, accompanied by a further report setting out reasons for refusal which reflected the views of the Committee.

**5.4 St Bartholomew's Hospital North Block - Listed Building Consent**

RESOLVED – That further to the refusal of planning permission, this item be deferred.

**5.5 St Bartholomew's Hospital North Block - Conservation Area Consent**

RESOLVED – That further to the refusal of planning permission, this item be deferred.

**6. DISABLED PERSONS PARKING BADGES ACT 2013**

Consideration was given to a report of the City Remembrancer which summarised the main provisions of the Disabled Person's Parking Badges Act 2013, which originated as a Private Member's Bill introduced by Conservative MP, Simon Kirby.

RECEIVED.

**7. MITIGATION OF ENVIRONMENTAL IMPACTS FROM DEVELOPMENTS**

Consideration was given to a report of the Director of Markets and Consumer Protection regarding mechanisms for ensuring that the environmental impact of development was mitigated as far as is practicable through planning conditions, and the principles set out in the City's Code of Practice for Destructions and Construction Sites (CoP).

RESOLVED – That,

- i) the proposals set out in paragraphs 4 and 5, and the 7<sup>th</sup> Edition of the Code of Practice (Appendix 2) be agreed; and
- ii) future iterations of the CoP, anticipated in eighteen months' time, be consulted upon and subsequently agreed by your Committee.

**8. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

Millennium Bridge Inclinor – A question was raised regarding the prolonged closure of the Millennium Bridge inclinor, and what steps were in hand to prevent a similar recurrence of failures. The City Surveyor advised that certain parts of the Inclinor had been returned to the manufacturers to establish why the system had experienced a failure. In respect of the guarantee arrangement with the manufacturer, the City Surveyor agreed to clarify with the Member following the meeting.

Redevelopment of Queensbridge House – An update was requested in respect of the proposed development of Queensbridge House, and in particular what were the contingency plans to complete the Riverside Walkway should the development continue to be delayed. The City Surveyor confirmed that the developers was planning to start construction work on site in September 2013.

**9. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

Vote of There were no items of urgent business.

**VOTE OF THANKS TO THE PAST CHAIRMAN**

Anne Pembroke paid tribute to Mr Martin Farr, the past Chairman.

RESOLVED - It was the sincere wish of the Members of the Planning and Transportation Committee to place on record their deep appreciation and thanks to

**MARTIN CHARLES FARR**



*having decided not to seek re-election in March 2013, showed enthusiasm, integrity and professionalism through his Chairmanship of the Planning and Transportation Committee.*

*MARTIN FARR upheld the key role occupied by the Planning and Transportation Committee in ensuring that the Corporation's statutory role as a Planning Authority was efficiently and effectively carried out and, applied himself with equal vigour to the diverse transportation issues which had an impact on the world class commercial centre that comprised the Square Mile.*

*MARTIN FARR presided over meetings in a courteous manner, with leadership and vision and demonstrated a ready grasp of planning issues. He oversaw major schemes which have strengthened the City's position as the economic engine of the nation.*

*THE DECISIONS of the Planning Committee are self-evident throughout the City not just in terms of its built environment, but also its pleasant open spaces and, in terms of its overall ability to compete, to convince businesses and an increasing number of residents that the City is where they would be best located.*

*AND SO in taking leave of Martin Farr as their Chairman, Members of this Committee wish to thank him for his service and excellent leadership with which he has conducted the Committee's demanding agendas to decision and to wish him every possible success in the future.*

Martin Farr responded, thanking the Committee for their kind words.

**10. EXCLUSION OF THE PUBLIC**

RESOLVED:- That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

**11. NON-PUBLIC MINUTES**

RESOLVED – That the non-public minutes of the meeting held on 14 May 2013 be agreed.

**12. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

**13. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were no items of urgent business.

**The meeting closed at 1.10pm**

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Chairman  
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# Agenda Item 4

<b>Committee:</b>	<b>Date:</b>
Planning and Transportation	25 June 2013
<b>Subject:</b> Delegated decisions of the City Planning Officer and the Planning Services and Development Director	
<b>Public</b>	

1. Pursuant to the instructions of your Committee, I attach for your information a list detailing development and advertisement applications determined by the City Planning Officer or the Planning Services and Development Director under their delegated powers since my report to the last meeting.
2. Any questions of detail arising from these reports can be sent to [plans@cityoflondon.gov.uk](mailto:plans@cityoflondon.gov.uk)

## DETAILS OF DECISIONS

Registered Plan Number & Ward	Address	Proposal	Date of Decision
13/00333/MDC Aldgate	6 Bevis Marks London EC3A 7AF	Details of the ETFE roof and supporting steelwork pursuant to condition 7(m) of planning permission dated 25/06/10 (09/00450/FULMAJ).	30.05.2013
13/00265/FULL Aldersgate	200 Aldersgate Street London EC1A 4HD	Installation of 1.8m satellite dish at 16th floor level.	05.06.2013
13/00266/FULL Aldersgate	200 Aldersgate Street London EC1A 4HD	Installation of 2.4m satellite dish at 9th floor level.	05.06.2013
13/00311/LBC Aldersgate	171 Lauderdale Tower Barbican London EC2Y 8BY	Removal of two sections of partition wall between the kitchen and living room.	06.06.2013

13/00376/LBC Aldersgate	519 Bunyan Court Barbican London EC2Y 8DH	Modification of partition walls to fifth floor bathroom and seventh floor shower room. Remodelling of existing mezzanine and associated staircase.	06.06.2013
13/00212/FULL Broad Street	Worshipful Company of Drapers Drapers Hall Throgmorton Avenue London EC2N 2DQ	Works to create step free access to Throgmorton Avenue entrance to Drapers' Hall. Installation of a ramp up to the door threshold and new Portland stone threshold placed on top of the existing stone step.	23.05.2013
13/00214/FULL Broad Street	82 London Wall London EC2M 5ND	Change of use from restaurant and cafe (Class A3) to non-residential institution (Health Clinic) (Class D1) at part ground floor and basement (Total floor space 170sq.m)	30.05.2013
13/00246/FULL Broad Street	89 - 91 Old Broad Street London EC2M 1JB	Alteration to main entrance comprising removal of existing timber reveals and replacement of existing single door with a double door. Forward realignment of recessed service door on Old Broad Street elevation.	30.05.2013
13/00385/FULL Broad Street	8 Angel Court London EC2R 7HP	Installation of a new entrance.	06.06.2013
13/00326/MDC Bridge And Bridge Without	London Bridge (South) London SE1	Details of a noise breakout report and mechanical plant acoustic details pursuant to conditions 4, 5 and 6 of Planning Permission (application no. 10/00683/FULL) dated 3rd March 2011.	30.05.2013

13/00310/MDC Bridge And Bridge Without	Regis House 45 King William Street London EC4R 9AN	Details of fume extract arrangements, materials and construction methods; noise survey and structure borne vibration pursuant to conditions 2, 3 and 4 of planning permission dated 2 February 2012 (11/00957/FULL).	06.06.2013
13/00283/ADVT Bishopsgate	Broadwalk House 5 Appold Street London EC2A	Installation of i) one non illuminated "P" parking sign measuring 0.7m high by 0.7m wide at a height above ground of 3.85m and ii) one non illuminated "P" parking sign measuring 0.7m high by 0.7m wide at a height above ground of 4.11m.	30.05.2013
13/00300/FULL Bishopsgate	14 Brushfield Street London E1 6AN	Change of use from educational use (D1) to shop (A1) at ground floor and basement including the installation of a new door.	30.05.2013
13/00301/LBC Bishopsgate	14 Brushfield Street London E1 6AN	Installation of a new door and removal of an internal partition at ground floor.	30.05.2013
13/00245/FULL Bishopsgate	201 Bishopsgate London EC2M 3UG	Use of private land for placing of tables and chairs and dividers ancillary to the adjoining Class A1 use.	06.06.2013
13/00343/FULL Bishopsgate	Bishopsgate Police Station 182 Bishopsgate London EC2M 4NP	Installation of a 0.6m diameter dish as part of an upgrade of an existing telecommunications site.	06.06.2013
13/00331/FULL Bread Street	One New Change London EC4M 9AF	Installation of mezzanine floor above ground floor to retail units 37 - 38 (143sq.m).	30.05.2013

13/00332/ADVT Bread Street	1 - 3 St Paul's Churchyard London EC4M 8SH	Installation and display of (i) one internally illuminated fascia sign measuring 0.4m high by 2.9m wide situated at a height above ground of 3.3m (ii) one internally illuminated projecting sign measuring 0.6m high by 0.6m wide situated at a height above ground of 2.75m.	06.06.2013
13/00344/ADVT Bread Street	1 St Paul's Churchyard London EC4M 8AJ	Installation and display of: (i) two internally illuminated fascia signs measuring 0.47m high by 3.35m wide situated at a height above ground of 3.65m (ii) two internally illuminated projecting signs one measuring 0.6m high by 0.6m wide situated at a height above ground of 3.4m and one measuring 0.6m high by 0.35m wide situated at a height above ground of 3.6m.	06.06.2013
13/00397/ADVT Bread Street	1-3 St Paul's Churchyard London EC4M 8AP	Installation and display of: (i) three internally illuminated fascia signs measuring 0.47m high by 3.35m wide situated at an average height above ground of 3.5m (ii) one internally illuminated projecting sign measuring 0.6m high by 0.6m wide situated at a height above ground of 3m.	06.06.2013

<p>13/00010/ADVT Bassishaw</p>	<p>125 London Wall London EC2Y 5HN</p>	<p>Installation and display of: (i) two sets of internally illuminated numbers within ground floor reception area measuring 0.9m high, 1.98m wide, at a height above ground of 0.0m (ii) three sets of internally illuminated numbers within podium reception area measuring 0.9m high, 1.98m wide, at a height above ground of 6.6m (iii) one set of internally illuminated laminated glass numbers measuring 1.45m high, 2.99m wide, at height above ground of 3m (iv) one non illuminated aluminium plaque measuring 1.4m high, 1.35m wide, at a height above ground of 8.8m (v) one non illuminated aluminium plaque measuring 1.4m high, 1.35m wide, at a height above ground of 8.1m (vi) one non illuminated aluminium plaque measuring 1.4m high, 1.35m wide, at a height above ground of 7.82m.</p>	<p>23.05.2013</p>
<p>12/00007/MDC Bassishaw</p>	<p>Land Bounded By London Wall, Wood Street, St. Alphage Gardens, Fore Street, Fore Street Avenue, Bassishaw Highwalk, Alban Gate Rotunda, Alban Highwalk, Moorfields Highwalk And Willoughby Highwalk, London, EC2</p>	<p>Details of tree retention and removal pursuant to condition 37 of planning permission 10/00832/FULEIA dated 26th August 2011.</p>	<p>06.06.2013</p>
<p>13/00353/NMA Bassishaw</p>	<p>City Tower And City Place House 40 And 55 Basinghall Street London EC2</p>	<p>Non-Material amendment comprising louvres at walkway level, to planning permission 11/00630/Full dated 6th January 2012 as amended by a minor material amendment 12/00167/Full dated 18th April 2012.</p>	<p>06.06.2013</p>

<p>13/00309/ADVT Billingsgate</p>	<p>Peek House 20 Eastcheap London EC3M 1EB</p>	<p>Installation of (i) two sets of halo-illuminated letters measuring 0.23m high by 1.19m wide and 4.19m above ground level; (ii) one set of non-illuminated letters measuring 0.23m high by 1.19m wide and 4.19m above ground level; (iii) one non-illuminated projecting sign measuring 0.50m high by 0.50m wide and 3.25m above ground level; (iv) one non-illuminated applied vinyl sign measuring 0.91m high by 1.49m wide and 2.40m above ground level.</p>	<p>23.05.2013</p>
<p>13/00100/FULL Billingsgate</p>	<p>1 Great Tower Street London EC3R 5AA</p>	<p>Ground floor alterations to provide a new entrance within an existing window opening and two new windows and associated change of use from offices (Class B1) to shop (Class A1) of 8sq.m ground floor space.</p>	<p>28.05.2013</p>
<p>13/00290/ADVT Castle Baynard</p>	<p>71 Fleet Street London EC4Y 1EU</p>	<p>Installation and display of: (i) one internally illuminated fascia sign measuring 0.53m high, 6.75m wide, at a height above ground of 2.41m (ii) one internally illuminated fascia sign measuring 0.53m high, 6.75m wide, at a height above ground of 2.3m (iii) one internally illuminated projecting sign measuring 0.5m high, 0.85m wide, at a height above ground of 3.19m (iv) one internally illuminated projecting sign measuring 0.5m high, 0.85m wide, at a height above ground of 3.07m (v) one internally illuminated ATM surround measuring 1.58m high, at a height above ground of 0.69m.</p>	<p>23.05.2013</p>



13/00244/ADVT Castle Baynard	Unit 4 Condor House St Paul's Churchyard London EC4M 8AL	Installation and display of: (i) two internally illuminated fascia signs each measuring 0.26m high by 2.9m wide situated at a height above ground of 4.2m and 5m respectively. (ii) two internally illuminated projecting signs each measuring 0.7m in diameter.	06.06.2013
13/00322/FULL Castle Baynard	60 Victoria Embankment London EC4Y 0JP	Replacement of entrance portal on the west elevation, including creation of glazed openings and replacement cladding and associated works.	06.06.2013
13/00383/NMA Castle Baynard	8 - 10 New Fetter Lane London EC41 1AG	Non material amendment under section 96A of the Town & Country Planning Act 1990 to provide a building maintenance unit and track at roof level.	06.06.2013
13/00262/FULL Castle Baynard	Crowne Plaza Hotel, Blackfriars House, 19 New Bridge Street London EC4V 6DB	Alterations to Kingscote Street hotel entrance comprising a single storey extension to reception area.	10.06.2013
13/00263/LBC Castle Baynard	Crowne Plaza Hotel, Blackfriars House, 19 New Bridge Street London EC4V 6DB	Alterations to Kingscote Street hotel entrance comprising a single storey extension to the reception area.	10.06.2013
13/00317/LBC Cripplegate	12 Cromwell Tower Barbican London EC2Y 8DD	Creation of opening between kitchen and corridor, widening of bedroom doorway, and removal of wardrobes.	23.05.2013
13/00351/LBC Cripplegate	502 Willoughby House Barbican London EC2Y 8BN	Removal of partition walls to bedroom and bathroom, and installation of new partitions and sliding glass doors.	23.05.2013

13/00228/LBC Cripplegate	508 Willoughby House Barbican London EC2Y 8BN	Removal of sections of partition wall between kitchen and living room.	06.06.2013
13/00481/MDC Cripplegate	Barber-Surgeons' Hall Monkwell Square London EC2Y 5BL	Sample of stone pursuant to condition 3(a) of planning permission dated 17/08/2012 (Ref. 12/00243/FULL).	06.06.2013
13/00337/ADVT Coleman Street	72 Fore Street London EC2Y 5EJ	Six non-illuminated hoarding signs measuring 2.4m high by 7m wide; 2.4m high by 19m wide; 2.4m high by 1.2m wide and 2.4m high by 1.2m wide, 1.2m high by 7.5m high and 1.2m high by 2.4m wide at ground level.	23.05.2013
13/00294/ADVT Coleman Street	Milton House Milton Street London EC2Y 9BH	Installation and display of two non-illuminated panel signs measuring 0.3m high, by 0.6m wide, at a height above ground of 2.1m	30.05.2013
13/00196/ADVT Coleman Street	30 - 34 Moorgate London EC2R 6DN	Installation of i) one logo only illuminated heritage roundel measuring 0.7m in diameter at a height above ground of 3.15m, ii) two lettering only illuminated fascia signs measuring 0.15m high by 1.39m wide at a height above ground of 3.34m iii) two perimeter illuminated projecting signs measuring 0.7m high by 0.7m wide at a height above ground of 3m, iv) two halo illuminated ATM headers measuring 1.89m high by 1.12m wide at a height above ground of 0.5m, v) one non illuminated nameplate measuring 0.49m high by 0.34m wide at a height above ground of 1m and vii) one non illuminated vinyl opening hours sign measuring 0.59 m high by 0.29m wide at a height above ground of 1m.	06.06.2013

13/00291/ADVT Coleman Street	Unit 7-8 167 Moorgate London EC2M 6XQ	Installation of (i) two non illuminated fascia signs, measuring 0.68m high x 6.12m wide and 0.68m high x 1.754m wide at a height of 2.875m above ground with illumination to one fascia logo (ii) one non-illuminated fascia sign, measuring 0.68m high x 6.12m wide at a height of 2.875m above ground, (iii) one internally illuminated projecting sign, measuring 0.5m high x 0.853m wide, at a height of 2.910m above ground, (iv) two internally illuminated ATM collars with acrylic face plates, measuring 1.495 x 0.990m, at a height of 0.764m above ground level.	06.06.2013
13/00499/MDC Coleman Street	River Plate House 7 - 11 Finsbury Circus London EC2M 7EA	Details of archaeological evaluation pursuant to condition 8 of planning permission dated 10th May 2013 (Application no. 12/00811/FULMAJ)	06.06.2013
13/00261/FULL Coleman Street	Moor House 120 London Wall London EC2Y 5ET	Change of use of the ground, basement and mezzanine from shop (Class A1) use to a mixed (Sui Generis) use comprising a mix of shop (Class A1), restaurant (Class A3) and drinking establishment (Class A4) use. The provision of outdoor seating within the property's demise.	07.06.2013
13/00015/FULL Cheap	Guildhall House 81 - 87 Gresham Street London EC2V 7NQ	Alterations to ground floor street frontage comprising relocation of the entrance, alterations to existing windows. Replacement of existing timber framed windows to 1st-5th floors on the Gresham Street elevation and lower ground to 5th floor levels on the rear elevation. Replacement of balcony metalwork. Alterations to rooftop plant room.	30.05.2013

12/01200/FULL Cheap	125 Wood Street London EC2V 7AN	Minor Material Amendment under Section 73 of the Town and Country Planning Act 1990 relating to planning permission 12/00055/FULL dated 29th March 2012.	05.06.2013
13/00071/ADVT Cheap	120 Cheapside London EC2V 6BT	Installation and display of: (i) five internally illuminated fascia signs each measuring 0.63m high by 1.2m wide situated at a height above ground of 3.7m (ii) two internally illuminated projecting signs each measuring 0.55m high by 0.9m wide situated at a height above ground of 3.4m.	06.06.2013
12/00273/MDC Farringdon Within	52-60 Holborn Viaduct London EC1A 2FD	Details of security bollards pursuant to condition 26 of minor material amendment dated 08.02.11 (Case No. 11/00213/FULL) to planning permission dated 14.12.07 (Case No. 06/00915/FULL).	06.06.2013
13/00277/FULL Farringdon Within	80 - 83 Long Lane London EC1A 9ET	Insertion of a window into the East Passage elevation (south facing) at ground floor level.	06.06.2013
13/00285/NMA Farringdon Within	St Paul's House 8 - 12 Warwick Lane London EC4M 7BP	Non-Material amendment to application 11/00130/Full dated 05/09/2011 to reinstate a door on the Warwick Square elevation	06.06.2013
13/00316/MDC Farringdon Within	52-60 Holborn Viaduct London EC1A 2FD	Details of access and egress to the building pursuant to condition 18 of Minor Material amendment reference 11/00213/FULL dated 8th August 2011.	07.06.2013
13/00221/FULL Farringdon Without	Garden Compound Inner Temple Garden EC4	(i) Extension to existing tractor shed to form new potting shed; (ii) Erection of a new storage canopy; (iii) Extension to Gardener's Office; (iv) Alteration and refurbishment of stores at the rear of 12 - 13 Kings Bench Walk.	30.05.2013

13/00096/LBC Langbourn	32, 33, 74 Leadenhall Market London EC3V 1LT	Nos. 32 and 33: Formation of a new opening between No.33 & No.32; Demolition of existing mezzanine floor within No.32 and formation of a new double door opening in external wall; Internal alterations within No.32 including installation of full height stud wall partition at ground floor and suspended ceiling in basement. No. 74: Formation of a new opening between the existing bin store and No.74; Alteration of internal double door opening; Installation of new timber double doors behind existing timber roller shutter; Formation of internal partial height stud wall partition. DECISION MADE BY THE SECRETARY OF STATE	29.05.2013
13/00341/TCA Lime Street	St Helens Churchyard Great St Helen's London EC3A 6AT	Works of pruning to two Plane Trees.	23.05.2013
13/00452/FULLR 3 Lime Street	Open Space Rear of 1 Undershaft, St Mary Axe London EC3	Temporary installation of a sculpture - 'String Quintet' by Shirazeh Houshiary - for a temporary period of up to 1 year, to be taken down on or before 10 June 2014.	07.06.2013
13/00454/FULLR 3 Lime Street	1 Great St Helen's London EC3A 6AP	Temporary installation of a sculpture 'Twenty-Four Hour Flag' by Richard Wentworth for a temporary period of up to 1 year, to be taken down on or before 10th June 2014.	07.06.2013
13/00501/MDC Tower	10 Trinity Square London EC3N 4AJ	Part submission of details of a programme of archaeological work in Seething Lane Gardens pursuant to condition 14 of planning permission dated 29th March 2013 (application number 11/00317/FULMAJ).	06.06.2013

13/00105/MDC Vintry	36 Queen Street London EC4R 1BN	Detail of the integration of window cleaning equipment, ground level surface and external surfaces pursuant to condition 2 (L), (O) and (P) of Planning Permission 11/00937/FULL dated 29.02.2012.	06.06.2013
13/00327/NMA Vintry	77 Queen Victoria Street London EC4V 4AY	Non-Material Amendment under Section 96A of the Town and Country Planning Act 1990 to planning permission dated 15.06.2012 (Application 12/00377/Full) to install a louvre grille on the external face of the building.	06.06.2013
13/00271/LBC Walbrook	19 Cornhill London EC3V 3ND	Internal fit-out at ground floor level to enable use as a bar, restaurant and retail use.	30.05.2013
13/00315/FULL Walbrook	19 Cornhill London EC3V 3ND	Change of use of from shop (Class A1) to mixed use (Sui Generis) comprising shop (Class A1), Restaurant (Class A3) and drinking establishment (Class A4) uses. [305sq.m GIA]	30.05.2013
13/00382/MDC Walbrook	103 Cannon Street London EC4N 5AG	Details of a plant noise assessment pursuant to condition 3 of planning permission dated 29 September 2011 (11/00600/FULL).	06.06.2013

# Agenda Item 5a

<b>Committee:</b>	<b>Date:</b>
Planning and Transportation	<b>25 June 2013</b>
<b>Subject:</b>	
<b>North Wing St Bartholomew's Hospital, West Smithfield, London</b>	
<p>13/00111/FULL: Demolition of the existing 1960's extension (638sq.m) to the building and the erection of a replacement three storey building for use as a cancer care facility (Class D1) with ancillary roof terrace and external landscaping (586sq.m).s</p> <p>13/00112/LBC: (i) Demolition of a 1960s extension to the building and the restoration of the existing original flank facade; (ii) Erection of a three storey extension building for use as a Cancer Care facility with ancillary roof terrace and external landscaping (Class D1); (iii) Internal alterations to provide a reconfigured staircase and access arrangement at basement and ground floor level.</p> <p>13/00113/CAC: Demolition of the existing 1960's extension to the building (638sq.m).</p>	
<b>Ward: Farringdon Without</b>	<b>Public: For Information</b>
<b>Registered No:</b>	<b>Registered on:</b>
<b>Conservation Area: Smithfield</b>	<b>Listed Building: Grade 1</b>
<b>Information</b>	
<p>On 4 June 2013 you considered three applications in respect of a proposal for a Maggie's Centre at St Bartholomew's Hospital.</p> <p>The first was a planning application (13/0011/FUL) for the demolition of the existing 1960s extension (638sq. m.)to the North Wing and the erection of a replacement 3 storey building for use as cancer care facility (Class D1) with ancillary roof terrace and external landscaping (586 sq. m).</p> <p>The second was a listed building application (13/00112/LBC) for the demolition of a 1960s extension to the North Wing and the restoration of the existing original flank façade to enable construction of the cancer care facility and to allow internal alterations to provide a reconfigured staircase and access arrangements at basement and ground floor level.</p> <p>The third was a conservation area consent application (13/00113/CAC) for the demolition of the existing 1960s extension to the building (638sq. m).</p> <p>You resolved to refuse all three applications subject to reasons for refusal to be prepared by the City Planning Officer. The applicants have withdrawn the applications prior to their determination and there is therefore no decision that needs to be made in respect of these applications.</p>	
<p><i>Contact :Annie Hampson 020 7332 1700 annie.hampson@cityoflondon.gov.uk</i></p>	

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# Agenda Item 6

<b>Committee(s):</b>	<b>Date(s):</b>
Planning and Transportation Committee	25 <sup>th</sup> June 2013
<b>Subject:</b> Golden Lane Estate Listed Building Management Guidelines Draft SPD	<b>Public</b>
<b>Report of:</b> The City Planning Officer	<b>For Decision</b>
<b><u>Summary</u></b>	
<p>The Golden Lane Estate Listed Building Management Guidelines SPD were adopted in June 2007. A planned review of the Guidelines has been carried out.</p> <p>Members are asked to agree the draft Golden Lane Estate Listed Building Management Guidelines SPD and agree to a formal public consultation exercise being carried out, prior to its adoption as a Supplementary Planning Document.</p> <p>Copies of the draft text are available in the Members' Reading Room</p> <p><b>Recommendations</b></p> <ul style="list-style-type: none"><li>• Members approve the draft text of the Golden Lane Listed Building Management Guidelines Draft SPD and agree that the document be published for formal public consultation in July 2013.</li></ul>	

## **Main Report**

### **Background**

1. In June 2007, the Golden Lane Estate Listed Building Management Guidelines Supplementary Planning Document was adopted by Planning and Transportation Committee. This is a material consideration in the assessment of applications for planning and listed building consent on the Golden Lane Estate.
2. Part 1, Section 13, of the management guidelines sets out the procedure for the review. Following 5 years in operation, there were sufficient changes in national policy, local policy and issues arising on the estate, to warrant a full review of the document.
3. The review of the document began in 2012 with the reconvention of the original Working Party. Avanti Architects, the original consultants for the Golden Lane Listed Building Management Guidelines, were retained to assist the process.
4. Three Working Party meetings have taken place during 2013 to review and discuss possible changes to the Guidelines.
5. There are numerous textual changes throughout Part 1 and Part 2 to provide greater clarity and reflect current guidance. The significant content changes are in Part 1: updated contacts list; changes to reflect the introduction of the NPPF; changes to reflect the adoption of the Core Strategy; new sustainability and climate change policy; revised review procedure. In Part 2, particular attention has been paid to section 1.2.2

– now called ‘Oncoming pressures for change’, and to clarifying any uncertainty within the Management Guidelines sections.

### **Current Position**

6. The Golden Lane Listed Building Management Guidelines comprise two parts. Part 1 deals with the background to the development of the management guidelines, the legislative framework, stakeholder responsibilities, and procedural issues. Part 2 relates to the buildings of the Estate, considers their architectural significance, and provides Management Guidelines relating to specific elements of the buildings, and guiding how change to these elements should be managed.
7. The reviewed document will continue as a Supplementary Planning Document (SPD) . SPDs must be prepared in accordance with procedures set out in relevant regulations and public consultation must be carried out in accordance with the City’s Statement of Community Involvement, adopted in 2012.
8. It is proposed that the Golden Lane Listed Building Management Guidelines Draft SPD should be the subject of formal public consultation in July 2013.
9. At the end of the formal consultation period I will report on the responses received and any proposed amendment to the SPD as a result, to your Committee for adoption.

### **Implications**

10. There are no financial or risk implications arising from the proposed consultation process. Formal consultation for the Golden Lane Listed Building Management Guidelines will take place in July 2013.
11. There are no legal implications in this report.
12. The draft SPD supports Policy CS12 of the Core Strategy, which seeks to conserve or enhance the significance of the City’s heritage assets and to safeguard ‘the City’s listed buildings and their settings, while allowing appropriate adaptation and new uses.’
13. The Community Strategy: The City Together Strategy contains five key themes. The theme relevant to the Golden Lane Estate is to ‘protect, promote and enhance our environment’, including the built environment of the City and its public realm.
14. The Golden Lane Listed Building Management Guidelines Draft SPD, supports the Strategic aims of the Departmental Business Plan, relating to the sustainable design of the streets and spaces and the protection and enhancement of the City’s built environment. These aims are met by promoting the protection and enhancement of the Golden Lane Estate.
15. An Equality Impact Assessment was carried out and no equality issues were identified.
16. A Sustainability Appraisal Screening has been carried out and this indicates that the SPD will not have significant environmental impacts beyond the site. Therefore a full Strategic Environmental Assessment (SEA) will not be necessary. This finding is subject to consultation with the Environment Agency, English Heritage and Natural England.

### **Conclusion**

16. Members are recommended to agree the draft text of the Golden Lane Listed Building Management Guidelines SPD, and agree to the draft Golden Lane Listed Building Management Guidelines SPD, being subject to formal public consultation in July 2013.

### **Background papers**

Appendix A: Equalities Impact Assessment

Appendix B: Sustainability Appraisal Screening Statement

Appendix C: Statement of Consultation

Golden Lane Listed Building Management Guidelines Draft SPD – Copies are available in the Members reading room.

### **Contact:**

*Petra Sprowson*

*020 7332 1147*

*petra.sprowson@cityoflondon.gov.uk*

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# Equality Impact Assessments

A guide on **how** to carry out one and **why** it's important

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## Introduction

These guidance notes will help departments understand how to carry out comprehensive and robust Equality Impact Assessments (EQIAs) of all new strategies, policies and projects<sup>1</sup>. The assessments will help you to identify equality and diversity objectives and targets as the basis for future action and improvements. Equality and diversity objectives and targets should be included in departmental business and service plans and will support departments in meeting the requirements of the Equality Standard.

The purpose of an EQIA is to make sure that the City's strategies, policies and projects do not discriminate and that, where possible, they promote equality.

This note will explore in more detail:-

- What an EQIA is
- Who the equality target groups are
- The different types of impact
- Why it is important to carry out an EQIA
- Who is responsible for EQIAs
- When to carry out an EQIA
- How to conduct an EQIA
  - Stage One: Initial Screening
  - Stage Two: Full Assessment

**For the purposes of this note the term 'policy' will be used throughout this document to describe a strategy, policy or project.**

Please note that EQIAs are designed to be a challenging process, but they are not intended to be over-complicated. There is no 'right answer' and a 'common sense' approach should be taken. It is best to go through the assessment as soon as possible in the development process of a new policy, rather than use the assessment as a last minute check. You will need to be prepared to make changes as a result of the assessment.

## Further advice and guidance

Contact the Equalities Manager

Telephone: 020 7332 3328

Email: [equalities.team@cityoflondon.gov.uk](mailto:equalities.team@cityoflondon.gov.uk)

Or contact your departmental equality champion (see list attached at Appendix 1).

## What is an Equality Impact Assessment (EQIA)?

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<sup>1</sup> Strategy refers to both the statutory and non-statutory strategy documents the City produces.

A policy is defined as a written document outlining a decision, principle, plan or set of procedures that influences and determines the way the Corporation carries out its business internally or externally.

A project is a temporary structure created to achieve a specified objective.

The purpose of an Equality Impact Assessment (EQIA) is to improve the work of the City by making sure it does not discriminate and that, where possible, it promotes equality. It is a way to make sure that individuals and teams think carefully about the likely impact of their work on all stakeholders and take action to improve policies where appropriate. The EQIA flowchart at Appendix 2 illustrates this process.

The EQIA is a process for systematically analysing a proposed policy. It allows you to identify and record the impact of that policy on certain groups of people known as equality target groups. It involves anticipating the consequences of the policy on these groups and making sure that, as far as possible, any negative consequences are eliminated or minimised and that opportunities for promoting equality are maximised.

The EQIA is a two stage process which involves an initial screening of the policy and then a full assessment, where this is deemed necessary. A full assessment should only be completed if the initial screening identifies that any of the equality target group would be negatively affected by the policy or if the impact is assessed as being of high significance.

### **Equality Target Groups**

The City has defined the following equality target groups:

- ✓ women;
- ✓ black and minority ethnic people (BMEs);
- ✓ young people and children;
- ✓ older people;
- ✓ disabled people;
- ✓ lesbian women;
- ✓ gay men;
- ✓ bisexuals;
- ✓ transgendered people and
- ✓ people from different faith groups.

The equality areas are gender, race, disability, age, faith and sexual orientation.

### **Why it's important to carry out an EQIA**

- There are legal requirements to consider the impact of the City's work on race equality under the Race Relations (Amendment) Act 2000, on disability equality under the Disability Discrimination Act 2005 and gender equality under the Equality Act 2006. However, in line with best practice, the Corporation is committed to carrying out impact assessments which consider **all** its equality target groups.
- Assessments will support the City's equalities agenda and help mainstream equality and diversity into our policies and practices
- The City must carry out such assessments to meet the requirements of the Equality Standard for Local Government.
- They provide good practice and a logical process to help us identify improvements to services and to make them more appropriate and accessible to the needs of our stakeholders

- They help to increase the skills and effectiveness of managers at planning and developing their services

### **Who is responsible for EQIA?**

EQIAs should be mainstreamed as part of what we do as an organisation, with the ultimate responsibility resting on the Town Clerk. The following other groups and individuals also share this responsibility:

- Chief Officers/senior officers of each department
- Summit Group – acting as the corporate steering group who assist in co-ordinately the corporate assessments
- Corporate Equalities Team – developing guidance and training for departments on how to carry out an EQIA and supporting the completion of EQIAs on corporate policies
- Corporate Policy Team – integrating EQIAs into the performance management system and business planning process and integrating any corporate equalities objectives and targets into the Corporate Plan
- Departmental Equality Champions– establishing department EQIA programmes and assisting departmental officers in completing EQIAs
- Departmental Business Planners – including any actions, objectives and targets arising from the EQIA in the departmental business plan and monitoring progress as part of the quarterly reviews
- Departmental Management Teams – agreeing a programme of EQIAs and any equalities objectives and targets for inclusion in the departmental business plan

### **When to carry out an Equality Impact Assessment**

Each department should establish a programme for assessing new policies. Departments should focus on those policies which are high level and of strategic importance or those that impact on the following:

- ✓ Community Strategy
- ✓ Corporation's Medium Term Strategy
- ✓ Departmental business plans or associated projects
- ✓ Existing policies – service delivery, human resources, finance

The EQIA should be undertaken during the development stage, to allow for any issues to be identified as soon as possible.

Departments are encouraged to consider carrying out EQIA during the development of their annual business plan.

### **Impacts**

The EQIA process considers the impact of policies on certain equality target groups. There are three possible impacts which should be considered as part of the EQIA:

1. A negative or adverse impact
2. A positive impact
3. A neutral impact

### **Negative or adverse impact**

A negative or adverse impact occurs where the policy disadvantages one or more equality target groups. This disadvantage may be differential, in the sense that the negative or adverse impact on one particular equality target groups is likely to be greater than on another.

It should be noted that some negative impacts might be intended and the initial screening will provide an opportunity to assess this.

### **Positive impact**

A positive impact occurs where the policy influences on one or more of the equality target groups, or improves equal opportunities and/or relationships between groups. Again, this impact may be differential in that the positive impact on one group is greater than on another.

### **Neutral impact**

This occurs when a policy has a similar impact upon all groups

## **How to carry out an Equality Impact Assessment**

### **EQIA Stage One: Initial Screening**

The EQIA Initial Screening Form (ISF) attached at Appendix 3, should be used once it has been decided that a specific policy requires an initial screening.

As preparation for completing the Initial Screening Form, officers should do the following:

- Collate existing monitoring information (if you do not have any monitoring data this might be an outcome of the initial screening process)
- Collate information from diversity and equality related good practice
- Identify any local or national consultation or research, which has already been undertaken and may inform the assessment.

Once any background information has been collated you should work through each of the questions on the ISF. For some questions, you may have little or no information. In these circumstances, note the lack of data and move on. Lack of data should not be a reason to not complete the form, but actions should be planned to acquire any missing information.

### **The Initial Screening Form**

#### **Your strategy, policy or project**

Not every policy will need to go through a full assessment. This part of the form assesses the relevance of the policy by identifying the key objectives and the expected outcomes.

#### **The impact**

This section of the form requires you to consider the impact of the policy on each of the equality target groups.

#### **Further action**

This part of the form requires you to state what further action is required. Further action may include the following:



- The ISF has indicated that there may be a negative impact on certain equality target groups and a full assessment is required.
- The ISF indicates that a full assessment is not required but actions have arisen as part of the assessment.

Where actions do arise these should be recorded on the Action Sheet attached at Appendix 3. This sheet should also include details of any charges required to the policy as a result of completing the ISF.

### **EQIA Stage Two: Full Assessment**

The full assessment is used to examine policies which the initial screening indicated may have a negative impact on certain equality target groups. This second stage should be used if there is a danger that the negative impact falls into one (or more) of the following categories:

- ✓ It is assessed as being of high impact
- ✓ It is not intentional
- ✓ It is illegal or possibly illegal

If the policy does fall into one of these categories a full assessment should be completed using the form attached at Appendix 4.

The full assessment is in two parts:

#### **Part 1**

This provides the opportunity to assess the evidence for a possible negative impact. It ensures that teams have researched and consulted with the equality targets groups who may be affected by the policy.

#### **Part 2**

This completes the assessment and leads to an action plan that will aim to minimise any negative impacts and maximise positive impacts.

### **Partnership Projects**

The City aims to be an exemplary organisation in relation to equalities and to champion equal opportunities across all its partnerships.

The EQIA process therefore applies to all policies where the City takes the lead responsibility in a multi-agency group project. The City is the lead agency if the project was initiated by the City and if the monitoring, evaluation and strategic overview of the implementation lie with us, even if we are not the operational lead. The Community Strategy is a good example of this.

On group projects where the City is not the lead organisation, the City officer should raise the issue of the need to carry out an EQIA to comply with the requirements of the Race Relations (Amendment) Act 2000, and as best practice with other equality targets groups.

The City should carry out an EQIA initial screening before deciding to participate in any joint project.

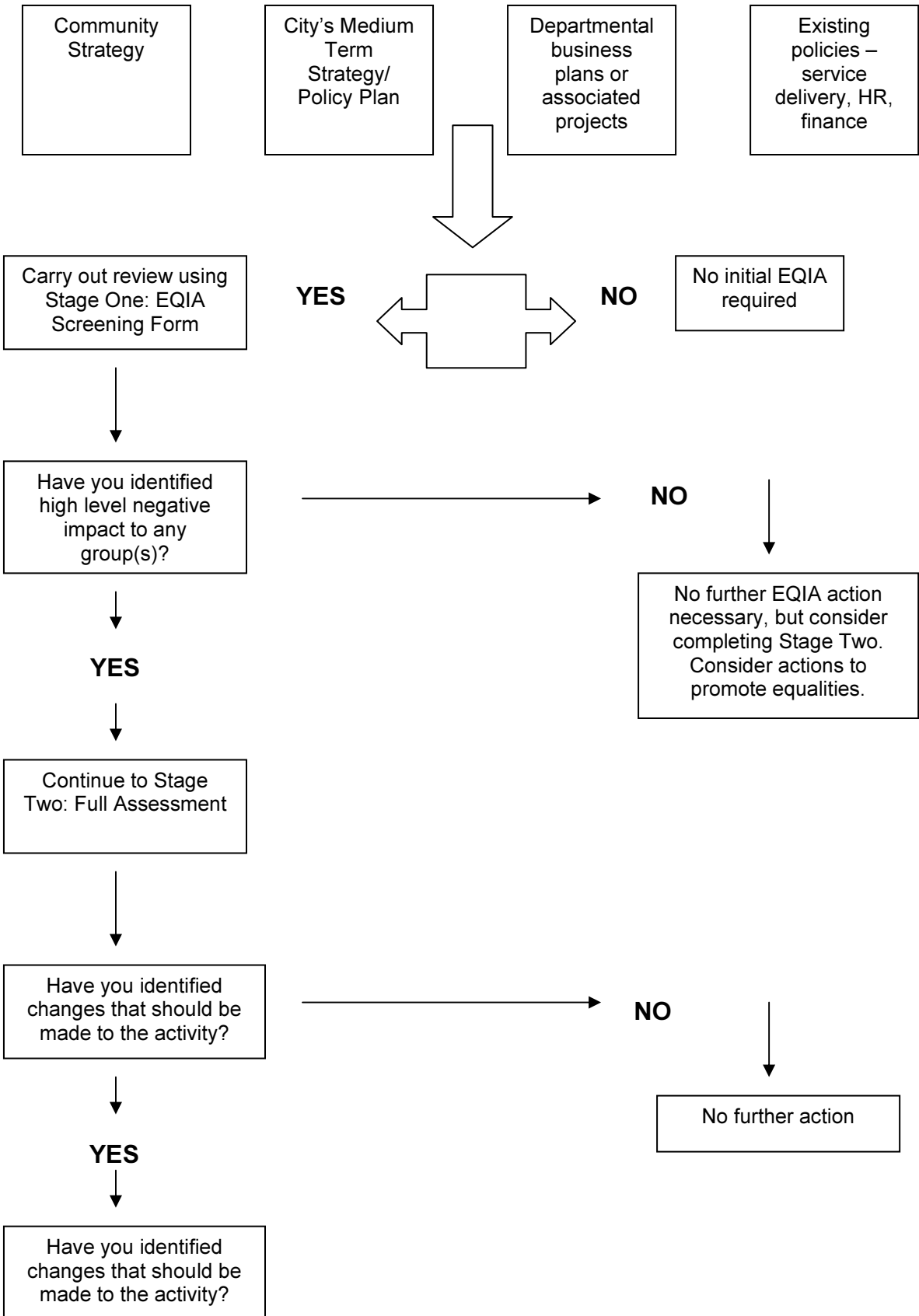
## Appendix 1 - Departmental Equality/Disability Champions

Department	Equality Champion
Barbican Centre	Karen Genuiardi Paul Riddell
Central Criminal Ct	Stephen Jones
Chamberlain's	Julie Smith Patricia Somerville
City Surveyor's	Keith Winter
Community and Children's Services	Neal Hounsell (Lead) Noel Falvey Cheryl Goldie Barbara Hamilton Sharon McLaughlin (Barbican Estate/Housing) Graham Watson
Comptroller & City Solicitor	Martin Howe Angela Taylor
Economic Development	Karen Corley
Education	Graham Watson
Environmental Services	Jon Averbs Steve Blake Margaret Jackson (Lead) Susan Kirby David McCarthy Gevdet Mehmet Wendy Pook Ken Witchell Jacqui Pitman
Joint Archives Service	Geoff Pick
Libraries & Guildhall Art Gallery	Carol Boswarthack
Mansion House	Kay Brock
Markets	Jane Poulton
Open Spaces	Alison Grayson Dennis Whelton
Planning & Transportation	Elisabeth Hannah Christine Dougherty
Remembrancer's	Margaret Pooley Dean Fisher
Town Clerk's	Paul Debusse Vikki Edwards

## Appendix 2 - Equality Impact Assessment Flowchart

**Does the strategy, policy or project require an EQIA?**

Does your action impact on one or more of the following:



## Appendix A - EQIA Stage One: Initial Screening Assessment Form

This should be used once it has been decided that a specific strategy, policy or project requires an initial screening.

Name of strategy, project, policy: **Golden Lane Listed Building Management Guidelines**\_\_\_\_

Department: **Department of the Built Environment**\_\_\_\_\_

Officer/s completing assessment: **Petra Sprowson**\_\_\_\_\_

The strategy, policy or project		
1.	What is the main purpose of the policy?	To assess the significance of Golden Lane Estate as a Heritage Asset and to provide guidance to residents and other stakeholders regarding any proposed changes to the estate
2.	Is the policy affected by external drivers for change?	Yes. The Golden Lane Estate is a Heritage Asset with numerous stakeholders, occupiers and users. It is subject to development pressure from residents and leaseholders wishing to alter their apartments and other stakeholders carrying out a mixed range of activities on the estate.
3.	List the main activities of the policy?	To summarise the special interest of the Golden Lane Estate, to describe its historical development, spatial and architectural character; to set out existing policies and guidance relating to the management of the area. To provide direct guidance to residents and stakeholders on the kind of work that can be carried out without the need for consent, and where advice or consent may be required.
4.	Who implements the policy?	Officers in Department of the Built Environment, and the Department of Community and Children's Services
5.	Who will be affected by the policy?	Residents, leaseholders, the freeholder, and other occupier/users of Golden Lane Estate.

6.	What outcome do you want to achieve, why and for whom?	To provide a better understanding of the special interest of the Golden Lane Estate. To preserve and enhance the area in line with statutory duties. To provide clarity and guidance for residents, leaseholders, the freeholder and other stakeholders when planning to carry out alterations on the estate.
7.	Are any other organisations involved?	English Heritage. Twentieth Century Society
8.	Are there any existing assessments or inspections?	No
9.	Who have you consulted on the policy/?	A Working Party formed of residents representatives, English Heritage and the Twentieth Century Society. Officers in the Department of the Built Environment, City Surveyors, Comptroller and City Solicitors, Town Clerk, Open Spaces. Department of Community and Children's Services. Non-Residential Stakeholders. External stakeholders to be consulted formally in July 2013.
10.	Who are the main beneficiaries of the policy?	People involved with maintaining and carrying out works on Golden Lane. People who live, work and spend time in the Golden Lane Estate.

<b>The Impact:</b>	Tick the boxes which apply for each 'target group'					
<b>Equality Target Group</b>	<b>Positive Impact</b>		<b>Neutral Impact</b>	<b>Negative Impact</b>		<b>Reason/Comment</b>
	<b>High</b>	<b>Low</b>		<b>High</b>	<b>Low</b>	
<b>Gender</b>						
Women			X			
Men			X			
Transgender			X			
<b>Race</b>						
Asian – Asian Bangladeshi; Asian British; Asian Indian; Asian Pakistani; Asian Other			X			
Black – Black African; Black British; Black Caribbean; Black Other			X			
Chinese			X			
Irish			X			
Mixed – Asian & White; Black & White; Mixed Other			X			
White – White British; White European Union; White Other			X			
<b>Disabled people</b>			X			
<b>Lesbians, gay men and bisexuals</b>			X			
<b>Older people</b>			X			
<b>Younger people and children</b>			X			
<b>Faith groups</b>			X			

<b>Further Action</b>	
Does the policy have a negative impact on any of the equality target groups? If so, you will need to proceed to Stage 2	No
Is the negative impact assessed as being of high significance? If so, you will need to proceed to Stage 2	No
Is progression to Stage 2: Full Assessment required?	Yes_____ No_____

Signed (Completing Officer): Petra Sprowson\_\_\_\_\_ Date: 23<sup>rd</sup> May 2013\_\_\_\_\_

Signed (Departmental Equality Champion): \_\_\_\_\_ Date: \_\_\_\_\_

**Actions Arising from Initial Screening**

Issue	Action Required	Lead Officer	Timescale	Resource Implications	Comments



## Appendix 4 - EQIA Stage Two: Full Assessment

Name of strategy, project, policy: \_\_\_\_\_

Department: \_\_\_\_\_

Officer/s completing assessment: \_\_\_\_\_

Part 1		
1.	In what areas are there concerns that the policy could have a negative impact? Please tick the relevant group/s opposite	Gender Race Disability Sexual Orientation (including transgender) Age Faith
2.	Summarise the likely negative effect	
3.	As a result of this assessment and available evidence, should the City commission research on this issue or carry out further monitoring/data collection?	
4.	What consultation has taken place/or is planned with affected equality target groups?	
5.	What consultation/communication has taken place/or is planned with staff?	

<b>Part 2</b> (to be completed once further consultation and research has been carried out)		
6.	As a result of this assessment and available evidence collected, state what changes are proposed to your policy?	
7.	Will the changes planned ensure that the negative impact is legal and of low impact?	
8.	What monitoring and evaluation will you introduce to further assess the impact of the policy on the equality target groups?	

Signed (Completing Officer): \_\_\_\_\_ Date: \_\_\_\_\_

Signed (Departmental Equality Champion): \_\_\_\_\_ Date: \_\_\_\_\_

# Appendix B

## Screening Statement

On the determination of the need for a **Strategic Environmental Assessment** (SEA) in accordance with the *Environmental Assessment of Plans and Programmes Regulations 2004* and *European Directive 2001/42/EC* of the:

### **Golden Lane Listed Building Management Guidelines Supplementary Planning Document**

May 2013



**Sustainability Appraisal/Strategic Environmental Assessment Screening for:  
Golden Lane Listed Building Management Guidelines**

## **1 Purpose of Sustainability Appraisal (SA) / Strategic Environmental Assessment (SEA)**

- 1.1 The SEA Directive identifies the purpose of SEA as “ to provide for a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans and programmes with a view to promoting sustainable development” (Directive 2001/EC/42)
- 1.2 Sustainability Appraisal (SA) is the process by which this Directive is applied to planning policy documents. SA aims to promote sustainable development through the integration of social, environmental and economic considerations into the preparation of plans.
- 1.3 The City’s adopted Core Strategy has been prepared taking account of the Sustainability Appraisal and the emerging Local Plan is subject to Sustainability Appraisal. However the 2008 Planning Act allows for Supplementary Planning Documents to be prepared without a full SA as long as they are screened to establish whether they will result in significant effects as defined by the SEA Directive.
- 1.4 The SEA Directive exempts plans and programmes from assessment “*When they determine the use of small areas at local level or are minor modifications to the above plans or programmes...*” and states that “*....they should be assessed only where Member States determine that they are likely to have significant effects on the environment.*”
- 1.5 The criteria for determining the significance of effects are taken from schedule 1 (9 (2) (a) and 10 (4)(a) of the Environmental Assessment of Plans and Programmes Regulations 2004 and are defined in appendix 1. These can be split into the criteria related to (i) the scope and influence of the document (ii) the type of impact and area likely to be affected

## **2 Purpose of the Golden Lane Listed Building Management Guidelines SPD**

- 2.1 The Golden Lane Estate was listed at Grade II, with the exception of Crescent House which received a Grade II\* listing, in 1997. This listing, by the Department of Culture Media and Sport (DCMS), recognizes the estate’s importance as an example of post-war residential architecture.
- 2.2 Listed Building Management Guidelines (LBMG) provide clarification as to what types of change may or may not require Listed Building Consent. In 2008 the City of London Corporation adopted LBMG for the Golden Lane Estate. These guidelines have been reviewed and some changes have been made to the 2013 version in order to further protect the estate’s historic features. Listed Building Management Guidelines cannot remove the need for Listed Building Consent for works which affect the character of a building of special architectural and historic interest.
- 2.3 The purpose of Golden Lane Listed Building Management Guidelines Supplementary Planning Document is
  - To record and analyse the character and special interest of the buildings and their setting both as a whole and as individual parts
  - To provide clear guidance on the implementation and management of change and the protection of character and special interest

- To set standards of best practice for the maintenance of the estate by the City of London Corporation

### 3 SEA Screening Procedure

- 3.1 The Responsible Authority (the City of London Corporation) must determine whether the plan or programme under assessment is likely to have significant environmental effects. This assessment must be made taking account of the criteria set out in Schedule 1 of the Environmental Assessment of Plans and Programmes Regulations 2004 (see appendix 1), and in consultation with the Environment Agency, English Heritage and Natural England.
- 3.2 Where the Responsible Authority determines that the plan or programme is unlikely to have significant environmental effects, and therefore does not need to be subject to full Strategic Environmental Assessment, it must prepare a statement showing the reasons for this determination.
- 3.3 Appendix 1 shows the results of this screening process for the Golden Lane Listed Building Management Guidelines SPD 2013.

### 4 Screening and Consultation Outcome

- 4.1 This screening demonstrates that the Golden Lane Listed Building Management Guidelines SPD is unlikely to have significant effects on the environment. Therefore it will not be necessary to carry out a full SA/SEA on this document.
- 4.2 Each of the statutory consultees has been consulted on this initial screening statement and their responses are summarised below:

Consultee	Response
Environment Agency	To be completed
Natural England	To be completed
English Heritage	To be completed

Determination: The Golden Lane Listed Building Management Guidelines SPD applies to a small area at a local level and is unlikely to have significant effects on the wider environment therefore it will not be necessary to carry out a Strategic Environmental Assessment on this SPD

Appendix 1 Criteria for determining the likely significance of effects on the environment

SEA Directive Criteria Schedule 1 Environmental Assessment of Plans and Programmes Regulations 2004	Summary of significant effects
1. Characteristics of the Golden Lane Listed Building Management Guidelines SPD having particular regard to:	
(a) The degree to which the SPD sets out a framework for projects and other activities, either with regard to the location, nature, size or operating conditions or by allocating resources	The Golden Lane Listed Building Management Guidelines SPD will provide supplementary guidance to support LDF Core Strategy Policy CS12 <i>Historic Environment</i> . The Core Strategy is the overarching framework for development in the City. This SPD will not allocate resources but will provide guidance as to what changes may require Listed Building Consent before they can be implemented.
(b) The degree to which the SPD influences other plans and programmes including those in a hierarchy	The Golden Lane Listed Building Management Guidelines SPD will provide guidance as to what changes to the Golden Lane Estate are likely to require Listed Building Consent and which changes are unlikely to require such consent. However this guidance will be in line with Core Strategy DPD policy CS12 <i>Historic Environment</i> , aiming to conserve or enhance the special architectural and historic interest identified in the List Description issued by DCMS. The Core Strategy DPD has been subject to full Sustainability Appraisal/ Strategic Environmental Assessment.
(c) The relevance of the SPD for the integration of environmental considerations in particular with a view to promoting sustainable development	This SPD complies with policies CS12 <i>Historic Environment</i> in the City's adopted Core Strategy, which promotes sustainable development. The Core Strategy has been subject to full Sustainability Appraisal / Strategic Environmental Assessment. The Planning Inspector's report of the Core Strategy examination stated that "the Core Strategy preparation has been closely informed by the Sustainability Appraisal. The latter identifies that the Strategy will have largely beneficial effects, and any negative effects can be mitigated"
(d) Environmental problems relevant to the SPD	This document will not introduce or exacerbate any environmental problems. Indeed it will conserve or enhance the heritage significance of the Golden Lane Estate resulting in social, environmental and economic benefits.
(e) The relevance of the SPD for the implementation of Community legislation on the environment (for example plans and programmes related to waste management or water protection)	This SPD will not impact on the implementation of Community legislation on the environment.

SEA Directive criteria Schedule 1 Environmental Assessment of Plans and Programmes Regulations 2004	Summary of significant effects
2 Characteristics of the effects and area likely to be affected having particular regard to:	
(a)The probability, duration, frequency and reversibility of the effects	This SPD aims to provide guidance on the conservation and enhancement of the Golden Lane Estate listed buildings. Volume II identifies the special interest features of the Golden Lane Estate and categorises elements of change by their likelihood of requiring and/or obtaining Listed Building Consent. The ultimate outcome will be to prevent irreversible change to the special interest features of the Estate. The overall impact will therefore be positive.
(b)The cumulative nature of the effects of the SPD	The effect of this SPD will be largely beneficial therefore any cumulative impacts will also be beneficial.
(c)The trans boundary nature of the effects of the SPD	This SPD will cover a relatively small area at local level therefore it is unlikely to have any trans-boundary effects.
(d)The risks to human health or the environment ( eg due to accident)	No significant risks to human health are envisaged through the application of this SPD.
(e)The magnitude and spatial extent of the effects (geographic area and size of the population likely to be affected) by the SPD	This SPD covers proposed change within the Golden Lane Estate. The spatial extent of the site is 3.62 hectares including 653 residential properties housing approximately 1130 residents. The site also houses sport and recreation facilities along with shops and a public house. This SPD will limit the magnitude of change in order to conserve the listed buildings.
(f)The value and vulnerability of the area likely to be affected by the SPD due to: <ul style="list-style-type: none"> <li>• Special natural characteristics or cultural heritage</li> <li>• Exceeded environmental quality standards or limit values</li> <li>• Intensive land use</li> </ul>	The area which is being protected by this SPD is recognised nationally through Grade II and II* listings. The site falls within an Air Quality Management Area for nitrogen dioxide and fine particulates. The surrounding area is under intense pressure for development. The impact of this SPD is likely to be positive in reducing the vulnerability of the affected areas.
(g)The effects of the SPD on areas or landscapes which have recognised national, Community or international protected status	The purpose of this SPD is to provide guidance on proposed change to a nationally listed collection of buildings. The effect of this SPD will be positive for conservation and enhancement of these buildings.



# Appendix C

## Statement of Consultation Informal consultation stage January to June 2013

### Supplementary Planning Document: Golden Lane Listed Building Management Guidelines



## **Introduction**

- 1.1 This document supports the following City of London Supplementary Planning Document (SPD):
- Golden Lane Listed Building Management Guidelines SPD
- 1.2 This document satisfies the requirements of Regulation 12 of the Town and Country Planning (Local Planning) (England) Regulations 2012 as amended (hereafter referred to as “the Regulations”). It should be read in conjunction with the other supporting documents, namely:
1. Strategic Environmental Assessment Screening Report
  2. Equalities Impact Assessment

### **Purpose:**

This document seeks to demonstrate how the City Corporation has complied with the minimum consultation requirements of the Regulations and its Statement of Community Involvement 2012.

This document sets out the following:

- The methods in which the draft SPD was publicised in advance of formal public consultation.
- Which bodies and persons were invited to make representations under the Regulations
- How those bodies and persons were invited to make such representations
- A summary of the main issues raised by those representations
- How those main issues have been addressed in the draft SPD

This Consultation Statement is provided as a supporting document for the formal consultation period (June – August 2013).

### **Stages of Consultation:**

This Consultation Statement relates to the informal stage of consultation undertaken by the City Corporation on the above Supplementary Planning Document between January and April 2013.

### **Methods of consultation:**

Prior to the informal consultation period the production of the SPD was publicised through the Local Development Framework (LDF) Bulletin, the City of London website, and a report to Planning and Transportation Committee.

### Local Plan Bulletin

The Local Plan Bulletin (formerly called the LDF Bulletin) outlines progress on preparing the City's planning policies. It is made available on the web site and printed copies are circulated to consultees at meetings, such as the Conservation Area Advisory Committee (CAAC). The Bulletin is updated as and when necessary, usually monthly. It gives current details of all SPDs that are adopted, in preparation, open for consultation and proposed in future.

### Website

The Planning pages of the City's website give detailed information on SPDs. Those adopted and undergoing consultation, together with other supporting documents, are available as PDFs to download.

### Planning and Transportation Committee

A report was submitted to the City of London Planning and Transportation Committee on 25 June 2013 requesting permission to publish the draft Golden Lane Listed Building Management Guidelines SPD for public consultation. The covering report, draft SPD and supporting documents were circulated to Members and placed on the City of London website as public documents.

### Golden Lane Working Party

A Working Party was formed which included residents of Golden Lane Estate, officers from various departments of the City of London Corporation, English Heritage and the Twentieth Century Society. A consultant from Avanti Architects was retained to provide expert advice. The Working Party was chaired by a Member of the City Corporation.

Three meetings of the Working Party were held, which gave all parties an opportunity to discuss the draft document, and reach a consensus on the proposed text.

### **Responses:**

- All responses from the Working Party were minuted and appropriate changes were made to the draft text.
- There are numerous textual changes throughout Part 1 and Part 2 to provide greater clarity and reflect current guidance. The significant content changes are in Part 1: updated contacts list; changes to reflect the introduction of the NPPF; changes to reflect the adoption of the Core Strategy; new sustainability and climate change policy; revised review procedure. In Part 2, particular attention has been paid to section 1.2.2 – now called 'Oncoming pressures for change', and to clarifying any uncertainty within the Management Guidelines sections
- No responses were received from other sources.

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<p><b>Committees:</b>          Planning and Transportation Committee          Policy and Resources Committee          Health and Wellbeing Board          Court of Common Council</p>	<p><b>Dates:</b>          25 June 2013          27 June 2013          2 July 2013          18 July 2013</p>
<p><b>Subject:</b>          20mph Speed Limit Benefits and Disbenefits Investigation</p>	<p><b>Public</b></p>
<p><b>Report of:</b>          The Director of the Built Environment</p>	<p><b>For Decision</b></p>

## Summary

This report advocates the adoption of a 20mph speed limit in all City streets, including those managed by Transport for London. It is in two main parts: this report, which deals directly with the main points, and then two appendices, the first of which amplifies those points, and the second which provides some standard responses to what we expect will be frequently asked questions (FAQs).

Casualty figures in the City have shown a steady increase over the last three years with some 423 casualties in 2012 including 57 killed or seriously injured (KSI). This is despite continuation of our traditional programme of road safety measures. The reason for the increase is that the nature of the usage of City streets is changing. There has been a dramatic rise in the numbers of cyclists and pedestrians, and with the advent of Crossrail increasing the number of pedestrians and the encouragement of cycling generally, these numbers can only increase. Compared with the rest of London, in the City these groups are disproportionately highly represented in the casualty statistics. The situation can therefore only get worse unless we do something different.

Our strategy to reverse the rising casualty numbers is the recently adopted Road Danger Reduction Plan (RDRP). This sets out a whole range of measures to be undertaken between now and 2020. All of these have different cost to benefit ratios. We are already doing the more straightforward things, with an innovative education, training and publicity programme (ETP); minor junction improvements; driver behaviour and vehicle improvement programmes; and even some major junction improvements, like at Holborn Circus, where we are spending £3M on what is our worst casualty location. We have also delivered schemes like Cheapside, where there has been an average speed reduction of over 4 mph (and no collisions resulting in casualties), through narrowing the carriageway. But measures like these take time and to achieve City-wide results would be prohibitively expensive. This is why, in the Plan, it was also agreed that the pros and cons of introducing a reduction in the speed limit across the City should be examined.

This report looks at whether and how such a limit would make a difference. The findings are that it would, with predicted casualty savings of between 8–9%, i.e., around 30–40 casualties per annum, which would be a significant step towards our published target of 30% by 2020. The report also estimates implementation

costs at £100k–£150k which, with the achievement of predicted casualty savings, would make this approach highly cost effective. The other main findings of the study include:

- Traffic speeds would be reduced by the introduction of a 20mph limit
- The often-quoted low average speeds within the City mask both streets where average speeds are over 20mph and also peak traffic speeds at various times such as evenings and weekends. Secondary benefits such as reduced pollution and health improvements through modal shift to cycling are likely to occur.
- There is little or no disbenefit to introducing a 20mph speed limit and in particular journey-time increases would be minimal given the size of the City (typically the journey time for the longest route through the City, i.e., from Victoria Embankment to Byward Street, is not expected to exceed 1 minute even during free flow conditions).
- Transport for London (TfL), City of London Police (CoLP) and the World Health Organization (WHO) support the introduction.

The report goes on to discuss how a limit might be introduced and signed, without the need for traffic calming measures.

### **Recommendation**

It is recommended that Members agree the following:

1. Subject to the agreement of the Court of Common Council, public notice of the City's intention to make an order prohibiting the driving of motor vehicles on all streets in the City of London for which the City is the local traffic authority at more than 20mph be given
2. That any objections that are made to the making of that order be reported to your Planning and Transportation Committee for consideration
3. That the costs of implementing a 20mph limit be met through Local Implementation Programme funding with approval being sought to utilise the 'on street parking reserve' in the event of any shortfall.

## **Main Report**

### **Background**

1. Over the last three years, the usage of City streets has changed. There are now 3 times the number of cyclists that there were 10 years ago, and pedestrian numbers are rising and with Crossrail on the horizon are set to go on rising. Vehicular traffic has remained steady, and with congestion charging now established, few people now drive to the City, other than taxis or to make deliveries, although the Transport for London (TfL) routes are still busy with through traffic.

2. The City has continued with all the road safety measures it has traditionally used. For example, we have a comprehensive package of road safety education for cyclists and in schools and we have improved junctions, both large (like at Mansion House Station) and small (as with courtesy crossings). We have introduced two-way cycling in 50 one-way streets as a measure to help encourage cyclists off the main streets. And yet our casualty figures continue to rise.
3. A reflection of the change in the street usage mix has been that the City has a disproportionately high number of cyclists and pedestrians involved in collisions, compared to the Inner London boroughs. The objective, for London and nationally, is the reduction of casualties where people are killed or seriously injured (KSI). Within London, the vulnerable user groups of pedestrians, cyclists and powered two wheel riders comprise 76% of the KSI total, which is high by national standards. Within the City, the percentage is even higher: 93% of those killed or seriously injured in 2012 were vulnerable road users.
4. The road safety activity over the last decade has made the streets safer for most users but there has been an increase in casualties over the last few years. There is, therefore, a need to change perceptions, expectations and behaviours if the target reduction in casualties is to be met. Put very simply, by 2020, the annual number of casualties within the City needs to be reduced by 165 from the 2012 figure if we are to meet our Local Implementation Plan (LIP) targets.
5. The *Road Danger Reduction Plan* sets out targets and a range of actions to address the City's road safety issues and to meet the requirements under the Mayor's Transport Strategy. Introduction of a 20mph limit would be a significant step forward in the implementation of the plan.
6. The Mayor of London has set out his in principle support of reducing speed limits to 20mph in London in his Road Safety Action Plan for London entitled Safe Streets for London (the Mayor's Action Plan). Published in June 2013 the document says there are now more than 400 20mph zones in London. It states that approximately 9% of KSI collisions are speed related and that TfL will seek to support the installation of new zones and limits through LIPs.

## Investigation

7. Officers have:
  - Conducted a literature search including reviewing experience with 20mph environments from elsewhere in the United Kingdom and overseas;
  - Commissioned a specific air quality impacts study from Imperial College London;
  - Obtained average spot speed data for the City based on a study of 59 City streets;
  - Had regard to the Department for Transport's recently introduced speed limit appraisal tool;
  - Scoped the infrastructure required to implement a 20mph limit; and
  - Assessed the predicted impacts.

8. The data collected and used in this investigation and a thorough analysis of the impacts are **attached** as Appendix 1 to this report.

### **Current Speeds**

9. Members will be aware that the often-quoted speed for City traffic is about 8mph. This is the “space mean speed” and is calculated by conducting surveys of cars moving between two points along specific streets during the morning, lunchtime and evening peak periods, on a week day.
10. So to measure the typical speed of vehicles in free-flowing traffic the speed of vehicles at a midway point along a number of streets was collected. These data are referred to as the “spot mean speed”. Data were gathered for all vehicles passing a specific point for two weeks and for 24 hours a day. This is the standard data collection technique recommended by the Department for Transport.
11. The average spot mean speed throughout the City is 22mph. The average at Upper Thames Street is 28mph, on Aldersgate Street it is 22mph and on the recently narrowed Cheapside it is 16mph.
12. Clearly there is a variation in speed throughout the day and night and also a variation between weekdays and weekends, but any street where vehicles travel in excess of 20mph has the potential to deliver speed reduction, and therefore casualty reduction.

### **Journey Times**

13. Maximum increased journey times during the free-flow conditions of the small hours of the morning have been independently assessed as being no more than 1 minute across the City (Victoria Embankment–Byward Street), provided that speed limits are not exceeded. This is, however, not representative of the majority of journeys across the City which have an origin or destination in the City where increased journey times over a representative 1.6 mile-journey would be 25 seconds on average.

### **Current Casualties**

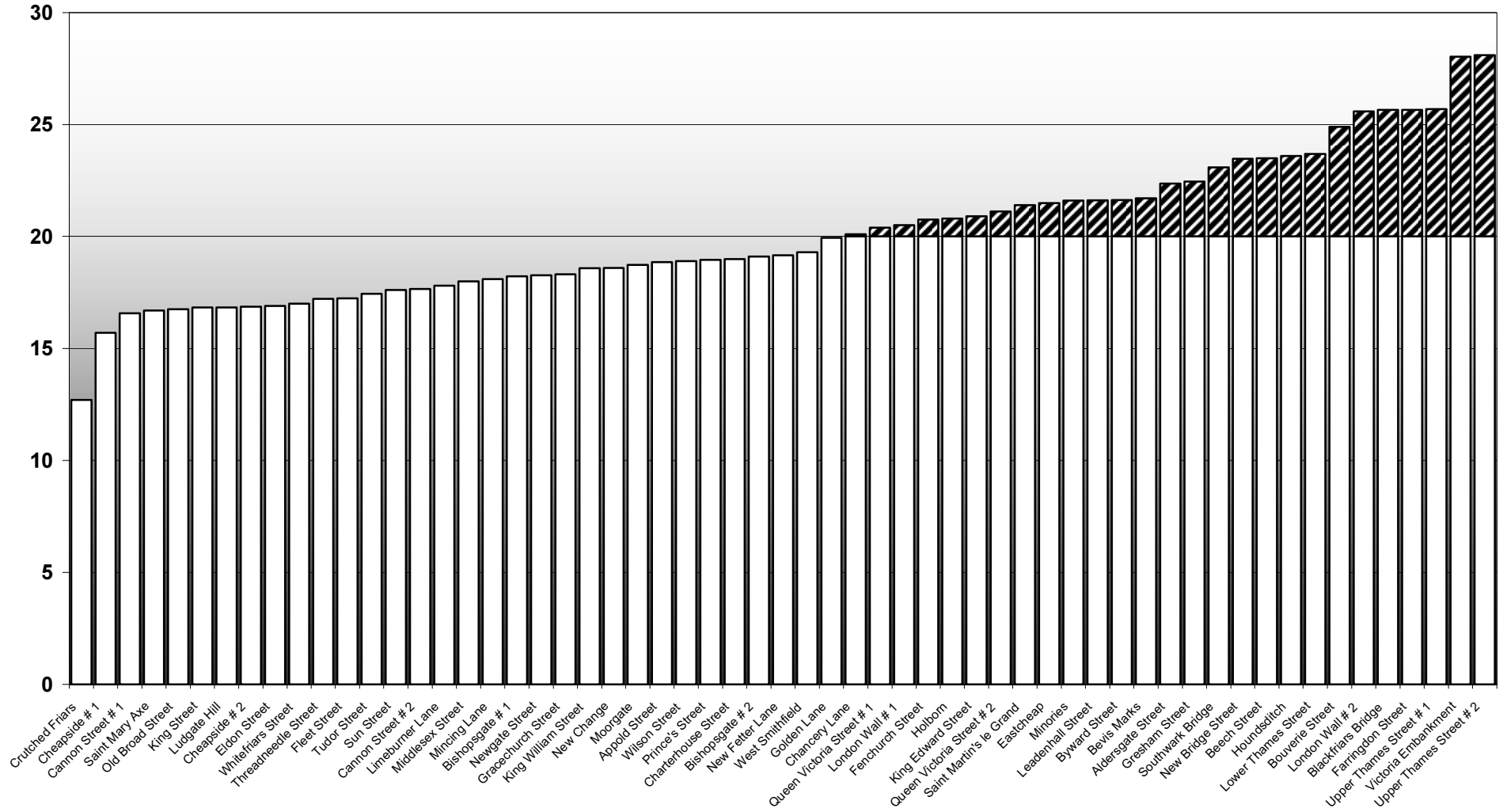
14. The Department for Transport (DfT) indicate that a reduction of 6% of casualties can be achieved for each 1 mph reduction in average speed. These data have been gathered from locations throughout the country where 20 mph speed limits have been introduced.
15. Total casualties in the City in 2012 were 423. Of these, 57 were in the killed and seriously injured (KSI) category. The numbers continue to increase for the third year in a row. These figures include casualties that occur on Transport for London roads within the City.
16. From analysis of casualties in the City it can be shown that 87% of all pedestrian injuries and approximately 80% of all cyclist injuries resulted from collisions with motor vehicles.
17. Overall 93% of the KSI casualties in 2012 were vulnerable users: pedestrians, cyclists and powered two wheelers. Speed is not recorded as a factor for most of the collisions within the City but then the Police do not record speed as a



contributory factor if the vehicle was travelling at less than the prevailing speed limit (i.e., 30mph).

18. Officers have used the DfT analysis to estimate a reduction in casualties in the City as result of a 20mph speed limit. This produces an estimated reduction in casualties of 35 per annum. Casualties on those streets where the spot mean speed is already at or below 20mph have been discounted. Where the spot mean speed is above 20mph, a casualty reduction of 6% is predicted for each mile per hour above 20mph, up to a maximum reduction of 4mph. (The evidence used for the DfT's Circular also indicates that 4mph is the maximum reduction in average speed that can expected from a 20mph speed limit without a significant increase in enforcement activity).
19. As a result, casualty reductions are likely to be greatest on those streets where the spot mean speeds are at least 24mph.
20. This is of course an estimate based on national experience, but we have local evidence to support this. Several years ago, Transport for London introduced a 20mph limit on Upper Thames Street between Swan Lane and Queen Street to facilitate the refurbishment of Walbrook Wharf. There was a dramatic reduction in casualties. The three-year casualty total before the speed-limit reduction was nine and the total for the three years of the 20mph limit was nil.
21. In addition, as well as reducing the number of casualties, a 20mph speed limit would be likely to reduce the severity of casualties.

# OVERALL AVERAGE CITY OF LONDON SPOT MEAN SPEEDS (MPH)



## Traffic Calming

22. Department for Transport guidance for an authority like the City, with an average speed of 22mph, is that a speed limit on its own will be substantially self-enforcing and does not require physical speed reducing features along a street such as chicanes or speed humps.

## What Are Others Doing?

23. On 6 June the Mayor of London published his *Safe Streets for London* strategy document. In it he sets out his support for 20mph speed limits in appropriate locations and advises that there are now some 400 20mph zones across London covering 19% of the total London road network.
24. Transport for London has indicated that, in principle, they support the introduction of a 20mph speed limit for all of their streets within the City of London. Therefore it is proposed that the limit would cover all streets within the City.
25. All boroughs surrounding the City, with the exception of the City of Westminster, have adopted 20mph for all, or most, of their area.
26. Internationally, New York, Paris and Tokyo have, or plan to, introduce substantial speed-reduction initiatives in at least part of those cities.
27. The City has already introduced 20mph for several minor streets:
  - Watling Street;
  - Baltic Street West;
  - Golden Lane; and
  - Chiswell Street.

## Enforcement

28. The City of London Police support the introduction of a 20mph speed limit for the City and the Association of Chief Police Officers (ACPO) have recently made clear their support for appropriately introduced urban 20mph speed limits. In reviewing the practicalities of implementation, the Commissioner has noted that the existing speed cameras in the City are not suitable for the enforcement of 20mph speed restrictions and therefore that, if any 20mph speed limit is not successful in being self enforcing, there may be a need for additional enforcement resources (for new speed cameras and additional back-office penalty charge notice processing). The provision of resources to address this issue is a specific action for TfL set out in the recent Mayor's *Safe Streets for London* action plan.

## Health and Wellbeing

29. The World Health Organization has stated that "One of the most effective ways to improve pedestrian safety is to reduce the speed of vehicles" and lists area-wide lower speed limits (e.g., 30km/h or 20mph limits) as an intervention of proven effectiveness in improving pedestrian safety.
30. Modal shift to cycling as a result of better conditions for cycling, resulting from a 20mph speed limit, would assist in improving public health. Similarly public health

benefits would also result from modal shift to walking, although these benefits are likely to be less as the potential for modal shift to walking is less.

### **Air Pollution Effects**

31. The likely air pollution effects resulting from a 20mph speed limit have been studied by Imperial College London under a commission from the City. The likely effects are complex and are different for petrol vehicles and for diesel vehicles, and for larger vehicles (e.g., goods vehicles) and smaller vehicles (e.g., cars). The composition of the vehicle fleet using the City's streets is therefore a key determinant of the likely air quality effects. In general terms however, the study concludes that:

*The effects of a 20mph speed restriction ... were shown to be mixed, with particular benefit seen for emissions of particulate matter and for diesel vehicles. The methodology was validated by consideration of real-world tailpipe emissions test data. It was therefore concluded that air quality is unlikely to be made worse as a result of 20mph speed limits on streets in London.*

### **Practicalities**

32. The project should cost £100k–£150k. The Mayor of London has stated in his Safe Streets for London action plan that he will support the installation of 20mph limits through LIP funding. It is proposed a specific bid be made for this purpose and that approval be sought to utilise the 'on-street parking reserve' in the event of any shortfall.
33. The speed limit should be largely self-enforcing. The police are expected to carry on as existing although final enforcement requirements have not yet been quantified.
34. TfL will be requested to alter the traffic signal "green wave" to reinforce a maximum 20mph transit speed which should result in reduced delays due to red signals.

### **Conclusion**

35. The changing usage of the City's streets means that radical action on reducing road danger is necessary. Introducing a 20mph limit City-wide is a cost-efficient and practical way of making such a radical change quickly. The evidence is that it will be effective in reducing both the number and severity of collisions; be largely self-enforcing; have no adverse impacts on air quality; and be seen to be contributing towards healthier lifestyles. It would fit with international, national and local moves in the same direction. The drawbacks are few: increased journey times when roads are quiet; and a cost of between £100k and £150k.
36. Its introduction cannot be a complete answer to a reduction of casualties and changed behaviours, and it would (if introduced) remain a part, albeit a significant part, of the City's holistic approach to road safety as set out in the *Road Danger Reduction Plan*.

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## APPENDIX 1: ANALYSES AND TECHNICAL INFORMATION

### AVERAGE TRAFFIC SPEEDS IN THE CITY OF LONDON

1. In February–March 2013 the City commissioned from MHC Traffic Ltd comprehensive monitoring of the average spot mean speeds on the City’s streets (including the Transport for London road network in the City). At each of the 59 sites data were collected 24 hours per day for around a fortnight.
2. The average spot mean speed across all 59 surveyed sites across the City was 21.9mph.
3. This result of an average City traffic speed (across the whole 24 hours of the day) of 21.9mph contrasts with the usual average traffic speeds in the City of around 8–10mph that are usually quoted and reported to your committees. There are two reasons for this: differing survey methodologies and differing survey periods.

#### *Survey Methodologies*

4. The standard City traffic survey is conducted biannually, in the relatively neutral months of April and October. It measures what traffic engineers refer to as “**space mean speed**”. This is the average speed of all of the motor vehicles travelling along a defined length of street over a defined period. For the standard City traffic survey this is usually a street, a section of a longer street or a short run of a number of short streets forming a clear route, from junction to junction (often traffic signal-controlled ones), which are referred to as surveyed “links”. On such a link in the City motor vehicles will typically start from a stopped position in the traffic queue at the junction, accelerate to the maximum speed achievable by the traffic conditions, and then brake to a stop for the next junction. Some runs are undertaken without this pattern, with green lights allowing continuous running and lighter traffic conditions allowing speeds to approach or be at or above the speed limit. Each link is driven 30 times for each survey to avoid unusual events skewing the data. The speed data recorded by the standard City survey are therefore the average speeds over the whole of each link, including the time spent at low speeds or stopped at junctions and for other interruptions such as pedestrian crossings and street works and roadworks.
5. The survey conducted in February and March by MHC Traffic Ltd instead measured what traffic engineers refer to as “**time mean speed**” (rather than

the standard City survey's "space mean speed"). Time mean speed is the average speed of all of the motor vehicles passing a defined point over a defined period. This point is usually set where motor vehicles are likely to be at their maximum speed on that link, i.e., the point at which vehicles are likely to have finished accelerating away from the previous junction but have not yet started braking for the next junction. Such speed data are often called "spot mean speeds", being average speed data obtained at a particular individual spot (rather than over a link). As time mean speed surveys are capturing speeds at or near to vehicles' maximum speeds, the average speeds obtained by these surveys are invariably higher than the average speeds obtained by "space mean speed" surveys, when the whole range of vehicle speeds are being captured and averaged.

6. Spot mean speeds (the data obtained from time mean speed surveys) are what are required to analyse and set appropriate speed limits, as it is motor vehicles' maximum (or near maximum) speeds that are of relevance to speed limits. This is in accordance with national guidance and traffic management industry best practice.

### ***Survey Periods***

7. In addition, as the standard biannual City traffic survey (space mean speed survey) is primarily concerned with measuring and analysing the changes in journey times caused by peak-period disruption from street works, roadworks and other changes to the street environment, it is conducted during peak periods only, with surveys conducted 10 times during 3 time periods (starting at 7 a.m., 12 p.m. and 4 p.m.), making 30 runs in total for each link of each survey.
8. With the 20mph investigation however, as the speed limit would be applicable 24 hours per day, 24-hour data are required, and the time mean speed survey conducted by MHC Traffic Ltd was therefore continuous around the clock, with several hundred hours of data per site. As the standard City traffic surveys have traditionally sought to demonstrate the scale of the congestion problem in the City and the change over time these surveys have collected congested peak-period data only. In contrast the MHC Traffic survey was 24 hour, the spot mean speeds obtained by the later survey are significantly higher than the average speeds of the standard survey.

## **ASSESSMENT OF THE PRINCIPAL BENEFITS AND DISBENEFITS OF A CITY-WIDE 20MPH ENVIRONMENT**

9. There are several key areas that need to be investigated to assess all of the likely principal benefits and disbenefits of a 20mph environment in the City. These are:—
- the likely changes in the frequency of road traffic collisions and the severity of road traffic casualties;
  - the likely changes to average journey times for all road user classes (including buses);
  - the likely changes to the environments for walking and cycling/modal shift to or from walking and cycling;
  - the likely changes in the emissions of air pollutants and greenhouse gases from road vehicle exhausts, including as a result of modal shifts;
  - the likely changes in the emissions of air pollutants from road vehicle brake and tyre wear, including as a result of modal shifts;
  - the likely changes in noise pollutants and excessive vibration from road traffic, including as a result of modal shifts; and
  - the likely impact on public health as a result of modal shifts.
10. The conclusions in respect of these principal benefits and disbenefits are set out in the *following* sections.

### **LIKELY CHANGES IN THE FREQUENCY OF ROAD TRAFFIC COLLISIONS AND THE SEVERITY OF ROAD TRAFFIC CASUALTIES**

#### ***Theoretical Maximum Range of Changes in Collisions and Casualties***

11. In theory, a change to a 20mph environment could *increase* the number of road traffic collisions and/or the number and/or severity of road traffic casualties. It has been suggested that this could occur through the slower vehicle speeds and resulting more relaxed environment causing greater inattention among road users (whether they be drivers, vulnerable road users such as pedestrians and cyclists, or both).

12. At the other end of the scale, a change to a 20mph environment could, in theory (if such a scheme was totally effective in reducing road dangers), reduce the numbers of collisions and casualties to none.

### ***Realistic Range of Changes in Collisions and Casualties***

13. The 30mph speed limit is longstanding, having been the default speed limit on British highways since 18 March 1935<sup>1</sup>. There seems to be no evidence that road user inattention correlates significantly with average traffic speeds. The possibility of an increase in the number of road traffic collisions and/or severity of casualties as a result of a change to a 20mph environment is therefore discounted for the purposes of this report.
14. At the other end of the scale, a reduction in casualties to nil as a result of a change to a 20mph environment seems extremely unlikely because many road traffic collisions are caused by factors other than excessive speed and because if a collision does occur with a vulnerable road user at 20mph a slight casualty is still the most likely result.
15. Circular 01/2013, *Setting Local Speed Limits*, advises that “Research shows that on urban roads with low average traffic speeds any 1 mph reduction in average speed can reduce the collision frequency by around 6%”<sup>2</sup>; and that “If the mean speed is already at or below 24mph on a road, introducing a 20mph speed limit through signing alone is likely to lead to general compliance with the new speed limit”<sup>3</sup>. Of the 59 surveyed sites across the City, spot mean speeds were below 24mph at 52 of them (i.e., at 88% of them) and below 20mph at 32 of them (i.e., at 54% of them).
16. Officers have looked at all of the road traffic casualties that occurred in the City over the last three years and have made two assumptions in predicting the likely reductions in casualties that would occur with the implementation of a 20mph environment in the City, using the research behind and advice contained within Circular 01/2013.
17. Firstly, that where a casualty occurred in a location where the City’s speed survey indicates that the spot mean speed was 20mph or less<sup>4</sup>, there would be no impact on casualties, and the same number of casualties in these locations would occur with a 20mph environment. Secondly, that where a casualty occurred in a location where the City’s speed survey indicates that

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<sup>1</sup> as a result of the coming into force of the Road Traffic Act 1934

<sup>2</sup> paragraph 82

<sup>3</sup> paragraph 95

<sup>4</sup> Where speeds were not surveyed on the relevant street or section of street, spot mean speed data from the most comparable street or street section were used instead.



the average spot mean speed was more than 20mph, the number of casualties in these locations would be reduced by 6% per 1 mile per hour above 20mph, up to a maximum of 24% (i.e., as a result of the maximum realistic reduction in traffic speeds of 4 mph). For example, at a location where the spot mean speed was 22mph, casualties would be reduced by 12% (22mph – 20mph = 2mph, multiplied by 6% per 1mph); and at a location where the spot mean speed was 25mph, casualties would be reduced by 24% (4mph multiplied by 6% per 1mph).

18. Having undertaken this analysis, a reduction in casualties of 8.6% is predicted. Over three years<sup>5</sup> this represents a reduction in casualties from 1,228 to 1,122.5, i.e., a reduction of 105.5 casualties.
19. This predicted 8.6% reduction in casualties compares to the targeted 12.5% reduction in casualties by 2013 and 30% reduction in casualties in the City by 2020, from the baseline of the 2004–2008 average, as set out in the Local Implementation Plan and the Road Danger Reduction Plan.<sup>6</sup>

## **LIKELY CHANGES TO AVERAGE JOURNEY TIMES FOR ALL ROAD USER CLASSES (INCLUDING BUSES)**

### ***Theoretical Maximum Range of Changes in Average Journey Times***

20. In theory, a change to a 20mph environment could *decrease* average City journey times by smoothing traffic flow and thereby letting more traffic through some junctions in some conditions. Better traffic flow at lower speeds is a well understood traffic phenomenon. Lower speeds allow reduced following distances, in turn allowing more vehicles to travel safely in the same amount of space. Managed speed reduction is regularly made use of in active traffic management, for example when the Highways Agency reduces the speed limit on motorways in high flow conditions below the standard 70mph motorway speed limit in order to improve traffic flow and thereby decrease average journey times for all users. However, no evidence could be found as to exactly how much additional throughput of traffic could potentially occur in lower speed (congested) traffic conditions such as habitually occurs in the City during the working day.

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<sup>5</sup> Three years is the standard road traffic casualty reporting period, in order to reduce the impact of any anomalous results.

<sup>6</sup> However, these predictions need to be seen in the context of significant increases in the total number of persons injured in road traffic collisions in the City since the Local Implementation Plan target baseline period of 2004–2008 (inclusive).

21. At the other end of the scale, the maximum change in average journey times that could result from the implementation of a 20mph environment in the City is, theoretically, a 50% increase. This would occur when traffic is entirely free flowing and uninterrupted and motor vehicles can travel at the speed limit for their entire journey, i.e., when there is no traffic congestion and no delays caused by the need to slow down for or give way at junctions (as a result of traffic signals, stop signs etc.). Over the longest direct journey that it is sensible to make by motor vehicle entirely within the City, along the A3211 (Upper and Lower Thames Street) from Temple Place to Trinity Square<sup>7</sup>, which is a journey of approximately 1.6 miles, this would represent an increase from 3 minutes 12 seconds to 4 minutes 48 seconds, i.e., an increase of 1 minute 36 seconds (staying within speed limits).
22. However to do this journey without having to stop is unlikely, even in the early hours of the morning. (One of our staff tried it several times at that time of day and found the increased average journey time to be 1 minute 5 seconds, from 3 minutes 35 seconds to 4 minutes 40 seconds). An increase in total journey time from Temple Place to Trinity Square of 1 minute 36 seconds is therefore not a realistic estimate of the likely maximum increase in average journey times resulting from a change to a 20mph environment. This is particularly so as a journey along the whole of the City part of the A3211 is not representative of journeys within the City. It is a through-traffic journey, whereas most motor vehicle journeys within the City have (thanks to the traffic and environment zone and the congestion charging zone along with the successful implementation of other policies such as parking supply restraint) an origin and/or a destination within the City.
23. As a result, an alternative approach to the likely change in average journey times resulting from a change to a 20mph environment is adopted in this report. The City's monitoring of spot mean speeds indicates that the highest average speed along the City part of the A3211 was 28.1mph. A 20mph scheme would likely reduce this average to around 24mph. This would represent an increase in average journey times of 35 seconds (i.e., an increase from 3 minutes 25 seconds to 4 minutes, which is an increase of 17%). If a 20mph scheme was successful in lowering the average speed along the City part of the A3211 to 20mph, this would represent an increase in average journey times of 1 minute 23 seconds (i.e., an increase from 3 minutes 25 seconds to 4 minutes 48 seconds, which is an increase of 41%).

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<sup>7</sup> Victoria Embankment–Blackfriars Underpass–Upper Thames Street–Lower Thames Street–Byward Street

### ***Most Likely Change in Average Journey Times***

24. As discussed *above*, a journey along the whole of the City part of the A3211 is not representative of the majority of journeys within the City. The City's monitoring of spot mean speeds indicates that the average across all 59 surveyed sites was 21.9mph. A successful 20mph environment scheme would reduce this average to a little below 20mph.<sup>8</sup> (for simplicity, 20mph is adopted for the purpose of this calculation). If we then took a cautionary approach and assumed that the average journey length within the City is 1.6 miles (i.e., the same as the A3211 from City boundary to boundary) then the average journey times would increase by 25 seconds (i.e., an increase from 4 minutes 23 seconds to 4 minutes 48 seconds, which is an increase of 10%).

### ***Bus Journey Times***

25. Given that buses must inevitably stop often to pick up and set down passengers, especially in a dense urban environment such as the City, the *above* analysis about journey times in general is true of buses; and, to the extent that there are journey-time factors that are specific to buses, this will mean that a 20mph environment would have less effect on buses than on other motor vehicle traffic, as buses will less often reach a maximum speed greater than 20mph.

## **LIKELY CHANGES TO THE ENVIRONMENTS FOR WALKING AND CYCLING/MODAL SHIFT TO OR FROM WALKING AND CYCLING**

26. A 20mph environment in the City would have a positive impact on the quality of the environment for journeys made by walking and by cycling. In the absence of large-scale opinion surveys, it is not possible to adequately quantify such subjective improvements in journey quality, but the effects in terms of producing a more relaxed City street environment, in which both walking and cycling were less stressful and more enjoyable, would likely be highly significant. Indeed, these subjective but very positive effects rank along with casualty reductions as among the most important potential benefits of a 20mph environment for the City.
27. Walking is already popular, so no change is anticipated there. With cycling however, given the relatively low existing modal share, the picture is different.

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<sup>8</sup> It will not be exactly 20 mph as some average speeds are already, and would remain, below 20 mph, so if the upper limit of the sampled average speeds is reduced to closer to 20 mph by the introduction of a 20 mph speed limit, the average of the averages will be below 20 mph.

28. In attempting to quantify this potential, in the absence of robust local data, your officers have looked at the results obtained where 20mph or 30km/h environments have been implemented elsewhere. These examples show a wide range of changes in cycling modal share. There is rarely a definitive causal link that can be established between changes in motor vehicle speeds and changes in cycling modal share; nevertheless, in virtually all examples examined cycling increased, and therefore it seems reasonable to assume that lower motor vehicle speeds result in improved conditions for cycling and in an increased modal share for cycling, even if the precise increase cannot be predicted with much certainty. An increased modal share for cycling as a result of the implementation of a 20mph environment in the City therefore seems a reasonable assumption and is supported by the evidence.
29. Examples at the higher end of reported changes of the noted range of changes in modal share for cycling as a result of the implementation of 20mph/30km/h environments: in Germany the national research programme reported a doubling of bicycle use over a four-year period; in central Berlin's Moabit district following the establishment of 30km/h zones an increase in cycling of 50% was reported; and in Buxtehude (in metropolitan Hamburg)<sup>9</sup> an increase in cycling of 27% was reported following the introduction of similar zones.
30. Here in England, two 20mph zones that were implemented in Bristol in 2009 without traffic calming features were reported as increasing the number of people cycling by between 4% and 36% (depending on the survey location); and, in opinion surveys conducted in the two zones, 11% of respondents in one zone and 16% of respondents in the other zone reported that they cycled more often since the 20mph zones were introduced.

## **LIKELY CHANGES IN THE EMISSIONS OF AIR POLLUTANTS AND GREENHOUSE GASES FROM ROAD VEHICLE EXHAUSTS, INCLUDING AS A RESULT OF MODAL SHIFTS**

### ***Likely Changes in the Emissions of Air Pollutants and Greenhouse Gases***

31. Most previous research on exhaust emissions at differing vehicle speeds has shown that emissions are higher at 20mph than at 30mph. This is a function of the research usually comparing continuous driving at 20mph with continuous driving at 30mph. Continuous driving at the higher speed

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<sup>9</sup> part of the national traffic calming demonstration project

covers the same distance for less fuel use, meaning that fewer emissions are created. Most modern internal combustion engines, both petrol and diesel, tend to work more efficiently when propelling vehicles at 30mph than at 20mph, partly because of operating at higher temperatures at the higher speed.

32. However, this comparison very poorly represents actual driving conditions in a congested, high density urban environment. Such environments typically involve much more stop/start driving than the free-flow continuous driving that most studies have analysed. In such conditions idling, accelerating and decelerating become significant, often very significant, factors and the relative emissions resulting can differ substantially from those of continuous driving at different speeds. In particular, the reduced range of speeds between idling (i.e., 0mph) and maximum (i.e., 20mph) in a 20mph environment (i.e., a range of 20 mph) compared to the 30mph range of speeds in a 30mph environment means that acceleration and deceleration is reduced in time and usually also in magnitude. In other words, drivers in a higher-speed environment not only take longer to reach their maximum speed or slow down to a halt, but they also accelerate and decelerate faster in order to reduce the amount of time spent moving between idling and maximum speed. As acceleration is particularly significant for exhaust emissions, as this is when a vehicle's power demand is greatest, and as acceleration and deceleration (which encompasses braking) is particularly significant for brake and tyre wear, the reduced amount of time spent accelerating and decelerating and the reduced magnitude of acceleration and deceleration in lower-speed environments is likely to be significant for emissions performance when vehicles speeds often need to be modified, as is the case in high density urban environments.
33. To look into the actual emissions impacts of driving in 20mph environments and driving in 30mph environments in Central London the Central London sub-regional transport partnership (which includes the City and which is directed by Central London Forward) commissioned Imperial College London to undertake a comprehensive emissions study of driving in Central London. The resulting study<sup>10</sup> was published on 10 April 2013. It includes estimations of the emissions of fine particles (PM<sub>10</sub>) and oxides of nitrogen (NO<sub>x</sub>) (air pollutants that have significant adverse impacts on human health) and of carbon dioxide (CO<sub>2</sub>) (a greenhouse gas that is involved in the regulation of the earth's climate) from vehicle exhausts in Central London 20mph and 30mph environments. (It also estimates (using

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<sup>10</sup> *An Evaluation of the Air Quality Impacts of a 20mph Speed Restriction in Central London*, Transport and Environmental Analysis Group, Centre for Transport Studies, Imperial College London, April 2013

other data) the likely emissions of brake and tyre wear for driving the same test routes.)

34. The study concludes that:

*The effects of a 20mph restriction ... were shown to be mixed, with particular benefit seen for emissions of particulate matter and for diesel vehicles. The methodology was validated by consideration of real-world tailpipe emissions test data. It was therefore concluded that air quality is unlikely to be made worse as a result of 20mph speed limits on streets in London.*<sup>11</sup>

### ***Likely Changes in Emissions as a Result of Modal Shifts***

35. As discussed *above*, this report assumes no modal shift to walking, because of the existing very high levels of walking in the City, but a significant (although unquantified) modal shift to cycling as a result of the implementation of a 20mph environment in the City. However, this is unlikely to have much impact on air quality as most new cyclists in the City will be switching from public transport rather than from cars.

## **LIKELY CHANGES IN THE EMISSIONS OF AIR POLLUTANTS FROM ROAD VEHICLE BRAKE AND TYRE WEAR, INCLUDING AS A RESULT OF MODAL SHIFTS**

### ***Likely Changes in the Emissions of Air Pollutants***

36. The 2004 European Commission study *Particulates—Characterisation of Exhaust Particulate Emissions from Road Vehicles: (8) Measurement of non-exhaust particulate matter* demonstrated the relationship whereby when average speeds are lower, brake and tyre emissions are also lower. This is because lower average speeds reduce the proportion of time that vehicles spend accelerating and decelerating compared to moving at their cruising speed.

37. The Imperial College London study<sup>12</sup> confirmed that this result from the European Commission study is true in the real-world driving conditions of Central London.

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<sup>11</sup> Executive Summary, Project Findings, p. 8

<sup>12</sup> *An Evaluation of the Air Quality Impacts of a 20mph Speed Restriction in Central London*, Transport and Environmental Analysis Group, Centre for Transport Studies, Imperial College London, April 2013

### *Likely Changes in Emissions as a Result of Modal Shifts*

38. Changes in the emissions of air pollutants from road vehicle brake and tyre wear are also likely to occur as a result of modal shifts. As discussed *above*, this report assumes no modal shift to walking, because of the existing very high levels of walking in the City, but a significant (although unquantified) modal shift to cycling as a result of the implementation of a 20mph environment in the City. However, this is unlikely to have much impact on air quality as most new cyclists in the City will be switching from public transport rather than from cars.

### **LIKELY CHANGES IN NOISE POLLUTANTS AND EXCESSIVE VIBRATION FROM ROAD TRAFFIC, INCLUDING AS A RESULT OF MODAL SHIFTS**

39. In *The Speed Limit Appraisal Tool: User Guidance*<sup>13</sup>, which was published by the Department for Transport alongside Circular 01/2013, *Setting Local Speed Limits*, it is observed that “even in the most extreme cases, the change in noise levels as a result of speed limit changes is likely to be negligible (<1dBA)”<sup>14</sup>. As a result, your officers have concluded that it would not be good value for money to attempt to quantify likely changes in noise pollutants and vibration from road traffic (including as a result of modal shifts) and this report therefore assumes that there will be no significant changes in noise or vibration as a result of a change to a 20mph environment in the City.

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<sup>13</sup> Department for Transport, January 2013

<sup>14</sup> Annex A: Development of Relationships, paragraph A.58, p. 92

## SUMMARY OF PREDICTED IMPACTS

40. Tables 1 and 2 *below* summarise the predicted impacts set out in the sections *above* for ease of reference.

<b>Table 1: Categorisation of Non-Quantifiable Impacts</b>	
<b>Categorisation of Likely Impacts</b>	<b>Depiction</b>
unquantified but strongly positive	++
unquantified but significant and positive	+
unquantified but insignificant or neutral	—
unquantified but significant and negative	-
unquantified but strongly negative	--

<b>Table 2: Summary of Predicted Impacts</b>	
<b>Factor</b>	<b>Likely Impact</b>
casualties	a reduction in road traffic casualties of 8.6% (i.e., a reduction from 1 228 to 1 122.5 over three years)
average journey times	up to a 10% increase in average journey times
walking environment	++
cycling environment	++
modal shift to walking	—
modal shift to cycling	++
air pollution (exhaust emissions)	—
greenhouse gas emissions	—
air pollution (brake and tyre wear)	+
emissions—modal shift to walking	—
emissions—modal shift to cycling	—
noise pollution and vibration	—



## **SPEED LIMIT APPRAISAL TOOL**

41. Along with Circular 01/2013, *Setting Local Speed Limits*, the Department for Transport has published a speed limit appraisal tool<sup>15</sup> to assist traffic authorities in assessing the costs and benefits of proposed local speed limit schemes. Your officers have downloaded and run this speed limit appraisal tool using City and Transport for London data; the outputs from this use of the tool confirm that the benefits of a City-wide 20mph environment would significantly outweigh the costs. However, the figures and results that this report sets out are not the outputs from the speed limit appraisal tool. The speed limit appraisal tool is designed for use nationally, to estimate the costs and benefits of virtually any change in speed limit (e.g., increasing the speed limit on a rural dual carriageway to 70mph) and it does not seem to cope particularly well with realistically estimating the costs and benefits in congested urban conditions such as the City. In particular, your officers consider that, in the City's context, the speed limit appraisal tool overstates the likely casualty savings from implementation of a 20mph environment, and have therefore included more conservative casualty saving figures in this report; but that the tool incorrectly estimates a negative impact on air quality and emissions of greenhouse gases, whereas the London-specific research by Imperial College London demonstrates that a neutral impact on emissions from exhausts and a positive reduction in emissions from brake and tyre wear is much more likely.
42. To summarise, the figures and results that this report sets out do not derive from use of the Department for Transport's speed limit appraisal tool; nevertheless, the tool has been run using local data and the outputs confirm that the benefits of a City-wide 20mph environment would significantly outweigh the costs.

## **TRANSPORT FOR LONDON ROAD NETWORK**

43. In accordance with the brief for this investigation contained within the Local Implementation Plan, Transport for London has been consulted about the possibility of including some or all of the streets in the City for which that authority is the local traffic authority ("the Transport for London road network") in any City 20mph environment. On 8 April 2013 Transport for London formally responded to say that it is, in principle, supportive of *all* of the Transport for London road network in the City being included within any City 20mph environment.

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<sup>15</sup> <https://www.gov.uk/government/publications/speed-limit-appraisal-tool>

44. In particular, Transport for London’s response notes that:—

*TfL recognises the evidence that speed is a factor in road danger and 20mph limits can contribute to reducing collisions and the severity of casualties. As such TfL is supportive of the City’s proposals. The recently published Mayor’s Cycling Vision states:*

“We will take a case-by-case approach to the use of 20mph limits on the TLRN and we will reduce the speed limit to 20mph at several locations on the TLRN where cycle improvements are planned.”

45. The Transport for London response notes one caveat, which is that the Mayor of London’s proposal for a West London–Barking “Crossrail for the bike”, which is to run along the A3211<sup>16</sup>, may or may not be suitable for inclusion within a City 20mph environment, depending on the level of segregation of cyclists from motor vehicles that is achieved by the detailed design of this proposed new major cycling facility. The Mayor’s *Vision for Cycling* notes that “We will segregate where possible, though elsewhere we will seek other ways to deliver safe and attractive cycle routes”<sup>17</sup>. In other words, if the A3211 cycle facilities are fully segregated, Transport for London may not be supportive of a 20mph speed limit on this route, as the road danger reduction benefits would be partially achieved in other ways. However, this caveat relates only to the A3211, and the in principle support for all of the Transport for London road network in the City being included within any City 20mph environment would be unchanged by this outcome of the detailed design of the Mayor’s “Crossrail for the bike” proposal.

46. As Transport for London is the local traffic authority for the whole of Victoria Embankment (within both the City of London and the City of Westminster), that authority could set a consistent speed environment for the whole of the A3211<sup>18</sup> (whether that is 20mph or 30mph) without any incongruous change in speed environment at the City’s western boundary.

## **SPEED LIMITS OF NEIGHBOURING AREAS IN THE LONDON BOROUGH**

47. There is a variety of speed limits in the areas immediately surrounding the City, but the majority of adjoining areas are either already a 20mph

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<sup>16</sup> In the City the A3211 is Victoria Embankment–Blackfriars Underpass–Upper Thames Street–Lower Thames Street–Byward Street.

<sup>17</sup> *The Mayor’s Vision for Cycling in London: An Olympic Legacy for all Londoners*, “A Tube Network for the Bike”, p. 10

<sup>18</sup> Victoria Embankment–Blackfriars Underpass–Upper Thames Street–Lower Thames Street–Byward Street–Tower Hill

environment or are the subject of a resolution by the relevant London borough that the speed limit should be 20mph.

48. The **City of Westminster** is principally a 30mph speed limit area.
49. Many of the streets in the **London Borough of Camden** adjoining the City (e.g., Hatton Garden and Saffron Hill) are 20mph. The borough is currently consulting publicly on converting all of its streets to 20mph.
50. The majority of streets in the **London Borough of Islington**, including the majority adjacent to the City, are subject to a 20mph speed limit or are part of a 20mph zone. The borough is in the process of converting the main roads in its control (such as City Road, Finsbury Pavement and Goswell Road) to a 20mph speed limit; once this is complete, all streets for which the London Borough of Islington is the local traffic authority will be 20mph.
51. The majority of streets in the **London Borough of Hackney**, including the majority adjacent to the City, are 20mph, with a few main roads excepted.
52. The majority of the Spitalfields and Whitechapel districts of the **London Borough of Tower Hamlets** are 20mph, although currently the streets between the boundary with the City and Commercial Street/Leman Street are 30 mph. Commercial Street and Leman Street form parts of the London inner ring road and a natural north–south boundary within Spitalfields and Whitechapel. If the City was to change to a 20mph environment the London Borough of Tower Hamlets would likely take the opportunity to review the speed limit of this remaining small 30mph area between the City boundary and the inner ring road to ensure a consistent speed environment within Spitalfields and Whitechapel.
53. Many of the streets in the **London Borough of Southwark** close to the City (e.g., Tower Bridge Road and Upper Ground) are 20mph. The borough has recently adopted a policy that all of the streets for which it is the local traffic authority will be converted to 20mph (where they are not already).

## **INTERNATIONAL EXAMPLES**

54. It is instructive to observe what is happening in London's international peer cities in relation to inner-city 20mph or 30km/h speed limits. **New York** has been instituting 20mph zones in residential areas for some time, and is now expanding this programme to some inner city areas, including on

Manhattan (e.g., Inwood), with Mayor Michael Bloomberg and Transportation Commissioner Janette Sadik-Khan announcing in July 2012 the creation of a further 13 “safe zones”, an initiative that includes reducing the speed limit from 30mph to 20mph. **Paris** is significantly expanding the number, size and reach of 30km/h zones within the Boulevard Périphérique (roughly equivalent to the North and South Circulars in London terms). In **Tokyo** the default speed limit on main streets is 40km/h (24.9mph) and on side streets 30km/h (18.6mph).

## **WORLD HEALTH ORGANIZATION ENDORSEMENT**

55. The World Health Organization has recently published its good practice manual *Pedestrian Safety: A Road Safety Manual for Decision-Makers and Practitioners*<sup>19</sup> (Geneva, Switzerland: World Health Organization, 2013). The manual is endorsed by the FIA Foundation for the Automobile and Society, the Global Road Safety Partnership and the World Bank.
56. The manual sets out that “One of the most effective ways to improve pedestrian safety is to reduce the speed of vehicles.... ... speed is a key risk factor for pedestrian traffic injury” (p. 75) and categorises the intervention of “Implement area-wide lower speed limit programmes, for example, 30km/h” [20mph] as “Proven” in its effectiveness in reducing fatalities and injuries (pp. 63–64).
57. Modal shifting to cycling and walking would result in public health benefits, which are particularly relevant to the City now that the public health duty rests with local authorities.

## **ENFORCEMENT AND POLICING**

58. During the 2012 calendar year 2 145 drivers of motor vehicles were identified as having committed an offence by driving in excess of the speed limit on a City street. Of these, 2 049 offences were detected by the Gatso speed cameras on Upper Thames Street and Lower Thames Street and 96 offences were identified on other City streets.
59. The City of London Police support the introduction of a 20mph speed limit for the City. In reviewing the practicalities of implementation, the Commissioner of Police has noted that the existing speed cameras in the City (on Upper Thames Street and Lower Thames Street) are not suitable for the enforcement of 20mph speed restrictions and therefore that, if any

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<sup>19</sup> [http://apps.who.int/iris/bitstream/10665/79753/1/9789241505352\\_eng.pdf](http://apps.who.int/iris/bitstream/10665/79753/1/9789241505352_eng.pdf)

20mph speed limit is not successful in being self enforcing, there may be a need for additional enforcement resources (for new speed cameras on the A3211 and, potentially, additional back-office penalty charge notice processing). The provision of resources to address the need for new speed cameras is a specific action for Transport for London set out in the recent Mayor's *Safe Streets for London* action plan.

## EDUCATION AND BEHAVIOUR CHANGE

60. It would seem appropriate that any 20mph environment that may be introduced be accompanied by an extensive behaviour change (publicity) campaign to increase compliance with the new speed limit and to maximise the scheme's benefits. Road users are more likely to comply with a speed limit when they understand the reasons for it and the benefits of doing so.

## 20MPH SPEED LIMITS AND 20MPH ZONES

61. **20mph speed limits** are prohibitions on driving motor vehicles at more than 20mph made by order under the Road Traffic Regulation Act 1984. They must be signed with terminal signs (signs placed to indicate the beginning of the speed limit) and at least one repeater sign along each street that is subject to the 20mph speed limit<sup>20</sup> unless it is shorter than 200 metres<sup>21</sup>. Traffic authorities must ensure that there are sufficient repeater signs within the area of the 20mph speed limit to inform road users of the limit.
62. Traffic calming features may be used within 20mph speed limits to help to achieve compliance with the limit, but they are optional. *Setting Local Speed Limits* notes that "If the mean speed is already at or below 24mph on a road, introducing a 20mph speed limit through signing alone is likely to lead to general compliance with the new speed limit"<sup>22</sup>, i.e., traffic calming features are unlikely to be necessary where mean speeds are already at or below 24mph.
63. **20mph zones** are zones that are subject to prohibitions on driving motor vehicles at more than 20mph made by order under the Road Traffic Regulation Act 1984. They must be signed with signs indicating the

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<sup>20</sup> Direction 11(2) of the Traffic Signs General Directions 2002, as amended by Direction 8(3) of the Traffic Signs (Amendment) (No. 2) General Directions 2011

<sup>21</sup> Direction 11(2E)(a) of the Traffic Signs General Directions 2002, as amended by Direction 8(4) of the Traffic Signs (Amendment) (No. 2) General Directions 2011

<sup>22</sup> paragraph 95

20mph zone at each entrance for vehicular traffic<sup>23</sup>, and, with the exception of culs-de-sac less than 80 metres long, no point within the zone must be further than 50 metres from a 20mph sign or a 20mph road marking or a traffic calming feature<sup>24</sup>.

64. Although there is a general expectation that 20mph zones will contain traffic calming features and 20mph speed limits will not, in fact the government's reforms in 2011 introduced very significant flexibility and now both 20mph options can be introduced using only traffic signs (including road markings). However, 20mph speed limits and 20mph zones may both contain traffic calming features if the traffic authority wishes to introduce them to help to achieve compliance but in both options traffic calming features are optional. The only remaining necessary distinction between 20mph speed limits and 20mph zones is the different terminal (entrance) signs.

## **OPTIONAL TRAFFIC CALMING FEATURES**

65. Traffic calming features are optional in both 20mph speed limits and 20mph zones.
66. Traffic calming features do not have to be road humps; they can also include:
- refuges for pedestrians that are so constructed as to encourage a reduction in the speed of traffic using the carriageway;
  - variations of the relative widths of the carriageway and any footway that has the effect of reducing the width of the carriageway and is carried out for the purpose of encouraging a reduction in the speed of traffic using the carriageway;
  - horizontal bends in the carriageway through which all vehicular traffic has to change direction by no less than 70 degrees within a distance of 32 metres as measured at the inner kerb radius; and

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<sup>23</sup> Direction 11(3)(a) of the Traffic Signs General Directions 2002, as amended by Direction 8(5) of the Traffic Signs (Amendment) (No. 2) General Directions 2011

<sup>24</sup> The Secretary of State for Transport's Special Direction 2 of 17 October 2011

- other traffic calming works such as build-outs, chicanes, gateways, islands, overrun areas, pinch points, rumble devices or any combination of such works<sup>25</sup>.
67. The City already has very many pedestrian refuges, islands, carriageway and footway width variations and horizontal bends in its streets. Any possible consideration of traffic calming features therefore need not involve any road humps or any other particular features; and all traffic calming features are in any event optional and are not required for either a 20mph speed limit or a 20mph zone.

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<sup>25</sup> Direction (16)(2) of the Traffic Signs General Directions 2002 and Regulation 3 of the Highways (Traffic Calming) Regulations 1999

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## **APPENDIX 2**

### **20MPH SPEED LIMIT—FREQUENTLY ASKED QUESTIONS (FAQS)**

**Doesn't traffic in the City only go about 8mph anyway? In which case, what's the point?**

The average speed of traffic in the City of London during the peak periods of the working day was recorded at 8.2mph in the City's April 2013 traffic-speed survey. However, this survey measures speeds during the most congested periods of the day. This is to demonstrate likely impacts upon journey times during the working day. Surveys are conducted starting at 7 a.m., 12 noon and 4 p.m. from Monday to Friday. The survey output is average speeds of vehicles over the course of the day, including the considerable times spent stationary at traffic lights, pedestrian crossings, in traffic queues etc. This averaging means that the speeds at the top and bottom of the speed range are incorporated to the average. Hence, whilst the average speed may be only 8mph during the working day speeds in the evening and at weekends can be considerably more.

**Surely speed is the cause of only a tiny number of collisions? In which case, why target speeding?**

Speed is usually only recorded as a contributory factor to a collision when one or more vehicles were likely to have been exceeding the speed limit. As the existing speed limit throughout most of the City is 30mph, road traffic collision reports that identify speed as a primary causal factor do not provide a useful indicator of the reduction in casualties that may result from a 20mph speed limit.

Analysis of the existing average spot speeds in the City estimates that a 20mph speed limit would reduce City road traffic casualties by 35 casualties per annum. Also, reduced speed is important in reducing injury severity.

**Wouldn't people just ignore a 20mph limit as the police won't enforce it?**

The City of London Police actively enforce speed limits in the City. In 2012 they dealt with 2145 drivers committing speeding offences. The City of London Police support the proposed speed reduction because of its potential for reducing casualty occurrence and severity, and will enforce the 20mph limit.

**Wouldn't a 20mph speed limit result in a forest of signs across the City, distracting drivers and detracting from the City's high quality streetscape?**

The main determinant of the number of traffic signs that would be required to implement a 20mph speed limit across the City is whether or not the streets for which Transport for London is the local traffic authority (the red routes) are also 20mph. If those streets remained at 30mph there would need to be signs indicating the change in speed limit at every junction between a City street and a Transport for London street.

Transport for London have, however, stated that they support the introduction of a City-wide 20mph speed limit because of its potential for reducing casualty occurrence and casualty severity and would, in principle, be prepared to change the speed limit on all of their streets within the City to 20mph. As a result, relatively few speed limit signs would be required to implement a 20mph speed limit across the City. We expect that across the whole City there will only need to be around 50 signs and a further 50 road markings.

**Why should the limit apply 24 hours a day? Surely most collisions occur when people are here during the day?**

During the last three years approximately one third of accidents have happened between 6pm and 7am. Therefore we believe retaining the speed limit day and night is important.

Variable speed limits are legally possible. However, they require electrically illuminated signage. Around the country these signs have only been used for single locations such as on motorways and for small areas of temporarily altered speeds such as outside schools. Use of such complicated signs across a whole local authority area would be very expensive to install, run and maintain.

<b>Committee(s):</b>	<b>Date(s):</b>
Planning & Transportation Policy & Resources Court of Common Council	25th June 2013 27th June 2013 18 <sup>th</sup> July 2013
<b>Subject:</b> Consultation on City of London Community Infrastructure Levy Draft Charging Schedule	<b>Public</b>
<b>Report of:</b> Director of the Built Environment	<b>For Decision</b>
<p><b><u>Summary</u></b></p> <p>The Community Infrastructure Levy (CIL) is a statutory charge on new development intended to help fund the provision of new infrastructure. It is due to be introduced by April 2014 when it will largely replace the existing approach to s106 planning obligations, which will need to be scaled back.</p> <p>The procedures for setting a CIL are laid down in regulations. Alongside the CIL Charging Schedule, regulations require the preparation of:</p> <ul style="list-style-type: none"> <li>• an Infrastructure Delivery Plan (IDP) to show the scale of new infrastructure planned to support projected growth that will in part be developer funded,</li> <li>• an Economic Viability Study to demonstrate that the proposed CIL will not impact adversely on the general viability of development across an area,</li> <li>• a Regulation 123 List setting out the types of infrastructure that will be funded by CIL, and</li> <li>• proposals for scaling back s106 planning obligations</li> </ul> <p>Regulations prescribe that the CIL is subject to two rounds of public consultation. The first round of consultation on the Preliminary Draft Charging Schedule, took place between 25<sup>th</sup> March and 13<sup>th</sup> May 2013. A total of 15 responses were received. No significant objections were received which would warrant substantive change to the City Corporation's proposals or the CIL rates, although a number of minor refinements are proposed. The Draft Charging Schedule therefore retains the proposed CIL rate of £75 per square metre City-wide for commercial development, and a rate of £95 per square metre for residential development, except on the riverside, where a residential rate of £150 per square metre is proposed.</p> <p>This report outlines the results of the consultation process and seeks approval for the publication of a CIL Draft Charging Schedule for the second formal round of public consultation. Following the consultation, the Draft Charging Schedule, together with any comments received, will be submitted for public examination in front of an independent inspector.</p> <p><b>Recommendations</b></p> <ol style="list-style-type: none"> <li>1. That the proposed City CIL Draft Charging Schedule and supporting material be approved for public consultation and, following the consultation, be submitted for public examination.</li> <li>2. Officers be authorised to make any further, non-material, changes to the CIL documentation, prior to public consultation.</li> </ol>	

## Main Report

### **Background**

1. The Community Infrastructure Levy (CIL) is a statutory charge on new development intended to help fund the provision of new infrastructure to support development.
2. CIL is intended to replace s106 planning obligations as the main source of developer contributions towards new infrastructure. Unlike s106, CIL is a fixed charge and is not subject to site-specific viability testing. CIL should be consistent with and support the implementation of the local plan. It can be used to fund the provision, improvement, replacement, operation or maintenance of infrastructure. Regulations specifically exclude CIL from funding affordable housing and revenue schemes e.g. education and skills provision. Funding for such elements, together with site specific mitigation measures, will need to continue to be sought through scaled-back s106 planning obligations.
3. Regulation 14(3) requires the City Corporation and the London Boroughs to take account of the Mayor's CIL in setting their own CIL. The Mayoral CIL came into effect on 1<sup>st</sup> April 2012 and is charged at a rate of £50 per square metre on the net increase in floorspace in the City. The Mayor has also adopted Supplementary Planning Guidance to the London Plan which requires the City and boroughs to take account of his s106 planning obligations for Crossrail in setting CIL rates. The Mayor's s106 is charged in the City at rates per square metre of £140 for offices, £90 for retail and £61 for hotels.
4. Regulations specify that the following information should be consulted upon alongside a CIL Charging Schedule:
  - an Infrastructure Delivery Plan (IDP) to demonstrate that developer funding is required to contribute to the costs of planned new infrastructure,
  - an Economic Viability Study to demonstrate that the proposed CIL will not impact adversely on the general viability of development across an area,
  - a Regulation 123 List setting out the types of infrastructure that will be funded by CIL, and
  - proposals for scaling back s106 planning obligations.
5. Regulations also prescribe that the CIL is subject to two rounds of public consultation, similar to those required for local plans. Firstly, on a Preliminary Draft Charging Schedule, to enable early consultation and engagement with developers, residents and others in the property industry before CIL charge rates are finalised. Secondly on a Draft Charging Schedule, which represents the local authority's final proposals for the CIL. Following consultation, the Draft Charging Schedule and any comments received must be submitted for public examination by an independent examiner.

### **Consultation on City of London Proposed Preliminary Draft Charging Schedule**

6. On 26<sup>th</sup> February and 22<sup>nd</sup> March 2013, the Planning & Transportation and Policy & Resources Committees approved a Preliminary Draft Charging Schedule for public consultation. The consultation took place between 25<sup>th</sup> March and 13<sup>th</sup> May 2013. The consultation was undertaken in accordance with regulatory requirements and the City Corporation's own consultation requirements for planning policy documents set out in the Statement for Community Involvement.
7. In total, 15 responses to the preliminary draft CIL were received. In part this low level of response reflects the considerable amount of pre-consultation engagement

undertaken by the City's viability consultants, which aimed to build early consensus on the approach to CIL rate setting. Evidence from other local authorities also indicates that there has generally been a very low level of response to CIL consultations.

8. Of the 15 responses, there were:
  - 4 indications of support, including from the Mayor of London and the City Property Association;
  - 5 objections – 2 objecting to the principle of taxing developers further to pay for infrastructure, 1 seeking further clarification of the way the viability study was undertaken and requesting further information be made available at the Draft Charging Schedule stage, and 2 requesting exemption from the payment of CIL (from Thames Water and the London Fire and Emergency Planning Authority);
  - 6 responses providing general comments, including requests for further clarification on the viability study and supporting material, comments on the City's wider planning policies and requests that the City Corporation liaise with others on how CIL receipts should be spent (including from TfL, Natural England and English Heritage).
9. The City Corporation's viability consultants have been asked to review these comments and provide advice on whether any changes need to be made to the Economic Viability Study. The consultants have refined aspects of the Viability Study to reflect comments received but concluded that these refinements do not impact on the overall assessment of viability or the recommended CIL charge rates.
10. The viability consultants have also provided an update to the Economic Viability Study, in the form of a commentary on changes in the City's development market since the viability study was undertaken at the beginning of 2013. This commentary concludes "we are of the opinion that the market has not changed sufficiently since our initial report to require any alterations to the assumptions adopted in our CFVA (City-Wide Financial Viability Assessment) and financial model". The consultants' commentary is attached at Appendix 3.
11. Although there were a small number of objections to the CIL proposals, none of these provided detailed information to support an alternative CIL rate, or to demonstrate that the proposed rates would adversely impact on the overall viability of development in the City. The support from the Mayor of London and the City Property Association, together with the overall low response rate, suggests that there was a broad level of support to the proposed CIL rates and that no substantive changes to the rates are required.
12. A full report on the Preliminary Draft Charging Schedule consultation process, including the comments received and the City Corporation's proposed response, is attached at Appendix 2.

### **Proposed CIL Draft Charging Schedule**

13. Taking account of consultation comments received and advice on the implications for viability from the City's viability consultants, no substantive changes are proposed to be made to the headline CIL charging rates. However, in response to the objection from the London Fire and Emergency Planning Authority, it is proposed that development which meets the operational requirements of the emergency services (ambulance, fire and City of London Police) should be charged a nil rate of CIL. The proposed City CIL Draft Charging Schedule is summarised below, and attached in full at Appendix 1.

<b>Land Use</b>	<b>Zone</b>	<b>CIL Rate (£ per m<sup>2</sup>)</b>
Offices	City-wide	£75
Residential	Riverside	£150
Residential	Rest of City	£95
Development used wholly or mainly for the provision of medical or health services, except the use of premises attached to the residence of the consultant or practitioner	City-wide	Nil
Development used wholly or mainly for the provision of education as a school or college under the Education Acts or as an institution of higher education	City-wide	Nil
<u>Development used wholly or mainly for the operational purposes of the emergency services</u>	<u>City-wide</u>	<u>Nil</u>
All other uses	City-wide	£75

14. Alongside the CIL Draft Charging Schedule, the City Corporation is required to publish a range of supporting information, as set out in paragraph 4 above. This supporting material has been amended to provide the further information and clarity sought by some consultation respondents and to provide updated information. These changes do not impact on the overall rate of CIL which is proposed to be charged, or upon future decisions by the City Corporation on how CIL receipts should be used to fund new infrastructure, or the types of infrastructure that will be funded. These issues will be considered in a further report to the Committee prior to public examination of the CIL.
15. Appendix 4 sets out the proposed City of London Regulation 123 List and Appendix 5 sets out proposals for scaled back s106 planning obligations. The Economic Viability Study and the updated Infrastructure Delivery Plan are available in the Members' Reading Room and will be made available on the City Corporation's website alongside the CIL Draft Charging Schedule.

#### **Draft s106 Planning Obligations Supplementary Planning Document**

16. CIL will replace s106 planning obligations in the provision of funding for most types of infrastructure. However, funding for affordable housing and revenue funding, such as that for training and skills initiatives, are excluded from CIL, as is site specific mitigation necessary to make a development acceptable in planning terms.
17. In line with Statutory Guidance, the City Corporation is required to publish proposals for the scaling back of s106 planning obligations to complement its CIL proposals. An Issues and Options paper, outlining the proposed changes to the existing s106 Supplementary Planning Guidance was published alongside the Preliminary Draft Charging Schedule for comment. To provide context for the CIL, it is proposed to re-issue this paper alongside the Draft Charging Schedule consultation. A full draft s106 Planning Obligations Supplementary Planning Document will then be prepared for the approval of the Planning & Transportation Committee and published for formal public consultation during the autumn of 2013 and made available to inform the CIL Public Examination. The intention would be to adopt a revised s106 Planning Obligations SPD alongside the CIL in spring 2014.

18. The draft s106 Planning Obligations Issues and Options consultation paper included contributions of £20 per square metre for affordable housing and £3 per square metre for training, skills and jobs brokerage. These rates are similar to those in the existing 2004 Planning Obligations SPG. No specific comments were received during the consultation on the level of the proposed s106 contributions, although comments were received seeking additional information on the relationship between s106 and CIL. These have been addressed through proposed changes to the CIL supporting material.
19. The draft s106 Planning Obligations Issues and Options paper included information on the level of the cash-in-lieu contribution towards affordable housing that will be required from housing proposals where affordable housing is proposed to be delivered off-site. This figure is currently set at £151,584 for each unit of affordable housing required and is based on advice from the former Housing Corporation. It has not been updated since the adoption of the SPG. It is now proposed that this figure should be updated and tied to future annual house price rises as recorded by the Land Registry. An increase to £161,500 is proposed. The City's viability consultants have confirmed that this increase will have no overall impact on residential development viability when considered alongside the proposed CIL. It is therefore proposed that a revised cash-in-lieu figure be included in the draft s106 Planning Obligations SPD Further Options consultation paper. The draft s106 Planning Obligations SPD Further Options consultation paper is attached at Appendix 5.

### **Total Charge on Development and Individual Scheme Viability Testing**

20. The proposal to leave the City CIL rates unchanged between the Preliminary Draft and Draft Charging Schedules means that the total charge on development would also be unaltered at £238 per square metre of additional commercial (including office) floorspace. This figure includes the City CIL, scaled back City planning obligations, Mayoral CIL and Mayoral planning obligations for Crossrail as set out below:

City CIL:	£75
City planning obligations:	£23
Mayoral CIL:	£50
Mayoral planning obligations:	£90 (£140-£50)
<b>Total</b>	<b>£238</b>

21. The City's viability consultants consider that a total charge at this level would not adversely impact on general development viability in the City.

### **Timetable**

22. In line with CIL regulations, and subject to the agreement of the Committee and Court of Common Council, the ongoing timetable for the preparation of the City's CIL is:
  - Consultation on Draft Charging Schedule: 22<sup>nd</sup> July – 30<sup>th</sup> September 2013
  - Public Examination: November/December 2013
  - Adoption: March 2014
23. It is expected that the City CIL Draft Charging Schedule will proceed to public examination in the autumn without the need for further Member consideration. Comments received during the second round of public consultation and any responses to them will be considered by the independent inspector at the public examination. However, if the consultation process unexpectedly produces comments that merit

significant review of the City's proposed approach in advance of the public examination, then this would be brought to Members for consideration.

### **Strategic Environmental Assessment and Equalities Impact Assessment**

24. Under Article 3(8) of the European Union's Strategic Environmental Assessment Directive, SEA is not required for financial or budget plans and programmes. Paragraph 20 of the DCLG Community Infrastructure Levy Guidance 2013 confirms that the CIL Charging Schedule is a financial document and therefore is not subject to the requirement for an environmental assessment.
25. An Equalities Impact Assessment was undertaken to support the Preliminary Draft Charging Schedule and concluded that the CIL will, overall, have a positive impact on most City residents and workers. As no substantive changes are proposed to be made in the CIL Draft Charging Schedule, it is not considered that there will be any further impacts on equalities. An updated Equalities Impact Statement will be published alongside the consultation Draft CIL Charging Schedule.

### **Options**

26. There is no requirement in regulation for the City Corporation to adopt a CIL. However, regulations prevent the pooling of 5 or more planning obligations to fund specific infrastructure from 6<sup>th</sup> April 2014. Failure to set a City CIL could therefore significantly impact on the capital funding available for infrastructure improvements. Therefore the City Corporation is justified in preparing for the operation of a City CIL.

### **Corporate & Strategic Implications**

27. The preparation of a Community Infrastructure Levy for the City of London accords with the requirements of:
  - Corporate Plan vision to support and promote City as a world leader in international and financial business services.
  - Department of the Built Environment Business Plan 2013-2016, Key Performance Indicator PP1: Prepare City Community Infrastructure Levy (CIL) and the procedure for prioritising CIL spending.
  - Core Strategy policy CS4: Planning Contributions

### **Implications**

28. Setting a City CIL will ensure that contributions from developers can continue to be pooled to fund capital investment in new infrastructure. CIL regulations allow for preparation and administrative costs to be met from CIL income and so the CIL process should be self-financing on an ongoing basis.
29. If CIL is set at a level which adversely impacts on the overall viability of development in the City, it could reduce the City's attractiveness as an office location and reduce the growth in new floorspace, impacting on the City's reputation and capital and revenue income. If CIL is set too low, insufficient capital contributions are likely to be received to deliver necessary infrastructure projects. These risks have been mitigated through independent advice on viability and CIL rate setting. The two-stage consultation process and examination allow for refinement of CIL rates in response to comments received.
30. There are no legal issues arising from this report.



## **Conclusion**

31. Government CIL regulations will in 2014 restrict the City Corporation's ability to continue seeking developer planning obligations to contribute towards new infrastructure provision. A CIL Preliminary Draft Charging Schedule was issued for public consultation between March and May 2013. There was very limited comment on the proposed level of CIL and no substantive changes are required to the CIL proposals as a consequence of the consultation. It is therefore proposed to move to the second formal stage of public consultation on a CIL Draft Charging Schedule and, following the consultation period, to submit the Draft CIL for public examination.

## **Background Papers:**

Report to Planning & Transportation Committee and Policy & Resources Committee, 26th February and 22<sup>nd</sup> March 2013: Consultation on City of London Community Infrastructure Levy Preliminary Draft Charging Schedule and draft Issues and Options Planning Obligations Supplementary Planning Document

## **Appendices**

- Appendix 1: City of London Community Infrastructure Levy Draft Charging Schedule
- Appendix 2: Report of Consultation on the Preliminary Draft Charging Schedule
- Appendix 3: Commentary on the City of London Development Market and impact on CIL Economic Viability Study
- Appendix 4: Proposed City of London Regulation 123 List
- Appendix 5: Planning Obligations Supplementary Planning Document Further Options

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**City of London**

**Community Infrastructure Levy**

**Draft**

**Charging Schedule**

**July 2013**



## CONSULTATION

The City of London Corporation is consulting on the Community Infrastructure Levy Draft Charging Schedule.

The Draft Charging Schedule is supported by:

- An Economic Viability Study undertaken by Gerald Eve LLP – Community Infrastructure Levy: Economic Viability Study, January 2013
- A commentary on changes in the City development market since January 2013, provided by Gerald Eve
- The Infrastructure Delivery Plan
- A Regulation 123 List
- Draft Planning Obligations Supplementary Planning Document - Further Options

Consultation on the CIL will be undertaken in accordance with the procedures set out in the Planning Act 2008, the Community Infrastructure Levy Regulations 2010 (as amended) and the requirements of the City Corporation's Statement of Community Involvement.

Changes from the Preliminary Draft Charging Schedule are identified by Underline for new text and ~~Strikethrough~~ for deleted text.

Copies of the documents are available:

- Online at: [www.cityoflondon.gov.uk/CIL](http://www.cityoflondon.gov.uk/CIL)
- From the Department of the Built Environment in the Guildhall (at the address given below).
- From public libraries in the City of London.

Please send any comments to:

The Director of the Built Environment  
City of London  
PO Box 270  
Guildhall  
London EC2P 2EJ  
Email: [localplan@cityoflondon.gov.uk](mailto:localplan@cityoflondon.gov.uk)

All comments will be made public. All those who comment will be informed when the Draft Charging Schedule is due to be examined.

If you would like to receive a copy of this publication in an alternative format such as Braille, large print, or audio tape, or would like to receive it in an alternative language, please contact the Development Plans Team on telephone number 020 7332 1710, minicom number 020 7332 3929 or email [localplan@cityoflondon.gov.uk](mailto:localplan@cityoflondon.gov.uk)

যদি আপনি এই ডকুমেন্ট অন্য ভাষায় অনুবাদিত আকারে পেতে চান অথবা যদি আপনি এই তথ্য অন্য ফরমেটে পেতে চান, তাহলে আপনার নাম, ঠিকানা, প্রথম ভাষা এবং কোন ডকুমেন্ট আপনি পেতে আগ্রহী তা জানিয়ে নিম্নের ঠিকানায় লিখুন।

### **Further Information**

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## THE COMMUNITY INFRASTRUCTURE LEVY

1. The statutory power to charge the Community Infrastructure Levy (CIL) was introduced in the Planning Act 2008 and came into force on 6<sup>th</sup> April 2010. It is a statutory charge which is applied to most new development to help fund the infrastructure needed to support planned development in an area. It should be consistent with, and support, the implementation of the area's Development Plan. The 2008 Act, amended by the Localism Act 2011, provides the legislative basis for CIL. Detailed requirements for the setting and charging of CIL are set out in the Community Infrastructure Levy Regulations 2010, amended in 2011, ~~and 2012~~ and 2013, and statutory guidance issued by the Department for Communities and Local Government in ~~December 2012~~ April 2013.
2. CIL will be charged on most new development where there is an increase of more than 100 square metres (sqm) of new floorspace, or one new dwelling (irrespective of the increase in floorspace).
3. In London, the City Corporation and the 32 London Boroughs are designated CIL Charging Authorities, as is the Mayor of London (in respect of strategic transport infrastructure). The City Corporation and London Boroughs are responsible for the collection of the Mayoral CIL.

### CIL Rate Setting Process

4. CIL regulations and statutory guidance issued by the Department for Communities and Local Government specify the process that Charging Authorities must follow when setting a CIL.
5. Charging Authorities are required by Regulation 14 to set a rate which does not put at serious risk the overall development of their area. Charging Authorities should use evidence to strike what appears to them to be an appropriate balance between the desirability of funding infrastructure through CIL and the potential effects (taken as a whole) of the levy on the economic viability of development across their area, when considered alongside the Mayoral CIL (in London) and any scaled back s106 planning obligations. In meeting the requirements under Regulation 14, Charging Authorities should show and explain how their proposed levy rate would contribute towards the implementation of the Development Plan and support the development of their area.
6. In setting a CIL, Charging Authorities are required to identify the total infrastructure funding gap that the levy is intended to reduce support, having taken account of other sources of available funding. They should use the infrastructure planning that underpinned their development plan to identify the types of infrastructure that are likely to be funded through CIL and provide this evidence at the public examination into CIL. In order to provide flexibility to respond to changing circumstances, Charging Authorities may spend CIL funds on different projects from those identified during the rate setting process.

### Economic Viability

7. Charging Authorities are required to prepare evidence of the impact of their proposed CIL on the economic viability of development across their area and not

in relation to individual developments, and then to demonstrate to an independent examiner that an appropriate balance has been struck. Charging Authorities should demonstrate that the proposed rate would not threaten the delivery of the Development Plan as a whole and has taken into account the development costs arising from the requirements of the Development Plan and other regulatory requirements.

### **Differential Rates**

8. Charging Authorities may set differential CIL rates where they can be justified by economic viability evidence. Rates can be varied according to different types of development, or locations within an area, where this is supported by the viability assessment.

### **CIL Setting Procedure**

9. Charging Authorities must set out their CIL rate in a Charging Schedule. The process for preparing a Charging Schedule is similar to that for a development plan and involves the following stages:
  - Consultation on preliminary draft charging schedule
  - Consultation on a draft charging schedule
  - Public examination
  - Adoption and implementation
10. Statutory guidance recommends that the consultation should be for a minimum 6 week period.
11. The City of London Corporation consulted on its Preliminary Draft Charging Schedule between 25<sup>th</sup> March 2013 and 13<sup>th</sup> May 2013. It received a total of 15 comments. The City Corporation has taken account of these comments, further amendments to the CIL Regulations and revised statutory guidance from Government, issued in 2013, in preparing its CIL Draft Charging Schedule. The City Corporation has set out a detailed response to each of the comments received in its Consultation Statement on the Preliminary Draft Charging Schedule. This Statement, together with copies of all representations received, is available on the City Corporation's website.
12. Following consultation on this Draft Charging Schedule, the City Corporation will submit the Draft Charging Schedule for formal Public Examination. This Examination is expected to take place later in 2013, with the CIL being formally adopted in spring 2014. ~~is currently at the first stage in this process and this consultation seeks views on the City's Preliminary Draft Charging Schedule. Consultation on the Draft Charging Schedule is expected to take place in summer 2013, a public examination is expected later in 2013 and adoption of the CIL in early 2014.~~

### **Liability to Pay CIL**

13. The development of most buildings that people normally use will be liable to pay CIL. Buildings into which people do not normally go, or go into intermittently for the maintenance or inspection of plant or machinery, are not liable.

14. CIL is only charged on the net increase in floorspace in development (measured by the Gross Internal Area), where there is an increase in floorspace of 100 sqm or more of gross internal space, or where development results in the creation of one or more dwellings (even where the uplift in floorspace is less than 100 sqm).
15. When calculating the CIL charge, the gross internal floorspace of any buildings to be demolished on the site will be deducted from the liability, where the building has been in continuous lawful use for at least 6 months in the 12 months prior to development being permitted.
16. CIL will be charged on development which requires planning consent and exceeds the size thresholds set out in paragraph 13 above, including those developments granted consent through the General Permitted Development Order, any local planning order, or any neighbourhood development order.
17. CIL in the City of London will be charged and collected by the City of London Corporation (the Charging Authority). The City Corporation also collects the Mayoral CIL payable on developments in the City on behalf of the Mayor.
18. CIL charges become due from the date of commencement of development. As soon as practicable after planning permission has been granted, the City Corporation will issue a **Liability Notice** setting out the amount of CIL to be paid, the payment procedure and the consequences of not paying. The developer must then submit a **Commencement Notice** to the City Corporation giving notice of the intended commencement date. The City Corporation will then issue a **Demand Notice** setting out the required CIL payment and payment terms. Payment is normally due between 60 and 240 days after commencement (according to the terms of the instalment policy adopted by the City Corporation and the Mayor). The CIL charge will be registered as a Local Land Charge.
19. The responsibility for payment of CIL runs with the ownership of land. Regulations define ownership as a person with a 'material interest' in the land, i.e. owners of freeholds or owners of leaseholds than run for more than 7 years from the date of permission. In many cases it will be the developer rather than the landowner who assumes liability to pay the CIL.

#### **Relief from CIL**

20. Regulations give statutory relief from CIL for:
  - charities where the chargeable development is to be used wholly or mainly for charitable purposes;
  - social housing development.
21. Clawback procedures are set out requiring the repayment of relief if the development ceases to fall within the above categories within 7 years of commencement.



### **In-kind Payments**

22. Regulations allow Charging Authorities to accept transfers of land as a payment in kind for the whole or a part of the levy, but only where the land will be used to provide infrastructure.

### **Exceptional Circumstances**

23. Regulations allow for relief from CIL in exceptional circumstances, but only where a Charging Authority has made such relief available in its area and:
- a s106 agreement has been entered into in respect of the planning permission which permits the chargeable development;
  - the Charging Authority considers that the cost of complying with the s106 is greater than the CIL charge;
  - the Charging Authority considers that payment of the full CIL charge would have an unacceptable impact on economic viability of the development; and
  - the Charging Authority is satisfied that relief from CIL would not constitute notifiable state aid.
24. In setting a CIL rate, the City Corporation has had regard to the Economic Viability Study, which has examined the potential to set a CIL rate whilst still delivering site specific mitigation measures (under s106 and s278), meeting Development Plan requirements for affordable housing and contributions towards training and skills provision, and meeting Mayoral CIL and London Plan s106 requirements for contributions towards the delivery of Crossrail. This evidence, together with the regulatory limitation, set out above, has led the City Corporation to conclude that it is not necessary at this time to offer exceptional circumstances relief. However, the City Corporation will keep this situation under review and may consider offering such relief in the event of a significant change in the economic viability of development or in response to future regulatory change. Given the scope within regulation to adjust s106 planning obligations in response to concerns over the impact on development viability, it is unlikely that any CIL exemption would be necessary in the City of London.

### **Enforcement**

25. Regulations set out a range of measures that Collecting and Charging Authorities may take to ensure the payment of CIL, including surcharges on late payments and stop notices. The ultimate sanction is to seek a court's consent to seize assets or committal to prison.

### **Section 106 Planning Obligations**

26. CIL is intended to replace much of the planning obligations mechanism for the funding of infrastructure, set out in section 106 of the Town and Country Planning Act 1990. Regulations prevent the double charging of CIL and s106 to fund the same piece of infrastructure. To reflect the changed approach, s106 planning obligations have been scaled back to cover:
- site specific mitigation, necessary to make a development acceptable in planning terms;
  - affordable housing;

- contributions to revenue projects, including training and skills provision;
  - non-financial requirements arising from the development plan.
27. Regulations limit the pooling of planning obligations towards infrastructure that is capable of being funded through CIL. From 6<sup>th</sup> April 2014<sup>1</sup>, or the adoption of a CIL (whichever is the sooner), the pooling of 5 or more separate planning obligations to fund a specific piece of infrastructure will not be permitted. The exception to this pooling arrangement is s106 planning obligation contributions towards the cost of Crossrail under the Mayor of London's Crossrail s106 Supplementary Planning Guidance.
28. To ensure that CIL and s106 are not used to fund the same items of infrastructure, a Charging Authority is required to publish on its website a list of projects or types of infrastructure that it intends to fund wholly or partly through CIL – the **Regulation 123 List**. Guidance encourages early publication of this list to inform the CIL rate setting process and requires that it ~~This list must be submitted as evidence to the CIL public examination, alongside proposals for the scaling back of existing s106 planning obligations. The Regulation 123 List can be updated as circumstances change without any requirement to update the CIL Charging Schedule, but any changes charge. Any changes to the list must be subject to public consultation.~~

### **Section 278 Highways Agreements**

29. Section 278 Agreements are legal agreements between a developer and the local authority made under s278 of the Highways Act 1980. The agreements ensure that highways works necessary to make a development acceptable in principle are either undertaken by the developer directly or funded by the developer. As such they are a necessary cost on development and this should be factored into the viability assessment underpinning the CIL rate.

### **Mayoral CIL and s106 Planning Obligations**

30. Under the Planning Act 2008, the Mayor of London has the ability to set a Mayoral CIL in addition to the City Corporation and the London boroughs. In accordance with CIL Regulation 14(3) the City Corporation and the boroughs are required to take the Mayoral CIL into account when setting their own CIL rates.
31. The Mayor has set a London-wide Mayoral CIL to raise £300m as a contribution towards the funding of Crossrail. In the City this Mayoral CIL is charged at a rate of £50 per sqm.
32. The Mayor has also adopted s106 Planning Obligations Supplementary Planning Guidance for Crossrail<sup>2</sup>, which requires additional s106 planning obligations contributions to raise a further £300m towards the cost of the Crossrail project. Contributions are required for office, retail and hotel development, where there is a net increase in floorspace of 500 square metres or more. The Mayor initially published the Crossrail SPG in July 2010, requiring s106 planning obligations

<sup>1</sup> In May 2013 the Government consulted on CIL Further Reforms which proposed changing the date from which restrictions on s106 planning obligations would take effect, to April 2015

<sup>2</sup> Use of Planning Obligations in the Funding of Crossrail, and the Mayoral Community Infrastructure Levy, Supplementary Planning Guidance, April 2013

~~contributions where there was a net increase in development of 500 square metres or more, measured using Gross External Internal Area (GEAGIA), and at the following rates within the City of London:~~

- ~~• £137 140 per sqm for offices~~
- ~~• £88 90 per sqm for retail development~~
- ~~• £60 61 per sqm for hotels~~

~~33. These rates were used by the City Corporation's consultants in assessing the impact of the proposed City of London CIL on the viability of development. The Mayor has since published a revised Crossrail SPG (April 2013) which requires the increase in floorspace to be calculated on the basis of Gross Internal Area (GIA), to ensure consistency with national CIL Regulations. This has necessitated a technical amendment to the contributions rates, to recalibrate from GEA to GIA, but no substantive change has been made to the total liability due. Thus, the assessment undertaken by the City Corporation's viability consultants remains valid. The revised rates are:~~

- ~~• £140 per sqm for offices~~
- ~~• £90 per sqm for retail development~~
- ~~• £61 per sqm for hotels~~

34. Although regulations allow the Mayor to charge both Mayoral s106 and Mayoral CIL on the same development, to avoid making unreasonable demands on developers the Mayor has given a commitment to not double charge CIL and s106 on the same development. Mayoral CIL payments are treated as a credit towards any payment sought under Mayoral s106 where the Mayoral CIL charge is less than the Mayoral s106 charge. Where the Mayoral s106 charge is less than Mayoral CIL, the Mayor will not seek a Mayoral s106 contribution. The effect is that the total Crossrail contribution will be equivalent to the greater of the Mayoral s106 or Mayoral CIL payment.

35. The City Corporation strongly supports the construction of Crossrail and therefore supports the implementation of both the Mayor's CIL and his Crossrail s106 charge. In accordance with CIL Regulation 14 (3), the City Corporation has taken account of the Mayor's CIL rate and s106 rates in determining an appropriate CIL rate for the City of London. The proposed City of London CIL has, therefore, been set at a level which will ensure that development will also be able to meet in full the Mayor's requirements.

### **Administration Charges**

36. Regulations allow both Charging and Collecting Authorities to retain a proportion of the CIL charge to cover the costs of administration of the charge. Charging Authorities are permitted to retain up to 5% of the CIL collected in any one year to cover administration costs. In the case of the Mayoral CIL, the City Corporation and London boroughs may retain up to 4% of the CIL, whilst the Mayor will retain up to 1%.

## INFRASTRUCTURE NEEDS IN THE CITY OF LONDON

37. The City of London Core Strategy 2011 sets out plans for the future development of the City up to 2026 and beyond. Its key objective is to ensure that the City remains the world's leading financial and business services centre. Despite the low economic growth conditions of recent years, the City is expected to see renewed economic, employment and population growth in the medium term. The overall scale and phasing of development anticipated in the City over the period to 2026 is set out in Table 1:

**Table 1: Indicative scale and phasing of growth 2011-2026**

Land Use	2011-2016	2016-2021	2021-2026	Total 2011-2026
Offices	650,000m <sup>2</sup>	250,000m <sup>2</sup>	250,000m <sup>2</sup>	<b>1,150,000m<sup>2</sup></b>
Retail (A1-A5)	52,000m <sup>2</sup> *	44,000m <sup>2</sup>	40,000m <sup>2</sup>	<b>136,000m<sup>2</sup></b>
Housing	667 units	430 units	550 units	<b>1,647 units</b>

\*Retail figures relate to 2009-2016 period  
Source: City of London Core Strategy, 2011

38. The City Corporation is preparing a Local Plan for the City of London which will combine the Core Strategy with more detailed development management policies. The draft Local Plan was subject to initial public consultation for 8 weeks between January and March 2013. Consultation on the Publication Draft Local Plan is scheduled to take place in Autumn 2013.
39. The Core Strategy (and emerging Local Plan) is supported by an Infrastructure Delivery Plan (IDP) which sets out the key elements of infrastructure necessary to support planned development. It has considered a range of infrastructure needs covering: energy and pipe subways, communications and IT, water resources and waste water, flood risk minimisation, waste management, transport and public realm improvements, open spaces, social and community provision, e.g. education, health provision and supported housing, and emergency services provision.
40. The IDP has been kept under review and been updated in light of emerging infrastructure requirements and particularly changes in the national and regional funding climate.
41. Table 2 summarises the broad items of infrastructure needed to support growth in the City up to 2026, the estimated costs of delivering this infrastructure, funding already secured or anticipated and the residual cost which may be funded in part through CIL. The full IDP is available on the City Corporation's website.

**Table 2: Infrastructure Delivery Plan Summary**

Type of Infrastructure	Cost	Funding Secured	Funding Gap	Timescale
Public realm enhancement strategies & Transportation improvements	£145m	£62.3m	£82.7m	2011-2026
Pipe subways	£50m - £70m	£0	£50m - £70m	Post 2016
Community facilities and supported housing	£16m	£3m	£3m	Unknown
Open space enhancement	£12.7m	£0	£12.7m	2011-2026
Education	£10m	£0	£10m	Unknown
Healthcare	£6m	£0	£6m	Unknown
Emergency services	£3.5m	£0	£3.5m	2011-2016
Play space	£170,000	£0	£170,000	Unknown
Flood risk alleviation	£25,000	£25,000	£0	2011-2016
<b>TOTAL</b>	<b>£263.4m</b>	<b>£65.3m</b>	<b>£198.1m</b>	

Source: City of London Infrastructure Delivery Plan, July 2013

42. CIL is not intended to replace mainstream service funding, or meet in full the cost of delivering necessary infrastructure, but is intended to help reduce the potential funding gap. In particular, the City Corporation anticipates that public realm enhancement projects (including transportation improvements) will continue to attract external funding from TfL, further reducing the potential future funding gap. Such funding will come forward through TfL's allocation processes and as the need for improvements arise, and it is not possible at this stage to identify the amounts that might be forthcoming within the City.
43. CIL rate setting has to have regard to the implications of the levy on the economic viability of development and should strike an appropriate balance between raising funds for investment in infrastructure and ensuring that development continues to come forward. As a result, it is unlikely that the City CIL will provide the sufficient funding to deliver all the identified infrastructure. Table 3 sets out estimates of future CIL revenue on an annual basis, assuming that development in the City comes forward at the rate set out in the Core Strategy. It suggests an average annual level of CIL income of approximately £6.8m after allowance for development already permitted before the introduction of CIL. This would produce an estimated total CIL income over the life of the Core Strategy (from CIL implementation in 2014 to Core Strategy end date in 2026) of £81.7m.

**Table 3: Potential Annual Average City CIL Revenue 2013 - 2026**

<u>Land Use</u>	<u>Annual Floorspace Requirement (sq m)</u>	<u>CIL Rate</u>	<u>Estimated Annual CIL Revenue</u>
Office	78,600	£75	£5,900,000
Retail	7,700	£75	£581,000
Residential	3,500	£95	£332,000
<b>TOTAL</b>			<b>£6,813,000</b>

44. The IDP identifies key elements of infrastructure necessary to implement the City's Core Strategy and emerging Local Plan in full and the identified funding gap justifies the use of CIL to help bridge that gap. The IDP and Table 2 do not represent a list of CIL spending priorities. These priorities will be set by the City Corporation having regard to service delivery and corporate priorities, national service standards, central Government funding allocations, the infrastructure needs identified in the IDP and the availability of other funding sources and opportunities. The City Corporation will develop a specific procedure for the governance and the spending of CIL receipts in accordance with its spending priorities to and this will be published on its website. Proposals for CIL governance will also be made available in time for the Public Examination into the CIL to inform the Inspector and provide participants with information on how the City Corporation intends to implement the CIL to address infrastructure needs.
45. In line with the regulations, the City Corporation will also use s106 planning obligations to mitigate the impact of development to ensure it is acceptable in planning terms, to ensure continued funding for affordable housing (from both commercial and residential schemes) and training and skills provision in the City and City fringe, and to deliver non-financial requirements, such as the City's Local Procurement Initiative. S106 planning obligations requirements will be set out in a Planning Obligations Supplementary Planning Document which will be progressed alongside the CIL. An Issues and Options consultation for this draft SPD, setting out how the City Corporation's existing Planning Obligations SPG will be scaled back with the introduction of the CIL, is being ~~was~~ undertaken alongside the Preliminary Draft Charging Schedule Consultation, to provide clarity on the combined impact of CIL and s106 planning obligations. No specific comments were received on the proposed levels of s106 planning obligations, although the City Corporation was asked to provide more information on the delivery of affordable housing through the s106 process to meet the requirements of the Statutory CIL Guidance. Further information on affordable housing delivery has therefore been set out below.
46. The draft s106 SPD document will be made available again alongside the CIL Draft Charging Schedule to provide clarity on the total level of CIL and s106 requirements proposed by the City Corporation. A full draft Planning Obligations Supplementary Planning Document will be published for consultation later in 2013, and will inform the Public Examination into the CIL. The City Corporation intends to adopt a scaled back s106 Planning Obligations SPD alongside the CIL in 2014.

**CITY OF LONDON S106 PLANNING OBLIGATIONS SUPPLEMENTARY PLANNING GUIDANCE**

47. The City Corporation currently seeks developer funded contributions towards infrastructure provision through its 2004 Planning Obligations Supplementary Planning Guidance (SPG). The SPG seeks contributions at a rate of £70 per square metre on commercial development, where there is 10,000 square metres gross total floorspace and an uplift of at least 2,000 square metres. The £70 is normally distributed according to City Corporation priorities as follows: 50% local community facilities and the environment, 30% affordable housing, 15% transport improvements and 5% training and skills initiatives in the City and City fringe.
48. Affordable housing contributions are also sought from residential development, in line with adopted Core Strategy policy CS21, at a rate of 30% of the residential development on-site, or exceptionally an off-site commuted sum equivalent to 60% of the development.
49. At 31<sup>st</sup> March 2012, a total of 74 s106 obligations had been signed, with a total potential value of £116.1m. Payments are triggered by development proceeding and at that date, including interest accrued on payments, a total of £68.3 £72.6m had been received. Table 4 3 sets out the split in received s106 monies and variance from the SPG indicative percentages: summarises the overall position:

**Table 34: s106 receipts by infrastructure category at 31<sup>st</sup> March 2012**

<b>SPG Category</b>	<b>Total Value £m</b>	<b>Total Value % Approved &amp; Spent £m</b>	<b>SPG % Approved but not yet spent £m</b>	<b>Difference % Balance £m</b>
Local Community Facilities and the Environment	29.7 32.0	43 13.2	50 6.2	-7 12.6
Affordable Housing	21.3 22.1	34 4.3	30 3.0	+1 14.8
Transportation Improvements	14.8 15.8	22 5.7	15 1.3	+7 8.8
Training and Skills	2.5 2.7	4.0 2.0	5 0.3	-1 0.4
<b>Total</b>	<b>68.3 72.6</b>	<b>100 25.2</b>	<b>100 10.8</b>	<b>0 36.6</b>

50. The payments received reflect the detailed provisions of signed s106 planning obligations agreements signed between the City Corporation and developers. These agreements identify how the agreed funds should be spent. The balance of £36.6m, although not yet allocated to a specific project, is nevertheless subject to the provisions of signed s106 agreements and will help deliver work programmes and projects in accordance with these signed agreements. This includes funding for a number of public realm schemes identified in the Infrastructure Delivery Plan, such as development of the Bank Area Strategy, the Aldgate & Tower Area Strategy (including removal of the Aldgate Gyratory), and projects in the Eastern City Cluster and St Helen's Square.
51. In terms of affordable housing, s106 monies have funded the delivery of 18 properties within the City of London and a further 15 properties outside of the City. The City Corporation has an active programme of further affordable

housing delivery over the next 10 years, including two schemes currently in progress – 24 units of affordable housing on the Middlesex Street Estate within the City and 43 units on the One Tower Bridge scheme just outside of the City.

## VIABILITY APPRAISAL

52. The City Corporation commissioned Gerald Eve to undertake an area-wide economic viability study to look at the potential impact of CIL on the viability of development within the City. Gerald Eve were asked to:
- provide advice on an appropriate range of potential CIL rates and their impact on development viability;
  - advise on the potential for differential rates of CIL for different land uses and different areas of the City;
  - engage with active developers, investors, property agents and landowners.
53. The following paragraphs summarise the methodology and key findings from the viability study. The proposed CIL rates are set out in the ~~proposed Preliminary~~ Draft CIL Charging Schedule. A full copy of the viability study is available on the City Corporation's website at [www.cityoflondon.gov.uk/cil](http://www.cityoflondon.gov.uk/cil).
54. A key element of the study was a requirement to liaise closely with the development industry, landowners, investors and agents within, or with interests in, the City to provide an opportunity to input into the methodology, provide information on City specific costs and values and to provide feedback on initial outcomes. The aim has been to ensure, as far as is possible, a widespread acceptance of the viability information prior to the rate setting process. This has been delivered through a series of stakeholder workshops, meetings with individual stakeholders and through questionnaires.
55. The consultants have adopted a bespoke residual valuation model to test the viability of the potential CIL, in line with best practice guidance issued by the Royal Institution of Chartered Surveyors (August 2012) and the Local Housing Delivery Group (June 2012). Due to the complexity of the City development market, outputs from the modelling have been assessed in terms of development return, rather than residual land value.
56. In modelling the potential impact of CIL on development, the consultants have looked at approximately 150 proxy development sites, identified on the basis of completed developments and outstanding permissions in the City over the past 10 years. These proxy sites were then assessed in terms of current day values and costs, taking on board variations in rents and land values across the City, including voids and rent free periods. Assumptions were made about future values and costs based on an average of expert commentator growth assumptions.
57. The modelling assumes that development is both policy compliant with respect to the adopted Core Strategy and emerging Local Plan and the London Plan, and is constructed to a high standard. It assumes that the Mayoral CIL and



Mayoral Crossrail s106 and City of London s106 requirements, including site specific mitigation through s106 and s278 agreements, will continue to be delivered. The contribution rates assumed for modelling purposes are set out in Table 5.4:

**Table 4.5: Assumed levels of planning contributions in CIL modelling**

Other Types of Contribution Assumed	Rate (per sqm)
Mayoral CIL to part fund Crossrail	£50
Mayoral s106 to part fund Crossrail	£137-140 offices; £88-90 retail; £60-61 hotels (discounted to allow for Mayoral CIL liability)
City s106 for affordable housing from commercial development	£21
City s106 for training and skills provision	£3.50
City s106 for affordable housing from residential development	30% on-site or 60% off-site
City s106/s278 for site specific mitigation	Site specific

Note: ~~Mayoral s106 rates have been recalibrated in the Mayor's April 2013 Crossrail SPG to reflect a change in the method of calculating floorspace from Gross External Area to Gross Internal Area. Whilst the headline rates have changed, the change in floorspace calculation means there is no substantive change in the s106 liability. The revised rates are £140 offices, £90 retail and £61 hotels~~

58. The modelling has assumed implementation of CIL rates over a period of approximately 5 years before review. This reflects the greater uncertainty when projecting values and costs and development trends further ahead. It also coincides with the expected completion date for Crossrail, at which point the existing Mayoral CIL and Mayoral s106 may cease to be applied for Crossrail funding purposes.
59. The key findings from the viability study are:
- the City is a highly dense area of development, dominated by offices reflecting its world financial centre status, whilst having a unique setting defined by its historical location and constraints on development;
  - the stakeholder consultations supported a single CIL rate across the City with commensurate longevity to create the certainty that is essential for continued investment;
  - office returns can exhibit high levels of volatility during the market cycle; returns vary but not significantly in an area-wide context;
  - high land values are intrinsic to the City with underlying asset value levels a key to investor confidence in bringing forward development;
  - other commercial uses such as hotels and retail (and uses such as student accommodation) are a fraction of overall development and a separate CIL rate is not considered appropriate;
  - residential is an “emerging” market in the City, with prices comparable to prime central London and with commensurate international market interest;
  - residential in riverside locations can give rise to super and ultra prime levels and are therefore capable of sustaining a differential CIL rate to that of prime residential which is more akin to commercial capital value levels.

60. The consultants recommended that a single rate of CIL be adopted for commercial land uses across the City. A single rate is also recommended for residential development, with the exception of development on the riverside, where the economics of development support a higher rate of CIL. The consultants' recommendations are in the form of a range of CIL rates. Their report indicates that setting CIL rates within these ranges will not adversely impact on the viability of development across the City or prejudice the achievement of the floorspace targets in the City's Core Strategy and emerging Local Plan.
61. The viability study was undertaken with a base date of January 2013. Gerald Eve have provided a commentary, dated July 2013, on changes in the City development market and their impact on CIL viability since this initial study was undertaken. This study concludes "Following the market review ... we are of the opinion that the market has not changed sufficiently since our initial report to require any alterations to the assumptions adopted in our CFVA and financial model." A copy of the commentary is available on the City Corporation's website at: [www.cityoflondon.gov.uk/cil](http://www.cityoflondon.gov.uk/cil).

## MONITORING AND REVIEW

62. In accordance with the regulations, the City Corporation will report annually, by 31<sup>st</sup> December, on:
- the total CIL receipts in each financial year;
  - the total CIL expenditure in each financial year;
  - summarised details of CIL expenditure in each financial year;
  - the total amount of CIL receipts retained at the end of each financial year.
63. Annual reporting will also be undertaken to show total s106 receipts and spend for both Mayoral and City Corporation priorities.
64. The City Corporation will monitor both the City CIL and s106 requirements to ensure that the combination of the City and Mayoral CIL and City and Mayoral s106 does not have an adverse impact on the general viability of development in the City. Unless monitoring suggests that an interim review is needed the City Corporation will review City CIL and s106 rates during 2018/19.
65. Where the viability of an individual development is adversely impacted by a combination of the City and Mayoral CIL and City and Mayoral s106 planning obligations, as demonstrated by a site specific viability appraisal, the City Corporation will consider the scope to reduce either, or both, the City s106 and Mayoral s106 requirements to improve scheme viability.
66. In May 2013, the Government consulted on further reforms to CIL Regulation, including possible changes to the regulations governing exceptional circumstances relief. In the event that these changes are implemented, the City Corporation will consider whether there is scope to offer exceptional circumstances relief and, if necessary, make provision for such relief.

## PROPOSED PRELIMINARY DRAFT CIL CHARGING SCHEDULE

### The Charging Authority

The City of London Corporation is a charging authority for the Community Infrastructure Levy for the purposes of Part 11 of the Planning Act 2008 (as amended).

### Schedule of Rates

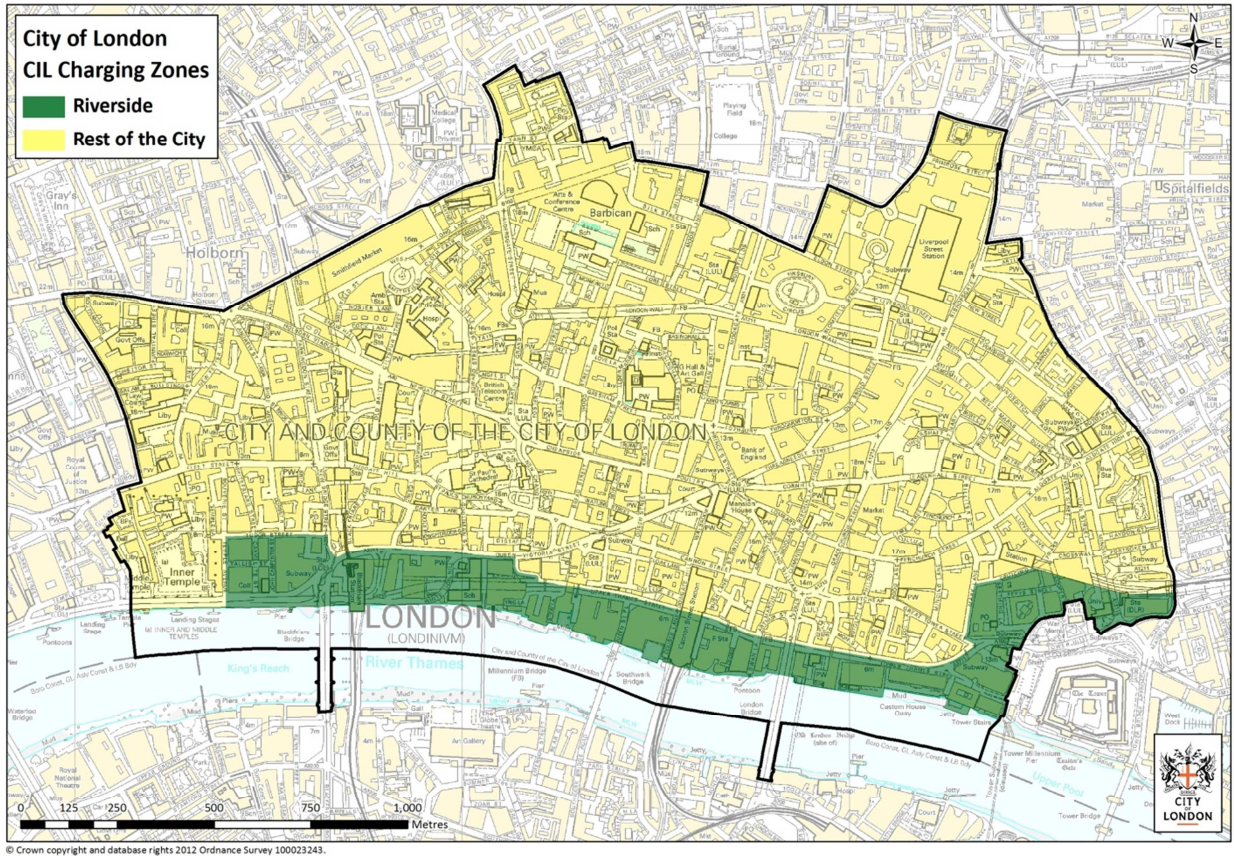
The City of London Corporation proposes to charge CIL in respect of development in the City of London at the following rates (expressed as pounds per square metre net additional floorspace, gross internal area):

**Table 1: City of London CIL Charging Zones and Rates**

Land Use	Zone	CIL Rate (£ per m <sup>2</sup> )
Offices	City-wide	£75
Residential	Riverside	£150
Residential	Rest of City	£95
Development used wholly or mainly for the provision of medical or health services, except the use of premises attached to the residence of the consultant or practitioner	City-wide	Nil
Development used wholly or mainly for the provision of education as a school or college under the Education Acts or as an institution of higher education	City-wide	Nil
<u>Development used wholly or mainly for the operational purposes of the emergency services</u>	<u>City-wide</u>	<u>Nil</u>
All other uses	City-wide	£75

Relevant zones are shown on the CIL Charging Zones Map.

**Figure 1: CIL Charging Zones**



The amount to be charged for each development will be calculated in accordance with Regulation 40 of the Community Infrastructure Levy Regulations 2010 (as amended). For the purposes of the formulae in paragraphs (5) and (6) of Regulation 40 (set out in Annex 1), the relevant rate (R) is the rate for each charging zone shown in Table 1.

As set out in Part 5 of the Community Infrastructure Levy Regulations 2010 (as amended), the above CIL rates shall be tied to the Royal Institution of Chartered Surveyors “All In Tender Price Index”; the rate of CIL charged will therefore alter depending on the year planning permission for the chargeable development is first granted.

**Scope of CIL**

CIL will be chargeable on the net additional floorspace (gross internal area) of all new development apart from those exempt under Part 6 of the Community Infrastructure Levy Regulations 2010 (as amended). Those exempt from the charge are as follows:

- developments where the gross internal area of new build on the relevant land will be less than 100 square metres (does not apply where development will comprise one or more dwellings);

- buildings into which people do not normally go, or go into only intermittently for the purpose of inspecting or maintaining fixed plant or machinery;
- buildings owned by charities and used wholly or mainly for a charitable purpose\*;
- those parts of a development used for social housing\*.

\*Applications for charitable or social housing relief must be submitted to the City Corporation in accordance with Part 6 of the Community Infrastructure Levy Regulations 2010 (as amended).

### **Discretionary relief**

Part 6 of the Community Infrastructure Levy Regulations 2010 (as amended) provides for discretionary relief from CIL for exceptional circumstances. The proposed CIL rates in this charging schedule have been informed by a detailed viability study, which has demonstrated that a combination of the CIL, scaled back s106 planning obligations and reasonable site specific mitigation should not have an adverse impact on the general viability of development across the City. Where issues of viability arise and are supported by a verified viability appraisal, the City Corporation will consider the potential for reductions in both City and Mayoral s106 planning obligations. The City Corporation does not therefore propose to offer any other discretionary or exceptional relief from CIL. If there is a more general issue over viability then that will be addressed through monitoring and review of the CIL rates.

### **Payment Instalments**

In line with Regulation 70 of the Community Infrastructure Levy Regulations 2010 (as amended), payment of the City and Mayoral CIL should be made in ~~full at the end of a period of 60 days from the intended date of commencement, or in accordance with any instalment policy which is applied by the Mayor~~ accordance with the following categories:

- Where the payable amount of CIL is £500,000 or less, the whole amount shall be paid in a single instalment not more than 60 days after commencement of the development.
- Where the payable amount is more than £500,000, developers have the option to pay two instalments:
  - The greater of £500,000 or half the value of the total payable amount 60 days after commencement, and
  - The remainder 240 days after commencement.

### **Mayoral CIL**

In accordance with Regulation 10 of the Community Infrastructure Levy Regulations 2010 (as amended), the City Corporation is a collecting authority for the Mayoral CIL. This is currently set at a level of £50 per square metre and will be levied in addition to the proposed City of London CIL rates.

**Statutory Compliance**

This Charging Schedule has been issued, approved and published in accordance with the Community Infrastructure Levy Regulations 2010 (as amended) and Part 11 of the Planning Act 2008.

This Schedule was approved by the Court of Common Council of the Mayor and Commonalty and Citizens of the City of London on .....

This Schedule takes effect on .....

## Annex 1

### Extract from the Community Infrastructure Levy Regulations 2010 (as amended)

#### Calculation of chargeable amount

- 40.—(1) The collecting authority must calculate the amount of CIL payable (“chargeable amount”) in respect of a chargeable development in accordance with this regulation.
- (2) The chargeable amount is an amount equal to the aggregate of the amounts of CIL chargeable at each of the relevant rates.
- (3) But where that amount is less than £50 the chargeable amount is deemed to be zero.
- (4) The relevant rates are the rates at which CIL is chargeable in respect of the chargeable development taken from the charging schedules which are in effect—
- (a) at the time planning permission first permits the chargeable development; and
- (b) in the area in which the chargeable development will be situated.
- (5) The amount of CIL chargeable at a given relevant rate (R) must be calculated by applying the following formula—

$$\frac{R \times A \times I_P}{I_C}$$

where—

A = the deemed net area chargeable at rate R;

I<sub>P</sub> = the index figure for the year in which planning permission was granted; and

I<sub>C</sub> = the index figure for the year in which the charging schedule containing rate R took effect.

- (6) The value of A in paragraph (5) must be calculated by applying the following formula—

$$G_R - K_R - \left( \frac{G_R \times E}{G} \right)$$

where—

G = the gross internal area of the chargeable development;

G<sub>R</sub> = the gross internal area of the part of the development chargeable at rate R;

E = an amount equal to the aggregate of the gross internal areas of all buildings which—

(a) on the day planning permission first permits the chargeable development, are situated on the relevant land and in lawful use; and

(b) are to be demolished before completion of the chargeable development; and

K<sub>R</sub> = an amount equal to the aggregate of the gross internal area of all buildings (excluding any new build) on completion of the chargeable development which—

(a) on the day planning permission first permits the chargeable development, are situated on the relevant land and in lawful use;

(b) will be part of the chargeable development upon completion; and

(c) will be chargeable at rate R.

(7) The index referred to in paragraph (5) is the national All-in Tender Price Index published from time to time by the Building Cost Information Service of the Royal Institution of Chartered Surveyors; and the figure for a given year is the figure for 1st November of the preceding year.

(8) But in the event that the All-in Tender Price Index ceases to be published, the index referred to in paragraph (5) is the retail prices index; and the figure for a given year is the figure for November of the preceding year.

(9) Where the collecting authority does not have sufficient information, or information of sufficient quality, to enable it to establish—

(a) the gross internal area of a building situated on the relevant land; or

(b) whether a building situated on the relevant land is in lawful use,  
the collecting authority may deem the gross internal area of the building to be zero.

(10) For the purposes of this regulation a building is in use if a part of that building has been in use for a continuous period of at least six months within the period of 12 months ending on the day planning permission first permits the chargeable development.

(11) In this regulation “building” does not include—

(a) a building into which people do not normally go;

(b) a building into which people go only intermittently for the purpose of maintaining or inspecting machinery; or

(c) a building for which planning permission was granted for a limited period.



# **City of London Community Infrastructure Levy**

## **Preliminary Draft Charging Schedule Consultation Statement**

**July 2013**



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## INTRODUCTION

The objective of the City of London's Community Infrastructure Levy: Preliminary Draft Charging Schedule was to seek views on the proposed level of the Community Infrastructure Levy to be applied in the City of London, alongside supporting information in the form of the Infrastructure Delivery Plan, the Economic Viability Study, the draft Regulation 123 List and draft Issues and Options for scaled back s106 planning obligations.

The Community Infrastructure Levy Regulations 2010 (amended 2011, 2012 and 2013), supported by the Community Infrastructure Levy Guidance 2013, require two rounds of public consultation on the CIL – on the Preliminary Draft Charging Schedule and the Draft Charging Schedule. Following consultation, Regulations require that the CIL Draft Charging Schedule be submitted for Public Examination in front of an independent inspector.

CIL Regulation 15 sets out who the charging authority should consult on the CIL Preliminary Draft Charging Schedule, but does not specify how the consultation should be undertaken. Regulation requires consultation with defined bodies:

- adjoining local planning authorities,
- the Mayor of London,
- City residents and City businesses, and
- those voluntary bodies or business representative bodies that the City Corporation consider appropriate.

The City of London's Statement of Community Involvement November 2012 requires consultation on planning policy documents and CIL to exceed the minimum requirements laid down in regulation. For the CIL, this requires: contacting those specific and appropriate consultation groups and bodies set out in Annex A to the SCI, contacting everyone on the Local Plan consultation database, together with residents, businesses and representative groups who have specifically asked to be consulted on the CIL, arranging meetings and placing information in appropriate locations.

The City's business community has been particularly heavily involved in the development of the CIL prior to the formal consultation stage. This has been through a series of individual meetings, questionnaires and stakeholder workshops organised by the City Corporation's viability consultants, seeking informed business input into the design of the viability model, the key cost and revenue inputs and reviewing emerging viability findings. Further detail on the pre-consultation engagement is included within the Economic Viability Study which accompanies the City's CIL proposals and which is available on the City Corporation's website at: [www.cityoflondon.gov.uk/cil](http://www.cityoflondon.gov.uk/cil) . Pre-consultation engagement was supplemented by City Corporation presentations at conferences and seminars and the Department of the Built Environment's Users Panel.

## **PURPOSE**

This document demonstrates how the City Corporation has complied with the consultation requirements for the CIL Preliminary Draft Charging Schedule set out in CIL Regulations and in the City of London Statement of Community Involvement (2012). This document sets out the following:

- which bodies and persons were invited to make representations under the Regulations;
- how those bodies and persons were invited to make such representations;
- a summary of the main issues raised by those representations;
- how those main issues have been addressed in the CIL Draft Charging Schedule.

## **STAGES OF CONSULTATION**

The consultation for the CIL Preliminary Draft Charging Schedule began on 25<sup>th</sup> March 2013 and closed on 13<sup>th</sup> May 2013. This period exceeded the minimum 6 week period set out in Statutory CIL Guidance issued by the Department for Communities and Local Government in April 2013.

## **GENERAL CONSULTATION MEASURES**

### **Consultation Notification Emails and Letters**

Over 1,340 emails and letters were sent to Local Plan and CIL consultees. The consultation details were also emailed by the City Property Association to all its members. A total of 15 representations were received.

Summaries of each of these responses are attached as an Annex to this report and copies are available on the City Corporation's website at [www.cityoflondon.gov.uk/cil](http://www.cityoflondon.gov.uk/cil)

### **Website**

The CIL Preliminary Draft Charging Schedule, the Economic Viability Study, the City of London Infrastructure Delivery Plan, the draft Regulation 123 List, the draft s106 Planning Obligations Issues and Options documents and the Equalities Impact Assessment were published on the City of London's website at [www.cityoflondon.gov.uk/cil](http://www.cityoflondon.gov.uk/cil)

The website also included information explaining where and when paper copies of the documentation were available for inspection.

Information was provided through the 'New this week' section on the home page of the City's website and the 'what's new' section on the home page of the Planning section of the website, as well as through dedicated CIL pages, to ensure maximum exposure.

### **City Libraries**

Throughout the consultation period, printed copies of the CIL Preliminary Draft Charging Schedule and supporting documentation were made available at the Department of the Built Environment Enquiries Desk and the City's five libraries:

- Department of the Built Environment Enquiries Desk, Guildhall  
*Monday – Friday, 9.30am – 4.30pm*
- Guildhall Library, Aldermanbury  
*Monday – Saturday, 9.30am – 5pm*
- City Business Library, Aldermanbury  
*Monday – Friday, 9.30am – 5pm*
- Artizan Street Library & Community Centre, Artizan Street  
*Monday – Friday, 8am – 6pm*
- Shoe Lane Library, Little Hill House, Little New Street  
*Monday and Wednesday – Friday, 9am – 5.30pm; Tuesday 9am – 6.30pm*
- Barbican Library, Silk Street  
*Monday & Wednesday, 9.30am – 5.30pm; Tuesday & Thursday, 9.30am – 7.30pm; Friday, 9.30am – 2pm; Saturday 9.30am – 4pm*

### **Press Release**

A press release providing details of the consultation process was issued to the local, national and professional media.

### **Eshot**

A short message was placed in the City's 'eshot' which brought the consultation to the attention of City workers who subscribe to the monthly email alert.

### **Social Media**

Information about the consultation and a link to the CIL page on the City Corporation's website was placed on the City Corporation's Facebook page and Twitter feed.

### **Internal City Corporation Consultation**

Information about the consultation, including consultation dates and links to the CIL pages on the City Corporation website, was made available to City Corporation Members and staff.

## **EVENTS AND MEETINGS**

### **a) Pre-consultation meetings**

Presentations were made by City Corporation officers at seminars and conferences prior to the finalisation of the Preliminary Draft Charging Schedule rates to explain the City Corporation's approach to CIL and CIL rate setting, and encourage stakeholders to respond to the subsequent formal consultation. Presentations were made to a breakfast seminar organised by Cundall Planning on 18<sup>th</sup> July 2012 and to the Planning in London Conference on 26<sup>th</sup> November 2012.

Regular updates on progress with the City CIL and amendments to the national CIL Regulations were provided to the Built Environment Users Panel and posted on the City Corporation's website.

As part of the process of developing the Economic Viability Model and providing advice to the City Corporation, the City Corporation's viability consultants – Gerald Eve – sent out questionnaires and undertook meetings with individual developers, landowners, agents and investors during the period June to September 2012. City Corporation officers also attended and provided guidance on the CIL process at two stakeholder group meetings organised by Gerald Eve on 19<sup>th</sup> June and 29<sup>th</sup> July 2012. Officers also attended and provided guidance at a stakeholder group meeting on 17<sup>th</sup> October 2012, organised by Gerald Eve to feed back to stakeholders their CIL viability recommendations to the City Corporation.

## **b) Consultation meetings**

### **City Property Association, 19<sup>th</sup> February 2013**

A presentation was made to a breakfast seminar of the City Property Association, setting out the proposed CIL charge rates and encouraging CPA members to respond to the consultation.

### **Built Environment Users Panel, 22<sup>nd</sup> January 2013 & 9<sup>th</sup> May 2013**

Information on the likely levels of CIL charges and the timescale for consultation was presented to the Users Panel in January and members were encouraged to take part in the consultation. At the meeting on 9 May, information was presented on the rates agreed by Committee for consultation and progress on the consultation, with Users Panel members encouraged to respond.

### **Safer City Partnership, 8<sup>th</sup> May 2013**

An information note was provided to the Safer City Partnership and a brief discussion took place on the CIL charge rates and areas of potential spend. Partnership members were encouraged to respond.

**Annex: CIL Preliminary Draft Charging Schedule – Consultation Comments and City Corporation response**

Comment ID	Name	Organisation	Comment Type	Comment	City Corporation Response
1	S Doherty	Civil Aviation Authority	General Comment	<p>The CAA is not a statutory consultee for planning applications (unless its own property is affected). Other than the consultation required by Section 110 of the Localism Act 2011, it is not necessary to consult the CAA about Strategic Planning Documents (e.g. Local Development Framework and Core Strategy documents) other than those with direct aviation involvement (e.g. Regional Renewable Energy Plans); Waste Plans; Screening Options; Low-rise structures, including telecommunication masts. With the exception of wind turbine developments, the CAA is unlikely to have any meaningful input related to applications associated with structures of a height of 100 feet or less that are situated away from aerodromes or other landing sites; Orders affecting Rights of Way or Footpaths; Sub-surface developments; General planning applications not affecting CAA property; and Solar Photovoltaic Panels (SPV). In all cases where the above might affect an airport, the airport operator is the appropriate consultee. Please be advised that we will no longer respond to future correspondence received regarding the above subjects. Where consultation is required under Section 110 of the Localism Act 2011 the CAA will only respond to specific questions (but will nevertheless record the receipt of all consultations). Please could you ensure that your Planning Officers are aware of these principles and the revised policy and that any associated procedures are amended with immediate effect.</p>	Comments Noted

2	Gordon Cookson	City Resident	General Comment	<p>How will the City Fringe be monitored? Sounds costly which may end up increasing the costs of the City Corporation and put pressure on the Corporation to increase levies in the future. Why is a levy even needed? Surely there are standard, existing, revenue raising methods which take money from firms operating within the City of London - the more firms which operate in the City (e.g. as a result of new development) the more existing revenue comes to the City for future infrastructure provision anyway? Similarly, the draft CIL refers to charges on residential developments - the more residents in the City of London the greater are council tax receipts for funding future infrastructure development. So again, why is the CIL even needed? As an aside, raising development costs for residential developments may result in higher flat/house prices in the City of London which may be an unintended consequence of the levy. Why only levy new developments? New developments create jobs so it seems odd to levy these and potentially reduce the number of developments and so jobs. Similarly, the City Fringe introduces a policy which if it changes developers' procurement behaviour at all will by definition be raising developers' procurement costs - the implicit assumption being that developers are privately optimally sourcing products pre-levy. At the margin this levy and the City Fringe may discourage some developers from operating in London which (while not necessarily reducing welfare from society's perspective) would surely go against the principles of the policy. Perhaps better to interfere less with business which will maximise the chances of new business and residential developments taking place and in turn maximise job creation, and thereby help reduce local unemployment issues.</p>	<p>1) CIL will be levied at uniform rate for most development city-wide, with higher rate for residential on the riverside, reflecting the viability evidence. CIL regulations set out how the CIL should be monitored and make provision for this cost to be recovered through the CIL charge. 2) CIL will replace existing s106 planning obligations and will provide a specific mechanism for seeking developer contributions towards meeting the demands on infrastructure generated by their development. 3) CIL is charged on the increased floorspace in new development to ensure that it funds only the increased infrastructure requirements arising from that development and is not intended to address existing shortfalls or deficiencies. 4) The viability evidence demonstrates that the CIL will not impact on the viability of development across the City and should not, therefore, discourage new development.</p>
3	David Waller	City Resident	Support	<p>If the basic logic is that <u>new</u> developments, through the CIL, are contributing to the <u>additional</u> infrastructure needs they cause, then I think the CIL is a good and fair idea.</p>	Support Noted
4	Andrew Brabin	City Resident	Support	<p>I support the proposed charges on new developments and the fact that they explicitly will fund infrastructure and NOT be used for Affordable housing, training or education initiatives.</p>	Support Noted



5	Francesca Barker	Natural England	Support	<p>We note that the National Planning Policy Framework Para 114 states “Local planning authorities should set out a strategic approach in their Local Plans, planning positively for the creation, protection, enhancement and management of networks of biodiversity and green infrastructure.” We view CIL as playing an important role in delivering such a strategic approach. As such we advise that the council gives careful consideration to how it intends to meet this aspect of the NPPF, and the role of the CIL in this. In the absence of a CIL approach to enhancing the natural environment, we would be concerned that the only enhancements to the natural environment would be ad hoc, and not deliver a strategic approach, and that as such the local plan may not be consistent with the NPPF. Potential infrastructure requirements may include: Access to natural greenspace; Allotment provision; Infrastructure identified in the local Rights of Way Improvement Plan; Infrastructure identified by any Local Nature Partnerships and or BAP projects; Infrastructure identified by any AONB management plans; Infrastructure identified by any Green infrastructure strategies; Other community aspirations or other green infrastructure projects (e.g. street tree planting); Infrastructure identified to deliver climate change mitigation and adaptation; Any infrastructure requirements needed to ensure that the Local Plan is Habitats Regulation Assessment compliant.</p>	<p>Reg 123 list includes reference to public realm enhancement, open space provision and community facilities which includes green infrastructure. The Infrastructure Delivery Plan also considers the provision of green infrastructure and measures to address climate change. Amendments will be made to the IDP to clarify that infrastructure includes the creation, protection, enhancement and management of networks of biodiversity and green infrastructure.</p>
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6	Alexander Deane	City of London - Common Councilman	Object	<p>Having read and considered it, my firm and considered view as a Common Councilman is that we should not adopt it. Whilst these CIL arrangements are, in principle, preferable to s. 106, it is clear from answers I have received to questions to Officers that CIL will cost developers more in tax to conduct their work in our authority (for both residential and commercial build). I believe that this is plainly the wrong time to raise costs for those conducting work that drives economic growth in our country. I say that because, presently, the property industry already faces: "Section 106" payments, as a condition of planning permission; Stamp duty (at much higher levels than in the past) on a property when it's sold; Income Tax and National Insurance for their construction and other staff; and all the other taxes like Fuel Duty, Business Rates, Landfill Tax, environmental levies and Insurance Premium Tax. With such a heavy burden of taxes and regulations, it's no wonder that we have a housing crisis and a construction industry in a parlous state. If we keep piling more taxes onto this sector, then it will collapse. We are a flagship authority and should pride ourselves on imposing less tax than others, setting an example of a freer market and more nimble economic environment. I am also concerned by the fact that it was by no means apparent in the consultation per se that state-imposed costs would be going up for developers, and that only by asking direct questions did that fact emerge. I am concerned that, through no fault of their own, others responding to this consultation will not realise that; their responses are unwittingly handicapped as a result.</p>	<p>1) CIL will replace much of the existing s106 regime. The viability evidence demonstrates that the proposed CIL rates will not impact on the overall viability of development in the City. 2) CIL rates have been set with reference to the viability evidence in line with CIL Regulations and not the rates proposed in other boroughs. Comparison with adjoining boroughs shows that City CIL rates are in line with, or lower than, those being proposed in these boroughs. 3) CIL consultation documents included information on the current level of s106 charge, the proposed CIL charge and the scaled back s106 charge to enable informed consideration of proposed rates.</p>
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7	Gerald Hine	City Resident	General Comment	<p>GERALD EVE have produced a detailed and comprehensive review on behalf of the City of London Corporation. I am not capable of challenging the detailed workings and methodology, but I am very concerned about the parameters, which are a strait-jacket for the reviewer. The latter is, therefore not to blame for the conclusions: the fault, in my view lies with the Corporation's restrictive, out-moded policies. <b>Firstly</b>, insisting on affordable housing contributions at the minimum of 30% of residential development <b>on-site</b>, is untenable, when on all sides from Central Government and the Mayor of London, there is a cry for <b>more</b> affordable housing. In today's "Times" is a most revealing report concerning Westminster Council's insistence on requiring more than £1.8 million to their affordable homes scheme, from the re-development of Piccadilly's In and Out Club into, allegedly, the most expensive home in Britain. The Council – not known for its "socialist" stance – finally exacted £5.5 millions. If that neighbour can do it, then so can the City Corporation. Instead of yet another concert facility in the Square Mile, as at the former Milton Court redevelopment, the expensive Heron residences could have produced more socially useful affordable housing. Why not do a Westminster Council on the Roman House redevelopment? If the present constraining policy were to be eased, then GERALD EVE's review would have painted a much more different picture, to the benefit of the City's residential and working population. <b>Secondly</b>, the City wishes, quite rightly to preserve and enhance educational facilities; it refers to the need to increase primary health care facilities, and this is a welcome step forward, but, there needs to be a greater more pro-active thrust by the Corporation in the latter respect, rather than waiting on others to come in with finance. Primary care is a necessary ingredient in the City's total infrastructure, just as there is also a need to establish large scale medical conference facilities within the Square Mile – perhaps in Smithfield associated with Bart's Hospital. The City needs to look for revenue streams other than from the traditional business offices. This leads to my <b>third and final</b> point. There is a fast-changing face in the way the office community is working: less dependence on office space, more dependence on working away from the office. New technology is re-shaping where people work – at home, in the café, in public spaces such as the Barbican Centre, by video-conferencing. So why build in extra office space in the coming years? It is a dodo</p>	<p>The comments raise concerns about the level of affordable housing sought in the City; the balance of land uses between offices and other uses, particularly health care; and the need to continue to plan for further office development. These are matters which impact on the direction and policies of the emerging City of London Local Plan and not the proposed CIL Charging Schedule.</p>
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				<p>policy. The document would gain more support, in my view, if the City were more forward-looking.</p>	
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8	Stephen Ashworth	Dentons	Object	<p>There needs to be better justification of the "total infrastructure" that is costed in the paper, and it is doubtful that that should include any housing; there should be a better explanation of how the infrastructure funding gap will be met. If the infrastructure is meant to be R122 compliant, and without it development would not be acceptable, then there needs to be some clarity about how that necessary infrastructure will be funded -- or the development plan strategy will be, prima facie, at risk; CIL is meant to affect, and diminish, residual land values. The Gerald Eve approach effectively assumes that it does not. That cannot be right; the protection for the Mayoral Crossrail SPD monies is unnecessary and many in the City would be willing to make that SPD contribution (which too often has a s106 compliance cost) made by CIL and spent on wider infrastructure; CIL levels, particularly for residential, should be benchmarked against rates in similar and neighbouring areas; the approach to instalments should be explicit; the assumption that there is no need for an exceptions policy because s106 obligations can be squeezed is flawed. Development plan requirements should take precedence over CIL. CIL, like land values, should function at the residual level.</p>	<p>1) IDP will be amended to clarify that CIL cannot be spent in delivery of social housing, as defined in Part 2 of the 2008 Housing &amp; Regeneration Act. 2) IDP will be amended to further clarify the relationship between CIL and s106, and clarification provided in the CIL supporting information and draft s106 SPD on the need for s106 to make development acceptable within the requirements of Reg 122. 3) Land values are regarded as an input in the viability modelling and to take account of both policy and future CIL levels in accordance with the NPPF and DCLG Guidance. 4) Disagree, Crossrail contributions are a requirement set out in the London Plan and Mayoral SPG which forms part of the development plan for the City and have to be taken into account to ensure the CIL is policy compliant. 5) CIL Reg 14 requires rates to be set with regard to the impact on development viability. It does not allow rates to be set by benchmarking those in neighbouring areas. 6) The City Corporation proposes to operate the Mayor's instalments policy. Further information will be provided in the Draft Charging Schedule. 7) Current CIL Regs allow very little scope for allowing exceptional circumstances relief. The City's CIL rates have been set at a level which would allow for CIL and necessary s106 to be delivered without the need for such relief.</p>
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9	Philip Jameson, Savills	Thames Water	Object	<p>Thames Water considers that water and wastewater infrastructure buildings should be exempt from payment of the CIL for the following reasons: It is Thames Water's understanding that it is unlikely that the provision of water and waste water infrastructure could be funded through CIL. This infrastructure is ordinarily funded via the Water Industry Act and the Asset Management Planning (AMP) funding process that is regulated by Ofwat and ultimately comes from customer's bills; The CIL was not taken into account in the submission of Thames Water's Business Plan submitted to Ofwat for AMP5 covering the period from April 2010 to March 2015 and hence, if for any reason, Thames Water were required to pay CIL this would impact on the ability to deliver important water and wastewater infrastructure required to support growth; and water and wastewater infrastructure is by its nature essential to support growth and to deliver environmental improvement. The provision of such infrastructure usually does not result in any increased demand for other types of infrastructure such as schools, open space and libraries for example and therefore has no significant impact on wider infrastructure provision. The predominant aims of water and wastewater infrastructure development are to support growth (the same aim as the CIL) and to deliver environmental improvements, rather than to increase the financial value of land on a profit making basis. Consequently, Thames Water does not benefit in the same way as residential or commercial developers through the ability to sell operational sites with planning permission in place for operational buildings. The purpose of the CIL is to raise funds from developers of new building projects to help fund infrastructure that is needed as a result of increased demand arising from new development. As set out above water and wastewater infrastructure is also essential to support new development, however such development is unlikely to put additional pressure on the above mentioned other types of infrastructure. The Communities and Local Government document entitled <i>"The Community Infrastructure Levy – An Overview"</i> sets out that the money raised by developer contributions should be spent in a way that developers feel is worthwhile namely on infrastructure to support development and the creation of sustainable communities. The document also sets out that <i>"the responsibility to pay the levy runs with the ownership of land on which the liable development will be situated. This is in</i></p>	<p>Comments noted, but no change required. Water and waste water operational development of the type referred to would normally fall within the definition of development which is not liable for CIL under 2011 CIL Regulation 6(2)(a) &amp; (b), i.e. buildings into which people do not normally go and buildings into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery.</p>
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				<p><i>keeping with the principle that those who benefit financially when planning permission is given should share some of that gain with the community. That benefit is transferred when the land is sold with planning permission, which also runs with the land.</i>" The predominant aims of water and wastewater infrastructure development are to support growth (the same aim as the CIL) and to deliver environmental improvements, rather than to increase the financial value of land on a profit making basis. Consequently, Thames Water does not benefit in the same way as residential or commercial developers through the ability to sell operational sites with planning permission in place for operational buildings. Given that the aim of new water or wastewater development is to provide the infrastructure required to support growth or to deliver environmental improvements it is considered that charging the CIL on such developments would be unreasonable. As such, on behalf of Thames Water we consider that the City of London CIL Charging Schedule should make it clear that water and waste water developments will not be subject to CIL. As currently written the Schedule applies CIL at a rate of £75 per square metre to "all other uses". For clarity and for the reasons set out above we consider that on behalf of Thames Water that buildings required for water and wastewater infrastructure provision should not be subject to CIL. Therefore we also consider that the categories of development that are identified in the draft Schedule as not subject to CIL charging should be extended, as follows, to include developments associated with the provision of water and waste water infrastructure:          "Development used wholly or mainly for the provision of water and waste water utilities infrastructure."</p>	
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10	Andrew Barry-Pursell	Greater London Authority		<p>As you are aware, the Mayor's CIL Charging Schedule came into force on 1 April 2012. We consider all borough CIL proposals to ensure they take full account of the rates set by the Mayor in bringing forward their own proposals, as required by regulation 14(3) of the Community Infrastructure Levy Regulations 2012 (as amended).</p> <p>We have discussed the extent to which your proposals have taken account of site-specific issues for which the Corporation would intend to continue to use section 106 following introduction of its CIL. You indicated that this has been taken into account in the Economic Viability Study. On this basis we are glad to confirm that your proposals meet the requirements of regulation 14(3), but we would suggest that this point is made clearly when you issue your draft charging schedule documentation.</p>	<p>Comments noted, the Draft Charging Schedule documentation will clarify that the CIL Economic Viability Study has taken account of the need for site specific mitigation under s106 and s278.</p>
11	Neil Lees	Transport for London	General Comment	<p>As you are aware TfL has been working closely with the GLA on the implementation of the Mayor's CIL and reviewing proposed borough CILs. TfL has a common interest with the Mayor in ensuring that borough CILs, when combined with his own, will not threaten development nor the aim of raising £300m for Crossrail. In addition, TfL hopes to work with boroughs on their infrastructure planning, and ensure borough CILs are a means of funding transport infrastructure that is vital to support planned development. We will also be happy to work with you in further developing the draft regulation 123 list that the CIL guidance now requires to be produced at the CIL examination. TfL will not generally support the case for funding strategic transport infrastructure from CIL which it does not regard as important or justified for the delivery of the objectives of the local plan or assist in funding such projects itself. I note the approach to transport infrastructure set out within the Infrastructure Delivery Plan dated March 2013. The draft regulation 123 list also identifies transport improvements. It would be helpful to understand which transport projects will be prioritised in respect of the CIL generated and how the City proposes to bring forward transport infrastructure.</p>	<p>Comments noted. The Reg 123 List defines a broad category of 'transport improvements' to provide flexibility in determining appropriate improvement schemes in response to the City's needs. The City Corporation already works closely with TfL in delivering improvements and this close working will continue.</p>



12	Paul Houston	City Property Association	Support	<p>The CPA confirms that it is supportive of the proposed CIL rates in the City's Preliminary Draft Charging Schedule and considers that they have generally been set at a level which allows for economic development to continue in the City. We have had regard to the City of London "Draft Issues and Options Section 106 Planning Obligations" SPD. The CPA has long supported the public realm enhancements that the City of London has made across the City which has made it a more attractive place to invest and develop. It wishes to ensure that the priority which is given to these public realm enhancements is continued under the new CIL regime.</p>	<p>Support Noted. The Infrastructure Delivery Plan identifies the importance of public realm enhancement to the implementation of the Core Strategy. The Reg 123 List identifies public realm enhancement as infrastructure that will be funded through CIL.</p>
13	Mel Barlow-Graham	Dron & Wright for London Fire and Emergency Planning Authority	General Comment	<p>We note that "all other uses", within which a new fire station will fall, carry a levy of £75 per square metre across the borough. As fire stations are a vital community safety facility, we believe that they should be excluded from payment of this levy as this ultimately results in a charging of the levy on one of the very uses that CIL is designed to fund. Payment of such a levy would also render new fire station development unviable. We therefore request that particular reference to this use be included within the schedule, with a nil levy set against it. Fire stations are community safety facilities, which are included within the wider definition of "infrastructure" under the Planning Act 2008. Therefore any new development including the provision of a new fire station, will already be making a substantial contribution to the infrastructure which CIL is designed to fund. Furthermore, CIL payments will effectively result in double counting, impacting on the viability of a scheme which involves a new fire station within a development. It is also worthy of note that other London boroughs have excluded fire station and associated used from payment of a CIL levy, most notably Barnet, Brent, Richmond Upon Thames, and Sutton. A number of others have also excluded payment of a CIL levy for fire stations, as they fall under "all other uses". We trust that the reasons set out above are sufficient for the Council to reconsider that a fire station does fit within the definition of community infrastructure and hence should not have a CIL levy payable.</p>	<p>Issues raised are applicable to other emergency service provision. The CIL Charging Schedule will be amended to provide a nil rate of CIL for development used wholly or mainly for the operational purposes of the emergency services.</p>

14	Tom Dobson	Berkeley Group	General Comment	<p><b>Viability Study:</b> Berkeley welcomes the open and consultative process that the City of London and its advisers have taken to the production of the Preliminary Draft Charging Schedule. In particular, early engagement with the development industry on their experience of viability issues in the City has clearly informed the production of the PDCS, as recommended by the CIL Guidance (2013). We also welcome the extent to which the approach has taken into account real sites and linked the assessment to the delivery of the Local Plan. While the approach taken in the study is supported we have a number of queries as to the content of the residential appraisals and relationship to the summary report and proposed charging rates. In relation to the residential appraisals contained in Appendix 10b, we would make the following observations: It is unclear how the appraisals deal with affordable housing provision. Paragraphs 8.18 to 8.20 in the main report describe the approach taken and suggest that, although policy standards are higher, most residential schemes agree a lower off site proportion through negotiation and therefore 30% (off site) has been tested. However the appraisals themselves suggest a figure of 26% (off-site) has been applied. Both rates are lower than either the 30% on site requirement or the 60% off site commuted sum that the Corporation is proposing in the Draft Planning Obligations SPD on which it is consulting alongside the PDCS, and which reflects current policy. Given recent CIL Examination reports we would suggest that appraisals should test a policy compliant rate of affordable housing; The appraisals do not appear to include any Section 106 obligations although the Draft SPD includes a £3 per square metre tariff for employment and skills, and other potential contributions; The CIL appears to be calculated on the basis of GEA rather than GIA as required by the CIL regulations. These former two assumptions appear to contradict the list in Table 4 of the PDCS. We would also welcome some clarification as to how the conclusions about residential viability in paragraphs 10.11 to 10.13 have been arrived at. Figures 10.20 and 10.21 appear to represent some sort of average of the twenty residential appraisals in Appendix 10b. Of these twenty appraisals it would appear only three relate to the riverside zone. There appears to be something of a gap at present in the explanation as to how the individual appraisals lead to the proposed rates in paragraphs 10.12 and 10.13, and that there is far less detail than there is in the case</p>	<p>1) The City's viability consultants have updated their financial modelling to ensure that account is explicitly taken of the policy requirements for affordable housing. Revised appraisals indicate that policy compliant levels of affordable housing will not impact on the proposed CIL rates. 2) The draft s106 SPD Issues and Options document clarifies that s106 contributions will be sought only for site specific mitigation within the terms of Reg 122, affordable housing and training and skills provision. The City's viability consultants have updated the viability appraisal sheets to confirm that these contributions have been taken into account in arriving at the proposed CIL rate 3) The City's viability consultants have amended the viability study to confirm that it is based on GIA. 4) CIL rates on the riverside have been derived from viability testing of a small number of actual schemes including residential. The lower number of appraisals relative to offices is a reflection of the approved Core Strategy policy approach which gives priority to office development. 5) Further information will be provided in the CIL documentation on affordable housing contributions through s106 and delivery of affordable housing.</p>
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			<p>of offices.</p> <p><b>Section 106 and Infrastructure Delivery:</b> Paragraph 22 of the CIL Guidance (April 2013) suggests that: “the charging authority should also prepare and provide information about the amounts raised in recent years through Section 106 agreements. This should include the extent to which affordable housing and other targets have been met.” Such information does not appear to have been provided at this stage, but as noted above the Viability Study suggests that for recent developments the Corporation has achieved lower than its policy target for affordable housing. From a brief review of residential Section 106 agreements in the City of London it would appear that the vast majority of Section 106 contributions have been for off-site affordable housing, and that other contributions have been very significantly lower than the £7,000 to £11,000 per private dwelling (assuming 75 sq m per private home and that existing floorspace doesn’t meet the occupancy tests set out in Regulation 40). This may in part reflect the fact that the City’s restrictive policies in relation to residential development may keep land values for residential use higher than they otherwise would be, thus reducing the ability to achieve other planning benefits. This is a point made in the Berkeley Group’s representations to your Draft Local Plan on 15 March 2013. It would be useful for the Corporation to publish a review of achieved Section 106 agreements in relation to residential developments as part of the next stage of the DCS. This would also allow us to respond more effectively to your emerging Planning Obligations SPD – as to the likelihood and quantum of any residual Section 106 requirements from residential developments, which should be included in any future viability assessment work. We are concerned that, contrary to the statement in the paragraph on Discretionary Relief on page 16 of the PDCS, it will not be easy to flex Section 106 requirements to accommodate CIL, if they meet the tests set out in Regulation 122 of the CIL Regulations 2010 (as amended).</p> <p><b>Summary:</b> In summary, the Berkeley Group welcomes the approach taken by the Corporation and its engagement to date. We have a number of queries about the approach to the assessment which are listed above. Should it be the case that the housing proportions tested are below policy standards we would suggest that the Corporation may want to test this prior to the production of the Draft Charging Schedule. The Berkeley</p>	
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				Group wishes to continue work with the Corporation to ensure that the introduction of CIL achieves its stated objective of supporting all new development in the City. We would therefore be happy to provide any further information that might be useful in the next stage of the Corporation's work, and would be keen to engage with the Corporation and its consultants to address the issues we have identified above.	
15	Graham Saunders	English Heritage	General Comment	In paragraph 23 the Local Planning Authority states its view that any CIL exemption would be unlikely to be necessary in the City of London. Nevertheless, English Heritage encourages Local Planning Authorities to consider offering CIL relief in exceptional cases, should they arise, for schemes designed to meet a conservation deficit in the repair of a heritage asset but where the application of CIL would render the scheme unviable. English Heritage would strongly advise that the City's conservation staff are involved throughout the preparation and implementation of the Draft Charging Schedule as they are often best placed to advise on; local historic environment issues and priorities; sources of data; and, consideration of options relating to the historic environment.	Opportunities for exceptional circumstances relief are very limited by Regulation. The City Corporation will keep this under review in light of viability evidence and the DCLG (May 2013) consultation on further CIL reforms.



**GERALDEVE**

Community Infrastructure Levy: Preliminary Draft Charging  
Schedule Review

On behalf of: The City of London Corporation

Contact: Robert Fourt  
Mark Walter

June 2013

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NOTE: The contents of this report to City of London Corporation (City Corporation) is being supplied the City Corporation is on the express understanding that it shall be used only to assist in the economic assessment for a suitable CIL charging schedule. The information contained within this report is believed to be correct as at June 2013 but Gerald Eve LLP give notice that:

- (i) all statements contained within this report are made without acceptance of any liability in negligence or otherwise by Gerald Eve LLP. The information contained in this report has not been independently verified by Gerald Eve LLP;
- (ii) none of the statements contained within this report are to be relied upon as statements or representations of fact or warranty whatsoever without referring to Gerald Eve LLP in the first instance and taking appropriate legal advice;
- (iii) references to national and local government legislation and regulations should be verified with Gerald Eve LLP and legal opinion sought as appropriate;
- (iv) Gerald Eve LLP do not accept any liability, nor should any of the statements or representations be relied upon, in respect of intending lenders or otherwise providing or raising finance to which this report as a whole or in part may be referred to; and
- (v) Any estimates of values or similar, other than specifically referred to otherwise, are subject to and for the purposes of discussion and are therefore only draft and excluded from the provisions of the RICS Valuation Manual 7<sup>th</sup> Edition.

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# 1 Introduction

## Instructions

- 1.1 Gerald Eve LLP is instructed by the City of London Corporation (the “City Corporation”) to provide further advice in relation to the City-wide financial viability assessment (“CFVA”) undertaken by Gerald Eve to support the development of a Community Infrastructure Levy (“CIL”) Charging Schedule for the City of London (the “City”).
- 1.2 Following consultation of the Preliminary Draft Charging Schedule (“PDCS”) the City Corporation has instructed Gerald Eve to:
- review the public consultation comments received and provide a response and suggested amendments, from the perspective of the viability appraisal;
  - provide commentary on any changes in the City development market and their impact on CIL viability since the initial study was completed in January 2013; and
  - provide a view on whether the proposed increase in the affordable housing in-lieu figure would impact significantly on the viability of the proposed CIL levels for residential development in the City.
- 1.3 Where appropriate, we have updated the assumptions adopted within our CFVA model and provide commentary on the impacts, if any, of the proposed CIL rates on development viability across the City. In all other respects the basis of this report is in accordance with guidance and regulations set out in our January 2013 CFVA report or as subsequently amended.
- 1.4 This report has been prepared as at June 2013. In accordance with the National Planning Policy Framework, DCLG Guidance and best practice guidance we have assumed market movements (both positive and negative) within reasonably expected parameters in arriving at the conclusions and recommendations as set out. Inherent within these assumptions is that funding and financing sources remain available for development. In addition, attention is drawn to the fact that this report is based upon the prevailing CIL regulations and guidance. It is noted these may change and if so, it may



be necessary to amend parts of this report and indeed our conclusions and recommendations.

## 2 Review of Public Consultation Comments

### Introduction

2.1 The City Corporation consulted on its Preliminary Draft Charging Schedule between 25 March and 13 May 2013. A total of 15 comments were received from consultees. We have reviewed all the comments and have provided a response and suggested amendments, from the perspective of the viability appraisal, in the tables below:

Consultee	Greater London Authority
<b>Viability specific comments</b>	
<p>Could you clarify the position regarding the planning obligation assumptions used by Gerald Eve in your Economic Viability Study?</p> <p>On pages 54-55, Table 5.2 sets out the assumptions about the things you will continue to use section 106 for. The table suggests that this will be limited to our CIL and Crossrail s106, affordable housing and training and skills. Are you allowing for site-specific and other things as well?</p>	
<b>Gerald Eve Response</b>	
<p>In addition to Mayoral CIL, Crossrail S106, Affordable Housing and training and skills contributions the model also includes a contribution towards Policy 4.3 'Mixed Use Development and Offices' of the London Plan for commercial development. Site specific S106 planning obligations and S278 highways agreements which are necessary to make the development acceptable in planning terms will vary considerably from scheme to scheme. In order to allow for this in our appraisals we have made allowances within our construction costs for both external works and exceptional costs which are intended to pick up costs in respect of planning mitigation, in an area-wide assessment.</p>	

Consultee	Dentons
<b>Viability specific comments</b>	
<p>CIL is meant to affect, and diminish, residual land values. The Gerald Eve approach effectively assumes that it does not. That cannot be right.</p> <p>CIL levels, particularly for residential, should be benchmarked against rates in similar and neighbouring areas.</p>	
<b>Gerald Eve Response</b>	
<p>Our financial modelling assumes land as an implicit input with a return being the output that is compared to a benchmark. The assumptions in respect of the area-wide site values are set out in</p>	

our CFVA January 2013 report which complies with relevant guidance. It follows that land values do take account of both policy and future CIL levels and is in accordance with the NPPF and DCLG Guidance.

There is no requirement in the regulations or guidance for benchmarking proposed levels against those proposed by neighbouring authorities. This would be inconsistent with guidance on suggested methodology and the particular circumstance in each local authority area.

<b>Consultee</b>	Quod on behalf of Berkeley Group plus email from the Berkeley Group
<b>Viability specific comments</b>	
<p>In relation to the residential appraisals contained in Appendix 10b, we would make the following observations:</p> <ul style="list-style-type: none"> <li>• It is unclear how the appraisals deal with affordable housing provision. Paragraphs 8.18 to 8.20 in the main report describe the approach taken and suggest that, although policy standards are higher, most residential schemes agree a lower off site proportion through negotiation and therefore 30% (off site) has been tested. However the appraisals themselves suggest a figure of 26% (off-site) has been applied. Both rates are lower than either the 30% on site requirement or the 60% off site commuted sum that the Corporation is proposing in the Draft Planning Obligations SPD on which it is consulting alongside the PDCS, and which reflects current policy. Given recent CIL Examination reports we would suggest that appraisals should test a policy compliant rate of affordable housing;</li> <li>• The appraisals do not appear to include any Section 106 obligations although the Draft SPD includes a £3 per square metre tariff for employment and skills, and other potential contributions;</li> <li>• The CIL appears to be calculated on the basis of GEA rather than GIA as required by the CIL regulations.</li> <li>• These former two assumptions appear to contradict the list in Table 4 of the PDCS.</li> </ul> <p>We would also welcome some clarification as to how the conclusions about residential viability in paragraphs 10.11 to 10.13 have been arrived at. Figures 10.20 and 10.21 appear to represent some sort of average of the twenty residential appraisals in Appendix 10b. Of these twenty appraisals it would appear only three relate to the riverside zone. There appears to be something of a gap at present in the explanation as to how the individual appraisals lead to the proposed rates in paragraphs 10.12 and 10.13, and that there is far less detail than there is in the case of offices.</p> <p>It would be useful for the Corporation to publish a review of achieved Section 106 agreements in relation to residential developments as part of the next stage of the DCS.</p> <p>The Berkeley Group is not objecting to the proposed rates as set out in the PDCS. All comments above should be considered as observations.</p>	
<b>Gerald Eve Response</b>	
<p>We have amended our appraisal summaries to accord with the financial modelling and our report to clearly show the financial contribution of £151,584 per affordable unit under Policy CS21 of the Core Strategy at 60%.</p>	

Our appraisal summary sheets have again been amended to show the training and skills contribution for residential plus the contribution towards the Policy 4.3 'Mixed Use Development and Offices' of the London Plan for commercial development.

The area assumptions for calculating the CIL payment have been amended from the Gross External Area to the Gross Internal Area. This equates to a 3% reduction in the chargeable area for the City CIL and we confirm that this does not have any impact upon the overall assessment of residential and commercial viability as concluded in our January 2013 report

<b>Consultee</b>	Dron & Wright on behalf of London Fire and Emergency Planning Authority (LFEPA)
<b>Viability specific comments</b>	
<p>As fire stations are a vital community safety facility, we believe they should be excluded from payment of this levy as this ultimately results in a charging of the levy in one of the very uses that CIL is designed to fund. Payment of such would also render new fire station development unviable. We therefore request that particular reference to this use be included within the schedule, with a nil levy set against it.</p>	
<b>Gerald Eve Response</b>	
<p>LFEPA have stated that payment of the Levy would render new fire station development unviable, however, since no evidence has been put forward by LFEPA or Dron &amp; Wright we are unable to comment on this further.</p> <p>However, we note that the DCLG Guidance (May 2011) Paragraph 12 states that <i>"The Planning Act 2008 provides a wide definition of the infrastructure which can be funded by the levy, including transport, flood defences, schools, hospitals, and other health and social care facilities. This definition allows the levy to be used to fund a very broad range of facilities such as play areas, parks and green spaces, cultural and sports facilities, district heating schemes and police stations and other community safety facilities..."</i></p> <p>It would appear to be consistent to include a fire station as a community safety facility within the definition of "Infrastructure" which can be funded by the Levy.</p> <p>We note that other London Boroughs have specifically excluded fire stations and other emergency services where they may fall into chargeable categories such as "all other development".</p>	

<b>Consultee</b>	English Heritage
<b>Viability specific comments</b>	
<p>English Heritage encourages Local Planning Authorities to consider offering CIL relief in exceptional cases, should they arise, for schemes designed to meet a conservation deficit in the repair of a heritage asset but where the application of CIL would render the scheme unviable.</p>	

<p>English Heritage would strongly advise that the City’s conservation staff are involved throughout the preparation and implementation of the Draft Charging Schedule.</p>
<p><b>Gerald Eve Response</b></p>
<p>DCLG Guidance (April 2013) states that under the Community Infrastructure Levy (Amendment) Regulations 2013 Regulations “55 to 58 allow charging authorities to set discretionary relief for exceptional circumstances. Use of an exceptions policy enables the charging authority to avoid rendering sites with specific and exceptional cost burdens unviable should exceptional circumstances arise. Before granting relief, the charging authority will need to be satisfied that the costs relating to the section 106 agreement are greater than those related to the Community Infrastructure Levy, and that the relief would not constitute notifiable State aid”.</p> <p>It is often the case that where works to heritage assets are concerned, either in refurbishment or extension, that the commensurate costs are above those experienced with non-heritage assets. This may impact on the viability of a proposal and the City Corporation should keep this under review.</p> <p>The City Corporation may wish consider the involvement of its conservation staff throughout the preparation and implementation of the Draft Charging Schedule.</p>

<b>Consultee</b>	Savills on behalf of Thames Water
<b>Viability specific comments</b>	
<p>Thames Water therefore considers that water and wastewater infrastructure buildings should be exempt from payment of the CIL for the following reasons:</p> <ul style="list-style-type: none"> <li>• It is Thames Water’s understanding that it is unlikely that the provision of water and waste water infrastructure could be funded through CIL;</li> <li>• If Thames Water were required to pay CIL this would impact on the ability to deliver important water and wastewater infrastructure required to support growth;</li> <li>• The provision of such infrastructure usually does not result in any increased demand for other types of infrastructure such as schools, open space and libraries for example and therefore has no significant impact on wider infrastructure provision; and</li> <li>• The predominant aims of water and wastewater infrastructure development are to support growth (the same aim as the CIL) and to deliver environmental improvements, rather than to increase the financial value of land on a profit making basis. Consequently, Thames Water does not benefit in the same way as residential or commercial developers through the ability to sell operational sites with planning permission in place for operational buildings.</li> </ul> <p>Therefore we also consider that the categories of development that are identified in the draft Schedule as not subject to CIL charging should be extended, as follows, to include developments associated with the provision of water and waste water infrastructure: “Development used wholly or mainly for the provision of water and waste water utilities infrastructure.”</p>	
<b>Gerald Eve Response</b>	
<p>Thames Water’s comments do not put forward any viability argument so we unable to comment from a viability perspective. However, we note that CIL Regulation 6 and DCLG Guidance (May 2011) Paragraph 38 states that “buildings into which people do not normally go and buildings into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery, will</p>	

*not be liable to pay the levy*". We note Thames Water's comments with regard to the provision of water and waste water utilities infrastructure and, therefore, this definition may fall under the remit of Regulation 6.

We would recommend that the City Corporation considers whether water and waste water utilities infrastructure would fall into the category of buildings into which people do not normally go and therefore whether a nil rate should be applied. Clearly, any specification of a nil rate would need to distinguish between Thames Water's infrastructure developments and those with an administrative (or other non-infrastructure) function.

<b>Consultee</b>	Alex Deane (Common Councilman)
<b>Viability specific comments</b>	
None	
<b>Gerald Eve Response</b>	
N/A	

<b>Consultee</b>	Andrew Brabin (Resident)
<b>Viability specific comments</b>	
None	
<b>Gerald Eve Response</b>	
N/A	

<b>Consultee</b>	City Property Association
<b>Viability specific comments</b>	
None	
<b>Gerald Eve Response</b>	
N/A	

<b>Consultee</b>	Safety Regulation Group
<b>Viability specific comments</b>	
None	
<b>Gerald Eve Response</b>	
N/A	

<b>Consultee</b>	David Waller (Resident)
<b>Viability specific comments</b>	
None	
<b>Gerald Eve Response</b>	
N/A	

<b>Consultee</b>	Gerald Hine (Resident)
<b>Viability specific comments</b>	
None	
<b>Gerald Eve Response</b>	
N/A	

<b>Consultee</b>	Gordon Cookson (Resident)
<b>Viability specific comments</b>	
None	
<b>Gerald Eve Response</b>	
N/A	

<b>Consultee</b>	Natural England
<b>Viability specific comments</b>	
None	
<b>Gerald Eve Response</b>	
N/A	

<b>Consultee</b>	Transport for London
<b>Viability specific comments</b>	
None	
<b>Gerald Eve Response</b>	
N/A	



## 3 Market Commentary

### Introduction

- 3.1 The City Corporation has asked that we review the current status of the City development market and update our viability assessment as necessary. We have carried out a review of each of the core markets in the City: office, retail, residential and hotel.

### Market Review

#### Offices

- 3.2 Agents reported that take up increased over the course of 2012. CBRE<sup>1</sup> report that annual take up totalled 4.1m sq ft, an increase of 7.8% over 2011 levels, but below the 10 year average of 4.7m sq ft. Although the proportion of space taken by the core banking and finance sector increased marginally in 2012 to 24%, activity remains below the long term average of 28%, owing in part to the challenges faced by the industry arising from increased regulatory burdens and cost constraints.
- 3.3 2012 was characterised by increased occupier demand from non-financial occupiers, most notably the insurance and TMT sectors, a trend which is likely to continue over the course of 2013. Occupier activity in Q4 2012 was driven predominantly by the insurance sector whose leasing of the St Botolph Building, was the first deal of over 250,000 sq ft in 2 years.
- 3.4 Quarterly take up has since fallen with 0.9m sq ft transacting in Q1 2013, reflecting the spike in activity of the previous quarter. However, the level of stock under offer rose signalling that activity should remain buoyant.
- 3.5 Availability of stock stood at 6.9m sq ft at the end of 2012, 12% below the 10 year average of 7.8m sq ft. Availability increased in Q1 2013 to 7.1m sq ft.

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<sup>1</sup> CBRE Central London Office Marketview April 2013

- 3.6 Prime rents remain stable at circa £55 per sq ft. However, demand for Grade A space, increasing levels of pre-let activity and the continuing recovery of the UK economy is predicted to support an average rental growth of circa 2.5% between 2013 and 2017.
- 3.7 In the interim, central London's status as a safe haven will continue to support activity in the investment markets, most notably from foreign investors. Competition for prime assets remains strong and may result in yield compression over the near term.
- 3.8 Gerald Eve's opinion of the office market is that whilst there has been the odd spikey deal, overall tone remains consistent with the assumptions previously adopted.

### Retail

- 3.9 CBRE<sup>2</sup> report that average monthly year on year Central London retail sales fell in Q1 2013 to -0.3% from 2.7% in Q4 2012. This was due to a decline in March, which was affected by poor weather and offsets the modest increases in January and February.
- 3.10 A lack of deal evidence meant that prime rents in many streets were unchanged over the quarter. Promis<sup>3</sup> report that there has been no change in prime retail rents in the City from mid-2012.
- 3.11 Prime rental growth is forecast to remain low in 2013 with most of the growth having already occurred in 2012, but is expected to strengthen in 2014 supported by more robust economic growth and continued competition from retailers for limited units.
- 3.12 Therefore, we have not made any changes to our assumptions for retail in our CFVA model.

### Residential

- 3.13 London's prime residential market has enjoyed a strong start to 2013. Recent research undertaken by Knight Frank<sup>4</sup> shows that the value of prime central residential, which

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<sup>2</sup> CBRE Central London Property Market Review Q1 2013

<sup>3</sup> PMA Promis Retail Report for City of London 5 June 2013

<sup>4</sup> Knight Frank Prime Central London Index May 2013

includes the City of London, increased by 3.2% since the beginning of 2013. There has been a 17% increase in sales in the first four months of 2013 compared to the same period in 2012 with this rise concentrated in the under £2m price bracket.

- 3.14 While we note the comments above in relation to the wider prime central London market, we note that there is a scarcity of new build transactional evidence for the City. We have had regard to Molior's Quarterly Sales Analysis<sup>5</sup> which shows that the average asking prices for the Roman House and the Heron schemes equate to £1,338 psf. We also note that the asking prices for units within these schemes have remained broadly static since Q3 2012.
- 3.15 Jones Lang LaSalle<sup>6</sup> report that average prices in the City at £1,200 psf. However, this includes the City fringe outside of the City Corporation's boundary and the report shows that the average pricing for schemes within the City is between £1,150 psf and £1,450 psf with prices of £2,000 psf to £2,500 psf being quoted for Trinity Square adjacent to the Riverside zone.
- 3.16 Therefore, we have concluded that while the wider prime central London market shows an increase in property values, the limited data which is specific to the City would indicate that the broad tone of residential sales remains consistent with the assumptions adopted within our CFVA dated February 2013.

#### Hotel

- 3.17 The London hotel market has continued to perform well over the past year. The Olympics did have a negative impact on hotel trading but this was widely expected and trading remains exceptionally strong. Hotel developers continue to be enticed to London based on its robust trading fundamentals and there continues to be a significant level of hotel development, particularly at the budget and upscale ends of the market.
- 3.18 As aforementioned, the values provided on a per square metre basis, should be used as "high level" guidance only as this is not the conventional way of valuing hotels. In terms of the budget sector, we do not consider there to have been notable movement in rental levels or yields since our last update. For upscale hotels, our opinion of average price

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<sup>5</sup> Molior Quarterly Sales Analysis April 2013

<sup>6</sup> Jones Lang LaSalle Residential Eye Central London Development March 2013

per room remains unchanged based on the updated information available to us. Our opinions of value on a per square metre basis therefore remain the same.

### **Summary**

- 3.19 Following the market review undertaken above, we are of the opinion that the market has not changed sufficiently since our initial report to require any alterations to the assumptions adopted in our CFVA and financial model.

## 4 Affordable Housing Commuted Sum Review

- 4.1 The City Corporation is currently considering a scaled back S106 Supplementary Planning Document (“SPD”) to be implemented alongside the CIL. The SPD will include the cash-in lieu payment required from residential development where affordable housing is provided off-site.
- 4.2 The City Corporation is seeking to revise the currently adopted figure of £151,584 per unit within the SPD.
- 4.3 We understand that the City Corporation is currently proposing revising the figure to £161,500 based upon a blended approach of Land Registry average house price data for the City of London and historically average TCI increases. It is proposed that an annual uplift is adopted which will be based on the Land Registry’s average house price figures reported each December.
- 4.4 Gerald Eve has tested the sensitivity of the CFVA model and proposed CIL rates to an increase in the cash-in lieu commuted sum to £161,500 per unit. We can confirm our analysis shows that the model outputs are within the range of sensitivity analysis which was tested within our January 2013 report and therefore conclude that this has no overall impact on residential development viability. This includes both strategic and marginal sites in terms of development viability.

## 5 Financial Model Updates

5.1 In this section we summarise the updates which have been applied to our CFVA model following the review of the consultation comments and the City development market above.

### CFVA Model Updated Inputs

5.2 The updates made to the inputs in our CFVA are shown in the table below.

**Table 1: Summary of Model Updates**

Item	Original Input	Updated Input
CIL Chargeable Area	Gross External Area	Gross Internal Area
Affordable Housing contribution in lieu payment	£151,584	£161,500

Source: Gerald Eve

### CFVA Updated Model Conclusions

#### Offices

5.3 The amendment of the CIL chargeable area from Gross External Area to Gross Internal Area has a minor impact of reducing the overall CIL liability for each particular development proxy.

5.4 The results of our updated CFVA model are still within the range of sensitivity analysis which was tested within our January 2013 report. Therefore we are still of the opinion that the appropriate CIL rate range for Offices is £55 to £75 per sq m.

#### Residential

5.5 The amendment of the CIL chargeable area from Gross External Area to Gross Internal Area has a minor impact of reducing the overall CIL liability for each particular development proxy.

- 5.6 As highlighted in Section 4 above, an increase in the cash-in lieu commuted sum to £161,500 has no overall impact on residential development viability.
- 5.7 The results of our updated CFVA model are still within the range of sensitivity analysis which was tested within our January 2013 report. Therefore we are still of the opinion that the appropriate CIL rate range for Residential (Riverside) is £140 to £150 per sq m and Residential (Rest of City) is £75 to £95 per sq m.

#### All Other Chargeable Development

- 5.8 The results of our updated CFVA model also lead us to conclude that the appropriate range of CIL for All Other Chargeable Development remains at £55 to £75 per sq m.

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## CITY OF LONDON COMMUNITY INFRASTRUCTURE LEVY

### DRAFT REGULATION 123 LIST JULY 2013

#### Infrastructure to be funded by CIL

Community facilities  
Decentralised energy facilities  
Education facilities  
Emergency services facilities  
Flood defence and flood risk alleviation  
Pipe subways  
Play space facilities  
Publicly accessible open space, sports and recreation facilities  
Public health care facilities  
Public realm enhancement  
Transport improvements

Unless the need for specific infrastructure contributions arises directly from fewer than five developments, where section 106 planning obligations arrangements may continue to apply if the infrastructure is required to make the development acceptable in planning terms.



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# City of London

## Draft Planning Obligations Supplementary Planning Document

### ~~Issues and Options~~ Further Options Consultation Paper

July 2013



## CONSULTATION

The City of London Corporation is consulting on Further Options for a Planning Obligations Supplementary Planning Document (SPD).

This consultation is being undertaken alongside consultation on the City's Community Infrastructure Levy Draft Charging Schedule.

A consultation on Issues and Options for a s106 SPD took place between 25<sup>th</sup> March 2013 and 13<sup>th</sup> May 2013. Changes to the draft s106 SPD document have been made in response to the consultation. These changes are highlighted in this document by underline, for new text, and ~~strikethrough~~, for deleted text.

Consultation will be undertaken in accordance with the procedures set out in The Town and Country Planning (Local Planning) (England) Regulations 2012 and the requirements of the City Corporation's Statement of Community Involvement.

Copies of the documents are available:

- Online at: [www.cityoflondon.gov.uk/CIL](http://www.cityoflondon.gov.uk/CIL)
- From the Department of the Built Environment in the Guildhall (at the address given below).
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All comments will be made public. All those who comment will be informed when the Draft Planning Obligations SPD is published.

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## INTRODUCTION

1. The legislative basis for s106 planning obligations is contained within the Town and Country Planning Act 1990. The Community Infrastructure Levy Regulations 2010 (as amended) set out three statutory tests for the use of planning obligations, indicating that (Regulation 122):

“A planning obligation may only constitute a reason for granting planning permission for the development if the obligation is-

- (a) necessary to make the development acceptable in planning terms;
- (b) directly related to the development; and
- (c) fairly and reasonably related in scale and kind to the development.”

2. Regulation 123 further indicates that, from 6<sup>th</sup> April 2014, or the adoption of a Community Infrastructure Levy (whichever is sooner), the pooling of contributions from five or more planning obligations towards a specific type or piece of infrastructure will not be permitted<sup>1</sup>. From this date, the Community Infrastructure Levy will be the principal means of generating developer contributions towards new infrastructure provision.
3. A broad definition of infrastructure, for the purposes of CIL funding is set out in the Planning Act 2008 (section 216(2)) and includes:
  - (a) roads and other transport facilities,
  - (b) flood defences,
  - (c) schools and other educational facilities,
  - (d) medical facilities,
  - (e) sporting and recreational facilities,
  - (f) open spaces.
4. CIL Regulation 63 specifically excludes the use of CIL to fund affordable housing, which will continue to be funded through s106 planning obligations.
5. CIL is intended to fund the provision, improvement, replacement, operation or maintenance of capital infrastructure. It is not intended to provide a means of funding revenue projects which are currently funded via s106, e.g. support for training and skills activities. Such projects will continue to be funded via s106.
6. Site specific mitigation to make a development acceptable in planning terms will also continue to be provided through s106 planning obligations.

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<sup>1</sup> In May 2013 the Government consulted on CIL Further Reforms which proposed changing the date from which restrictions on s106 planning obligations would take effect, to April 2015

## **CITY OF LONDON S106 PLANNING OBLIGATIONS SUPPLEMENTARY PLANNING GUIDANCE 2004**

7. The City Corporation adopted Supplementary Planning Guidance (SPG) on Planning Obligations in June 2004. This outlined the City's approach to the negotiation of s106 planning obligations to deliver the planning vision set out in the Unitary Development Plan (UDP) 2002. The local policy framework for planning obligations has been updated with the adoption of the City of London Core Strategy in 2011. Policy CS4 sets out the justification for continued s106 planning obligations and identifies the City's infrastructure priorities. Although the SPG relates specifically to the UDP, it remains a material consideration to which the City Corporation will have regard when determining planning applications.

### **Core Strategy Policy CS4: Planning Contributions**

To manage the impact of development, seeking appropriate contributions, having regard to the impact of the contributions on the viability of development, by:

1. Requiring contributions on or off site, in kind, or through financial contributions, which address the City of London's priorities, including:

- (i) local community facilities;
- (ii) environmental improvements, including street scene improvements;
- (iii) measures to adapt to climate change or mitigate its impacts;
- (iv) affordable housing delivery;
- (v) transport infrastructure and service improvements;
- (vi) training, skills provision and local procurement in the City and City Fringe.

2. Requiring qualifying development to make an additional contribution to meeting the costs of Crossrail construction in accordance with the provisions of the London Plan.

8. The SPG sets an indicative size threshold for planning obligations from commercial development of 10,000m<sup>2</sup> gross total floorspace provided that there is also a floorspace increase of 2,000m<sup>2</sup> gross or more. Contributions are sought on qualifying schemes at a rate of £70 per m<sup>2</sup>.
9. The SPG identifies the City Corporation's general priorities for planning obligations, setting out an average distribution of planning obligations benefits that is expected:

Type of Benefit	Average Distribution of Planning Obligations
Local community facilities and the environment	50%
Affordable housing provision	30%
Transport improvements	15%
Training and skills provision in the City and City fringe	5%

10. For affordable housing, the Core Strategy, policy CS21 Housing, sets a threshold of a net increase of 10 or more dwellings. For qualifying development provision of 30% on-site affordable housing or 60% off-site equivalent is required. Commuted sum payments are currently based on £151,584 per unit.

## CITY OF LONDON COMMUNITY INFRASTRUCTURE LEVY

11. The City Corporation is preparing a Community Infrastructure Levy (CIL) to replace much of the infrastructure funding mechanism currently provided through s106 planning obligations. Consultation on a CIL Preliminary Draft Charging Schedule took place between March and May 2013 and the City Corporation is now consulting on a Draft Charging Schedule, having taken account of comments received. The Draft Charging Schedule is accompanied by a -has been prepared setting out the proposed level of the CIL, with an accompanying Regulation 123 list identifying the types of infrastructure that the City will seek to fund through CIL, an Infrastructure Delivery Plan identifying the infrastructure required to meet the requirements of the City's Development Plan, and an Economic Viability Study, which considers the combined impact of CIL and s106 planning obligations on development viability in the City.

## NEED FOR PLANNING OBLIGATIONS SUPPLEMENTARY PLANNING DOCUMENT

12. In line with the legislative and regulatory requirements underpinning CIL and s106 planning obligations, the CIL is not able to address developer contributions towards:
- affordable housing
  - revenue contributions, e.g. for training and skills provision and related initiatives.
13. These elements will continue to be funded through s106 planning obligations, alongside any site specific mitigation measures necessary to make a development acceptable in planning terms.
14. Statutory CIL guidance, issued by the Department for Communities and Local Government in ~~December 2012~~ April 2013, states (paragraph 87):



“When a charging authority introduces the Community Infrastructure Levy, section 106 requirements should be scaled back to those matters that are directly related to a specific site, and are not set out in a regulation 123 list. For transparency, charging authorities should have set out at examination how their section 106 policies will be varied ...”

15. An Issues and Options paper, outlining how the City Corporation’s existing s106 Planning Obligations SPG would be scaled back to sit alongside the CIL, was published for consultation alongside the CIL Preliminary Draft Charging Schedule between 25<sup>th</sup> March and 13<sup>th</sup> May 2013.
16. This Issues and Options Paper outlined those elements of developer contributions that would continue to be sought via s106 planning obligations and provided information on the level at which these planning obligations would be sought. By providing this information alongside the CIL Preliminary Draft Charging Schedule, the City Corporation aimed to provide greater certainty to the development industry and others on the combined level of City CIL and s106 planning obligations that would be expected by the City Corporation.
17. No specific comments were received on the proposed level of s106 planning obligations sought or the categories of infrastructure that would continue to be funded via s106. However, a number of comments were made concerning the relationship between the proposed CIL and scaled back s106 and the ability of the City Corporation to adjust s106 rates in response to concerns about the impact of the combined CIL and s106 charge on development viability. These comments are reported in full in the CIL Preliminary Draft Charging Schedule Consultation Statement and have been considered in the context of changes to the CIL documentation.
18. This paper outlines Further Options for scaling back s106 planning obligations following the introduction of CIL. With the exception of revised proposals for the level of cash-in-lieu contribution sought when off-site affordable housing is proposed, no changes have been made to the earlier Issues and Options Paper. The proposals for scaled back s106 planning obligations are repeated in full in this Further Options paper to ensure that respondents to the CIL Draft Charging Schedule are aware of the City Corporation’s proposals for s106 and the likely total combined level of CIL and s106 planning obligations that will be expected.
19. Following this consultation, a full draft Planning Obligations Supplementary Planning Document will be prepared for consultation during autumn 2013. This will be available to inform the CIL Public Examination later in 2013. The Supplementary Planning Document will be adopted alongside the City of London CIL in early 2014.

## **SCOPE OF PLANNING OBLIGATIONS**

20. To address the limitations imposed by the CIL Regulations, s106 planning obligations in the City will be scaled back and used to seek financial and non-financial obligations as set out below. These scaled back obligations have been

taken into account in the Economic Viability Study which underpins the CIL Draft Charging Schedule:

### **Financial Obligations**

#### **a) Affordable Housing from Commercial Development**

21. The current Planning Obligations SPG seeks contributions at 30% of the £70 obligation, equivalent to a rate of £21 per m<sup>2</sup>.
22. Affordable housing contributions are sought from commercial development in the City in accordance with the London Plan which allows the City dispensation from the Mayor's policy requirement for mixed use development to include housing in the Central Activities Zone. This planning obligations approach will need to continue in order to retain the City's predominantly commercial character, while also ensuring that commercial development in the City continues to contribute to affordable housing delivery in London.
23. It is proposed that the SPD continues to seek contributions towards affordable housing from commercial development at a rounded rate of **£20 per m<sup>2</sup>**.

#### **b) Affordable Housing from Residential Development**

24. The Core Strategy, policy CS21, seeks affordable housing contributions from new residential development at a rate of 30% on-site and 60% equivalent off-site.
25. The SPD will provide further guidance on the application of this policy, including the level of commuted sum sought per unit of accommodation where off-site provision is proposed. This is currently set at £151,584 per unit, a figure derived from the former Housing Corporation Total Cost Indicator (TCI) for the City. However, this figure but has not been updated since 2006 the Planning Obligations SPG was adopted.
26. It is proposed that the commuted sum figure be updated to reflect both the previous annual rate of uplift in TCIs applied by the Housing Corporation (5% per annum) and the average rate of house price increase in the City (as measured by the Land Registry). This suggests that the commuted sum should be increased to a figure of **£161,500 per unit**. The methodology underpinning this increase is set out an Annex to this Further Options document.
27. The City Corporation's viability consultants have applied this revised commuted sum figure to the Economic Viability Study underpinning the CIL and conclude that the proposed increase will not impact on the overall viability of residential development in the City of London.

#### **c) Local Training, Skills and Job Brokerage**

28. The 2004 SPG seeks contributions from commercial development for training, skills and job brokerage at 5% of the £70 obligation, equivalent to £3.50 per m<sup>2</sup>.

29. It is proposed that the SPD continues to seek contributions for training, skills and job brokerage at a rounded rate of **£3.00 per m<sup>2</sup>**. Contributions will be sought from both commercial and residential development.
30. The SPD will provide further guidance on how developers should prepare and submit local training, skills and job brokerage strategies.

**d) Site Specific Mitigation**

31. The SPD will identify that s106 planning obligations will be used for site specific mitigation necessary to make a development acceptable in planning terms, in line with the requirements set out in Regulation 122 of the CIL Regulations 2010 (as amended). The nature and amount of contributions under this heading will be determined by the individual circumstances of each development proposal. The City's viability consultants have confirmed that the need for site specific mitigation has been reflected within estimates of construction costs and exceptional costs within the viability modelling underpinning the proposed CIL rate.

**e) S278 Agreements and Highways Works**

32. Section 278 Agreements are legal agreements between a developer and the local authority made under s278 of the Highways Act 1980. The agreements ensure that highways works necessary to make a development acceptable in principle are either undertaken by the developer directly or funded by the developer and implemented by the local authority. As such they are a necessary cost on development and will continue to be sought by the City Corporation in addition to any CIL or scaled back s106 planning obligation.
33. As with site specific mitigation under s106, the level of any s278 Agreement will vary according to the individual circumstances of the development. The City Corporation's viability consultants have confirmed that the potential need for s278 funding is reflected in the overall development costs assumed by the Economic Viability Study and has therefore been taken into account in the viability modelling underpinning the proposed CIL rate.

**f) Crossrail Contributions**

34. The London Plan 2011 (policy 6.5, Funding Crossrail and Other Strategically Important Infrastructure, and policy 8.2, Planning Obligations) require contributions towards the cost of the construction of Crossrail through s106 planning obligations. In April 2013, the Mayor adopted Supplementary Planning Guidance: 'Use of Planning Obligations in the Funding of Crossrail, and the Mayoral Community Infrastructure Levy'. This SPG sets out the requirement for s106 contributions from office, retail and hotel development in the City of London. Contributions are required at a rate of £140 per square metre for office development, £90 per square metre for retail development and £61 per square metre for hotel development. The cost to developers of meeting these requirements has been factored into the viability study underpinning the CIL. These contributions are payable to the Mayor, but collected on his behalf by the City Corporation.

## **Non-Financial Obligations**

35. The SPD will also address the requirements for non-financial planning obligations in support of the City's Core Strategy and emerging Local Plan including, but not limited to, the following.
- a) Local Procurement Strategy**
36. The City Corporation currently seeks planning obligations on appropriate schemes, requiring developers to prepare a Local Procurement Strategy and use reasonable endeavours to source 10% of goods and services from SMEs in the City or City fringe.
37. The SPD will include further guidance on how this will operate, such as standard wording for obligations.
- b) Travel Plans**
38. The SPD will set out requirements for the submission and review of travel plans.
- c) Delivery and Servicing Management Plans**
39. The SPD will set out requirements for the submission and review of Delivery and Servicing Management Plans.
- d) Sustainability, Zero Carbon and Carbon Offsetting Fund**
40. The SPD will set out requirements for the submission of BREEAM and Code for Sustainable Homes assessments and details of the carbon reduction technology proposed in new development.
41. The Government has set targets to achieve zero carbon emissions in new residential development by 2016 and in new commercial development by 2019. The Government recognises that this may not always be feasible on-site and is setting up a mechanism for 'Allowable Solutions', under which developers who are unable to achieve zero carbon on-site can offset their contributions by making provision for carbon reduction elsewhere. Such provision would be a necessary part of the development process and would be required for the development to be acceptable in planning terms.
42. London Plan 2011, Policy 5.2, requires new development to contribute towards the Mayor's aim to minimise carbon emissions and sets targets for improvements above 2010 Building Regulation requirements. Carbon emission reductions should be delivered on site, but where this cannot be achieved the shortfall must be provided off site or through a cash-in-lieu contribution to the relevant borough to be ring fenced to secure delivery of carbon emission savings elsewhere.
43. The SPD will set out principles for how this will operate in the City and identify the use of s106 planning obligations as a means of delivery. Further information on potential offsetting options will be set out in a separate SPD, including information on the price of carbon, or methodology for calculating the price of carbon, that will be adopted by the City Corporation. Any additional costs arising out of this process will be subject to viability testing alongside the City CIL and

scaled back s106 planning obligations to ensure that there is no adverse impact on the overall viability of development across the City.

**e) Open Spaces**

44. The SPD will set out requirements for the provision and retention of open spaces, including the provision of publicly accessible open space and access ways.

**f) Utility Connections to the Development**

45. The SPD will set out requirements for the provision of details of utility connections to new development.

**g) Wind Audit**

46. The SPD will set out the requirement to submit a Wind Audit Assessment Scoping Report, if required, to the City Corporation for approval.

**h) Television Survey**

47. The SPD will set out the requirement to submit a Television Interference Survey, if required, to the City Corporation for approval.

## **PLANNING OBLIGATIONS THRESHOLDS**

48. The SPD will outline the thresholds that will apply to s106 planning obligations.

### **Affordable Housing from Residential Development**

49. In line with the Core Strategy and the London Plan, affordable housing contributions will continue to be sought on residential schemes where there is a net increase of 10 or more residential units.

### **Commercial Development**

50. S106 planning obligations will be required where there is a net increase in the Gross Internal Area of development of 500m<sup>2</sup> or more.
51. This threshold is in line with that adopted by the Mayor in his 2013 Supplementary Planning Guidance, 'Use of Planning Obligations in the Funding of Crossrail, and the Mayoral Community Infrastructure Levy'.

## **EXEMPTIONS TO S106 PLANNING OBLIGATIONS**

52. The CIL regulations provide a national exemption from CIL for:
- development by charities for charitable purposes;
  - development of social housing.
53. The City of London Draft Charging Schedule proposes setting a nil rate of CIL for:
- development used wholly or mainly for the provision of medical or health services, except the use of premises attached to the residence of the consultant or practitioner;

- development used wholly or mainly for the provision of education as a school or college under the Education Acts or as an institution or higher education;
  - development used wholly or mainly for the operational purposes of the emergency services.
54. The City Corporation is seeking views on whether the proposed SPD should offer exemption from s106 Planning Obligations for the same categories of uses (except for non-financial obligations and those obligations that are necessary to provide site specific mitigation).

## **INDEXATION**

55. S106 planning obligations are currently inflation indexed for the period between committee resolution and payment, but there is no indexation of the headline requirement from the date of publication of the SPG.
56. It is proposed that the s106 planning obligations charge identified in the SPD be inflation indexed from the date of adoption of the SPD to the date of payment. This is a similar approach to that required for CIL.
57. Currently inflation indexation is on the basis of the Baxter Indices published by BCIS, except for Local Training, Skills and Job Brokerage and s106 monitoring costs, where the Consumer Price Index is used. The City Corporation is seeking views on whether these indices should be retained or replaced with the All-in Tender Price Index, used for CIL, or the Consumer Prices index, used for Mayoral planning obligations.

## **ADMINISTRATION AND MONITORING**

58. The City Corporation requires monitoring and administration charges to be applied to s106 planning obligations, currently set at 1% of the agreed s106 payments for monitoring purposes, plus £500 per head of terms.
59. A charge is also applied to cover the Comptroller and City Solicitor's costs in drafting and signing s106 agreements.
60. A further charge is applied to cover the costs of monitoring and administering the collection of contributions towards Crossrail on behalf of the Mayor.
61. The new SPD will retain and review these administration and monitoring charges to ensure that they remain at a level which reflects the actual costs incurred by the City Corporation.

## Evidence Paper

# Updating the figure used in the calculation of cash-in-lieu monies for affordable housing in the City of London

July 2013



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## 1.0 Introduction

- 1.1 The City Corporation's policy on affordable housing was originally contained in the Unitary Development Plan (UDP) which was adopted in 2002. Policy HOUS 8 (Appendix A) sought a proportion of affordable housing in accordance with Strategic Guidance. In situations where off-site cash-in-lieu was accepted instead of affordable units, a formula for calculating the required cash-in-lieu amount was set out in the Planning Obligations Supplementary Planning Guidance (SPG) 2004 (Appendix B). The affordable housing section of the SPG became defunct in 2011 upon the adoption of the City of London Core Strategy.
- 1.2 The formula in the SPG stated that payments in lieu of on-site affordable housing were to be calculated using the Total Cost Indicator (TCI), published by the Housing Corporation. This estimated the cost of enabling a new affordable unit in central London as £151,584 and included land costs, build costs and other associated costs. This calculation assumed no government grant was involved.
- 1.3 The City Corporation's affordable housing policy is now contained in Policy CS21 of the Core Strategy, with amendments set out in the emerging City of London Local Plan (Appendix C). Policy CS21 seeks to ensure that sufficient affordable housing is provided to meet the City's housing needs, with residential developments of 10 or more units providing 30% affordable housing on-site. In exceptional circumstances 60% of housing off-site may be provided, or equivalent cash-in-lieu.

## 2.0 Methodology

- 2.1 The Housing Corporation stopped updating the TCI figures in 2006. The TCI figures (and the Housing Corporation) are now defunct. Local authorities have subsequently dealt with this change by updating the TCI figures using their own methodologies.
- 2.2 There is no Government or widely recognised guidance, as to how affordable housing contributions should be calculated or set.
- 2.3 The City Corporation has not updated its TCI figure since 2005 due to uncertainty over plan making in the light of changing Government guidance on planning matters.
- 2.4 The City Corporation encompasses a very small geographical area with extremely high land and housing prices. The City is unique amongst local authorities in that the majority of its affordable housing contribution is achieved through cash-in-lieu payments, which are pooled and used to enable housing in neighbouring boroughs. Officers have found that in practice a TCI figure in cash-in-lieu calculations can act simply (and positively) as a starting point for negotiations rather than necessarily being the precise route through which final contributions are rigidly calculated and agreed.
- 2.5 In practice there are many ways of reaching and justifying particular figures in calculations for cash-in-lieu contributions. It was felt that a simple method which required minimal resourcing and updating would be suitable for the City's context.
- 2.6 Some local authorities have updated their TCI figure by having reference to changes in development land values and build costs in their area. This would involve calculating how much it would cost to go elsewhere and replace the land on which the affordable housing would have been provided on-site. There are however difficulties in devising a simple and timely method of tracking land value price changes over time. For this

reason it has been decided to track house price inflation as the adopted methodology for updating the City Corporation’s cash-in-lieu figures, rather than land value inflation.

2.7 The key factors of an appropriate approach to updating the City’s contribution figure include:

Clarity	Certainty for developers, landowners, their advisors and others when looking at opportunities and exploring scheme feasibility
Usability	Ease of explanation, calculation and understanding
Viability	Meaningful contributions without protracted negotiations delaying applications that don’t harm viability of schemes
Simplicity	Simple to monitor and review/update

2.8 In seeking to meet these key, factors officers first considered whether it would be possible to set a fixed commuted sum per additional market dwelling, which would not be subject to individual scheme viability testing and which would then be pooled to enable affordable housing to be built outside the City, as some central London authorities have done. On balance it was felt that whilst this might be simple and remove the need for viability studies and negotiations, it would not offer any proportionality. Dependant on where the standard level of contribution were set, smaller or lower value dwelling types might be stretched for viability in some cases whilst larger schemes/dwelling types might effectively under-pay. It was difficult to envisage an equitable approach founded on such a basis, especially one that would reliably produce meaningful housing contributions.

2.9 It was therefore considered appropriate to retain the current approach which specifies an amount of money in lieu of on-site housing provision, based on local house prices, which is payable on a proportion (60%) of units, subject to an assessment of the impact on viability.

2.10 All figures have been rounded down.

### 3.0 Findings

3.1 Between 2002 and 2005 the Housing Corporation updated the TCI by 16% or on average by 5% each year. The figure of £151,584 has not been updated since.

Year	TCI for City of London (£)	% increase
2002	129, 800	
2003	132, 400	2
2004	141,668	7
2005	151,584	7

3.2 The City Corporation aims to uplift the 2005 figure by referring to house price inflation. There are various sources of house price data. The most robust source for a small geographical area such as the City of London are the figures produced by HM Land Registry. The Land Registry dataset captures changes in the value of residential

properties using sales data collected on all residential housing transactions in England and Wales.

3.3 The following table shows house price inflation in the City since 2000.

Year	Average house prices (£)
2000	191,498
2001	237,950
2002	200,769
2003	312,000
2004	292,000
2005	290,000
2006	375,376
2007	480,576
2008	413,779
2009	225,224
<b>2010</b>	<b>516,875</b>
<b>2011</b>	<b>537,559</b>
<b>2012</b>	<b>532,976</b>

3.4 The table shows considerable house price variation between 2005 and 2009, in part due to the low sample size (numbers of transactions) which underpins the data. The table also shows the significant increase in house prices in the City since 2009. The City is part of a prime residential market which has seen dramatic price increases in recent years. Prime central London house prices have increased dramatically since 2009 with the “prime” end of the market resisting the volatility in demand and price stagnation that is evident elsewhere in Greater London and the rest of the U.K. Factors fuelling these price rises during the economic downturn include demand from overseas buyers, limited supply, and the perception that prime areas of London are a ‘safe haven’ for investment.

3.5 It is expected that the prime residential market will remain buoyant in the short to medium term despite changes in the tax regime or charges levied against prime properties and a downturn in financial services in the City.

3.6 Due to the volatility in prices recorded by the Land Registry prior to 2009 and the significant increase between 2009 and 2010, it was decided to use inflation in house prices between 2010 and 2012 as the basis for the calculation of the increase in the cash-in-lieu figure.

3.7 The housing inflation rates for the City are outlined below:

Source	Location	Period	Starting value (£)	End value (£)	% growth
HM Land Registry	City of London	24 months from December 2010 to December 2012	516,875	532,976	3.1

3.8 Applying the 3.1% growth rate in house prices would result in the following TCI uplifts:

Period	Base figure (£)	Inflation figure	Figure for 2011/12 (£)
2005 TCI figure increased by 24 months price inflation covering the period December 2010 to December 2012	151,584	3.1%	151,584 + 4,699 ----- <b>156,283</b>

3.9 If the TCI was increased by 5% based on the previous yearly uplift by the Housing Corporation each year the results would be as follows:

Period	Base figure (£)	Inflation figure	Figure for 2011/12 (£)
2005 TCI figure increased by 24 months by 5% per year covering the period December 2010 to December 2012	151,584	10%	151,584 + 15,158 ----- <b>166,742</b>

3.10 It was decided to take a blended average of both the inflation figures based on house prices and previous TCI inflation to calculate a revised figure to be used in affordable housing calculations.

Period	Base figure (£)	Inflation figure	Figure for 2011/12 (£)
2005 TCI figure increased by 24 months by 6.5% covering the period December 2010 to December 2012	151,584	3.1% + 10% ----- 13.1 ÷ 2 ----- 6.5%	156,283 + 166,742 ----- 323,025 ÷ 2 ----- <b>161,512</b>

## 4.0 Recommendation

- 4.1 Based on the preceding analysis it is recommended that the TCI figure of £151,584 is updated to a rounded figure of **£161,500** to reflect the increase in house prices since 2010. The figure should be updated on the 1<sup>st</sup> of April each year based on the December house price figures as compiled by the Land Registry. December figures are not available until the end of March.
- 4.2 If house prices in the City of London decrease, consideration will be given to whether the decrease is part of a long term trend and a decision made as to whether the contribution figure should be decreased.

## 5.0 Equalities Impact

- 5.1 Equalities Impact Assessments are required for any new policy or procedure to ensure the impacts of the change do not unfairly discriminate against any equalities group. Updating the contribution figure to increase it will benefit those equalities groups who may find it more difficult to access suitable housing as an increased amount of cash-in-lieu monies will be raised which will enable more affordable housing to be built.

## Appendix A: Unitary Development Plan 2002

### POLICY HOUS 8

**To seek a proportion of affordable housing in accordance with Strategic Guidance. Affordable housing will be located in suitable locations which are predominantly residential or mixed use in character.**

- 3.31 The importance of providing housing for people on lower and middle incomes is emphasised in Strategic Guidance. Planning Policy Guidance Note No. 3 states that a community's need for affordable housing is a material planning consideration which may properly be taken into account in development plans. Circular 6/98 gives detailed guidance on affordable housing and encourages local authorities to adopt an enabling role, to ensure that everyone in their area is adequately housed, but not necessarily by the authorities themselves.
- 3.32 The provision of affordable housing in or near central London is particularly important because of the general shortage of low cost and rented accommodation. This shortage will create particular problems for people who need to live in or near the City because, for example, they need to be close to their work place or are part of a local community. Furthermore, private housing in the City, including the Corporation's Barbican estate is available mainly to higher income groups.
- 3.33 Where housing is provided in accordance with policies HOUS 1 and HOUS 2, the Corporation will seek the provision of affordable housing in suitable locations which are predominantly residential or mixed use in character (see paragraphs 3.2 and 3.15). If up-to-date evidence shows that there is a demonstrable lack of affordable housing in the City, the Corporation will seek an appropriate proportion of affordable housing in developments of 15 or more dwellings, or residential sites of 0.5 of a hectare or more, irrespective of the number of dwellings. Affordable housing means that which is accessible to people whose incomes are insufficient to enable them to afford adequate housing locally on the open market. It includes "social", rented or shared ownership housing provided by housing associations or local authorities.
- 3.34 In order to ensure that affordable housing remains permanently available, developers will be encouraged to enter into agreements with the Corporation in accordance with policy IMP 3, chapter 13: Implementation and Monitoring, to enable another body such as a housing association or a housing trust to build, purchase or manage affordable dwellings.
- 3.35 The Corporation recognises that due to high land values it is often difficult to achieve affordable housing within housing development sites. As land within the City is a limited resource, the Corporation has for centuries provided public housing on sites throughout contiguous boroughs and has, more recently enabled a number of affordable housing schemes to be built outside the City, using Corporation funds. In return for its financial support the Corporation receives a number of nomination rights. This system allows more affordable housing to be provided due to the lower land costs outside the City's boundaries and ensures that people on the City's housing list are accommodated. In this way any existing links that people have with the City, such as jobs or family relationships, can be maintained as the housing is developed near the City's boundaries. Similarly, where it is not possible to accommodate affordable housing within private developments it should be provided in appropriate fringe areas of the City and its environs.

## Appendix B: Planning Obligations Supplementary Planning Guidance

### (Appendix 1: Affordable Housing)

1. Government guidance (PPG3 and Circular 6/98) advises planning authorities to seek a proportion of affordable housing on residential sites larger than 0.5 hectares or 15 or more units where there is a demonstrable need for affordable housing. The Corporation's Housing Strategy Statement, which includes a detailed analysis of housing supply and demand in the City, concludes that there is a clear need for additional affordable housing in the City or City fringes. The London Housing Statement 2002 and the London Housing Strategy 2003 also comment that London as a whole faces a severe shortage of affordable housing which is hampering the recruitment of key workers, especially in the public services. Therefore, there is recent evidence of the need for more affordable housing which the Corporation will seek in accordance with UDP policy HOUS8. Planning obligations can play a role in achieving the provision and ensuring the long-term availability of affordable housing through management and nomination agreements.
2. Government guidance suggests criteria which should be taken into account when considering the suitability of a site for affordable housing. These include the site size, proximity to transport and services, exceptional costs such as unexpected contamination, and whether affordable housing on a site would prejudice the realisation of other planning objectives. The UDP 2002 states that suitable locations for affordable housing would be predominantly residential or mixed use in character. In practice these areas are mostly located around the fringes of the City away from the main commercial core.
3. The Mayor's London Plan sets a strategic target that 50% of new housing provision should be affordable (35% social renting and 15% intermediate housing including shared ownership and key worker renting). The London Plan also suggests that office developments in the Central Activities Zone should normally be mixed use including housing on-site, though he accepts that increased emphasis on mixed use will not apply in parts of the City where such a mix would demonstrably undermine strategic policy for other development. In such areas the Mayor suggests that off-site provision of housing on suitable land will be required as part of a planning agreement. Therefore the Mayor is recognising that cash-in-lieu for off-site affordable housing provision could be a suitable planning obligation from City office developments.
4. London Plan policy 3A.7 advises that UDP policies should set an overall target for affordable housing provision for their area based on an assessment of all housing needs and a realistic assessment of supply. In setting targets boroughs should take account of regional and local assessments of housing need, the Mayor's 50% strategic target, and the promotion of mixed and balanced communities. London Plan paras 3.41-42 also advise that boroughs should take account of economic viability and recognises that some sites will not be capable of meeting the 50% strategic target. The Mayor states that he wishes to encourage and not restrain residential development and advises that boroughs should take a reasonable and flexible approach on a site-by-site basis. Therefore the Mayor recognises that there is scope for local discretion in implementing his strategic target for affordable housing provision.
5. The flexible approach advocated in the London Plan is relevant to the local circumstances of the City. Insistence on 50% affordable housing provision could lead to developers opting to provide non-housing uses, which may be more profitable, instead. Therefore a lower proportion of on-site affordable housing or cash-in-lieu for off-site provision is likely to be more appropriate to the circumstances of most proposed housing sites in the City. This approach is more likely to encourage some provision of additional affordable housing and is consistent with the Mayor's comment, stated in London Plan para 3.42, that his 50% strategic target is intended to encourage, not restrain residential development.
6. UDP policy HOUS8 states that the Corporation will seek a proportion of affordable housing in accordance with Government guidance. This SPG supplements that policy by indicating the proportion that will be sought. For City housing sites considered suitable for affordable housing, the Corporation will seek 25% of the units on-site to be affordable (leading to a market:affordable ratio of 3:1). If no affordable housing is proposed on-site then the Corporation is expecting to

maintain the ratio of 3:1 for total units provided on and off-site. Therefore the number of off-site affordable housing units should equate to 33% of the market units provided on-site. This could be in the form of direct provision of affordable units off-site or cash-in-lieu which is sufficient to fund the affordable housing units off-site. The higher number of affordable units expected off-site reflects the increased value for the developer that would result from all units on the facilitating development being market units. Viability figures provided by the developer should assume that no social funding from the Housing Corporation or the Corporation of London will be available for the development of affordable housing.

7. When calculating the appropriate cash-in-lieu contribution to be sought from a housing developer for off-site affordable units regard will be had to the 33% affordable units figure and to the Housing Corporation's periodically updated total cost indicator for the type of units being proposed. The Housing Corporation's total cost indicator for 2004-05 and 2005-06 is £141,668 per 1-bedroom unit (45-50 square metres in size). Therefore, for example, provision of 24 1-bedroom market units on-site would generate an expectation of 8 affordable units off-site. This could be met by a cash-in-lieu contribution in 2004-05 of approximately £1.1 million (8 times £141,668). The figures given are an example only and will be subject to periodic review.

## **Appendix C: Draft Local Plan (January 2013)**

### **Policy CS21: Housing**

To protect existing housing and amenity and provide additional housing in the City, concentrated in or near identified existing residential areas communities, as shown in Figure 24 Z, to meet the City's needs, securing suitable, accessible and affordable housing and supported housing, by:

1. Exceeding the London Plan's minimum annual requirement of 110 additional residential units in the City up to 2026:
  - (i) guiding new housing development to and near identified residential areas existing communities;
  - (ii) protecting existing housing;
  - (iii) refusing new housing where it would prejudice the primary business function of the City and the comprehensive redevelopment of potential large office sites;
  - (iv) exceptionally, allowing the loss of isolated residential units where there is a poor level of amenity.
2. Ensuring sufficient affordable housing is provided to meet the City's housing need and contributing to London's wider housing needs by requiring residential developments with the potential for 10 or more units to:
  - (i) provide 30% affordable housing on-site or;
  - (ii) exceptionally, provide 60% equivalent of affordable housing units offsite, (aiming to achieve an overall target of 30% affordable housing across all sites). These targets should be applied flexibly, taking account of individual site and scheme viability; or equivalent cash-in-lieu, if a viability study demonstrates to the City Corporation's satisfaction that on-site provision is not viable. These targets should be applied flexibly, taking account of individual site and scheme viability;
  - (iii) provide 60% of affordable units as social rented housing and 40% as intermediate housing, including key worker housing.
3. Providing affordable housing off-site, including the purchase of existing residential properties on the open market to meet identified housing needs, such as large units for families.
4. Requiring all new and, where possible, converted residential units to meet Lifetime Homes standards and 10% of all new units to meet Wheelchair Housing Standards (or be easily adaptable to meet these standards).



# Agenda Item 7c

<b>Committee(s):</b>	<b>Date(s):</b>
Planning & Transportation Committee	4 June 2013
<b>Subject:</b> Mobile Phone Payment Technology for Parking	<b>Public</b>
<b>Report of:</b> Director of the Built Environment	<b>For Decision</b>
<b><u>Summary</u></b>	
<p>This report provides an update on the introduction of mobile phone payment technology (credit and debit card payment using mobile phone), which was introduced in the City for on-street parking on 28 November 2011. This service is currently provided by Verrus UK Ltd trading as PaybyPhone.</p> <p>PaybyPhone provides a convenient way for customers to pay for parking by credit and debit card using their mobile phone. It is an alternative to paying for parking using coin, or credit and debit card payments at the Pay &amp; Display (P&amp;D) machine.</p> <p>The report also outlines proposals to extend the PaybyPhone contract by 12 months, with the introduction of a trial to encourage greater take up of PaybyPhone. In addition, Members are asked to note the removal of P&amp;D machines in specific locations to reflect the fall in customer usage and agree the possible introduction of the service in the City's car parks, which are managed by the Department of the Built Environment.</p>	
<b>Recommendations</b>	
The Committee is recommended to note:-	
<ul style="list-style-type: none"><li>• The take up of the new service to date and,</li></ul>	
Approve:-	
<ul style="list-style-type: none"><li>• The removal of pay and display machines to reflect the fall in usage by coin, debit and credit card payments at the P&amp;D machine.</li><li>• The possible introduction of extending the service by PaybyPhone in those car parks managed by the Department of the Built Environment, as an interim measure to replacing the existing pay on foot equipment</li><li>• Extending the PaybyPhone with Verrus UK Ltd trading as PaybyPhone contract by 12 months to 27 November 2014</li><li>• The introduction of a free one-hour parking trial for three months to encourage greater up take of the service provided by PaybyPhone subject to a review at three-months.</li></ul>	

## **Main Report**

### **Background**

1. Members agreed at their Committee meeting on 19 April 2011 to introduce mobile phone payment technology (mobile phone parking) in the Square Mile. This service is currently being provided on behalf of the City by PayByPhone, and was introduced on 28 November 2011 following a public offering. Since its implementation, customers can use their mobile phone to pay for their parking at any of the City's 800 parking bays using Visa and Mastercard, and any UK debit cards.
2. As the service provides a customer friendly alternative to using coins at the P&D machines, it has been well received by the business community as well as visitors to the City. Customers can top up their parking sessions (up to the maximum stay) without having to return to the P&D machine, view their parking transactions on line and print out receipts, and add or change their vehicle registration details either by telephone or on-line. A particular benefit is the business account facility for those businesses that have a fleet of vehicles, and the reminder text messages that can be sent to the customer when a parking session is due to end.
3. Back-office systems supplied by PayByPhone provide excellent management reporting on customer transactions, for example, the number of new users, starting transactions, and editing user accounts. Although the service is automated, customers are given the opportunity to be connected to a call centre (24/7) if they encounter difficulties paying for their parking session, or have a question about the service.

### **Service Take Up**

4. PaybyPhone transactions now account for 57% of the overall parking payments compared to coin (16%) and credit and debit card payments at the P&D machine (27%). There was a huge take up of the service following its implementation in 2011, but the number of transactions has now reached a steady state with approximately 27,700 PaybyPhone transactions made in a given month.
5. PaybyPhone has 43,858 customers who are registered to use this service at any location in London where the facility has been introduced. It is a convenient way of paying for parking as customers need only register once to receive the benefits. The service has been well received by customers, and the management information regarding transactions is efficient and effective having recently been audited by the City's Auditor.
6. The P&D machines are reliable, but on occasions are subject to coin jams and very rarely machine vandalism. When a machine is rendered out of order, payment by phone can still be offered as an option for payment as it is not reliant on P&D machine availability, allowing continued use of the parking bays.

### **P&D Income & Reduction in Costs**

7. Consistent with many other authorities the City adopted the "user pays" model passing on the small cost of providing this additional benefit on to the customer (convenience charge of 20p per transaction). This small charge covers the operating costs of both PaybyPhone and City of London.
8. Income from P&D has increased by 7% (£255,000) in the last 12 months and this is attributed to the convenience of customers being able to top up payments without having to return to their vehicles (subject to the maximum stay of 4 hours). It is anticipated that greater up take of PaybyPhone will further increase P&D income.

9. In addition, mobile phone parking encourages compliance with the parking restrictions, and reduces ticket transfers and shared tickets. The number of Penalty Charge Notices (PCNs) issued to motorists who have failed to pay for parking has reduced by 1,872 (2.9%) in 12-months following the introduction of the service. This is because customers do not have to return to the P&D machine to top up their parking fee if their stay is longer than initially anticipated, and risk the possibility of being issued with a PCN for expired time.
10. Other efficiencies of a cashless parking system include lower maintenance costs, as well as a reduction in cash handling, ticket roll and payment transaction costs. The use of foreign coins and the risk of theft and vandalism are also reduced.

### **Removal of P&D Machines**

11. Not everyone has a mobile phone and to ensure services are accessible to all, it is not proposed at this time to introduce mobile phone as the only method of paying for parking in the City. Instead it is an additional customer benefit, providing a more convenient method of payment using mobile phone.
12. It is however proposed to remove P&D machines at some locations within the City to reflect the fall in payment at the machines. The locations identified have more than one machine, therefore by reducing the number customers still have the option to pay for their parking using coin or credit and debit card at the P&D machine if they choose.
13. It is proposed to remove P&D machines at the locations specified below. The machines to be removed are those that are least used at these locations in terms of on-street transactions.
  - Basinghall Street
  - Chancery Lane
  - Devonshire Square
  - Golden Lane
  - John Carpenter Street
  - Wilson Street
  - Finsbury Circus x 3

### **Increasing Usage of PaybyPhone**

14. Following approval from the Residents Consultation Committee on the 28 January 2013, and the Barbican Residential Committee on 11 February 2013, PaybyPhone was introduced in the Barbican car parks. There are also plans to introduce this service in the Hampstead Heath car parks in the summer subject to approval.
15. Whilst the take up of PaybyPhone in the City has been excellent, the number of PaybyPhone transactions has remained relatively steady in recent months. It is however recognised that further adoption of the service will bring about further savings to the City. Research undertaken by PaybyPhone has indicated greater usage would be achieved through simplifying the information displayed on the machines and the registration process, at the same time as giving people a reason to try the service.
16. Working with PaybyPhone, it is proposed that a trial be introduced, initially for a four-month period to encourage greater take up of the service. If successful then the trial period could be extended up to a maximum of 12 months.

17. The trial would involve a simple registration process whereby the new customer sends their vehicle number by text to an SMS short code and be given up to one-hour free parking (£4) concession.
18. Once the vehicle registration number has been received by PaybyPhone the customer will receive two text messages explaining how to use the service (this will be at no cost to the customer). Research undertaken by PaybyPhone suggests that 70% of new users go on to become regular customers of the service.
19. Should Members approve this trial, then officers in the Department of the Built Environment will continue to keep it under review; it can be terminated by either party at any time if it is found to be unsuccessful.

### **Off-Street Car Parks**

20. The Department of the Built Environment manage a number of car parks namely: Baynard House, London Wall, Minorities, Tower Hill (including the coach park), and Whites Row. Smithfield car park is also managed by the Department of the Built Environment on behalf of the London Central Markets.
21. With the exception of Smithfield car park, all car parks operate a Pay on Foot System. This means that customers take a ticket at the entry barrier when they arrive and pay at a Pay on Foot machine located in the car park before they exit. The validated ticket from the Pay on Foot machine opens the exit barrier to allow the customer to leave.
22. The existing Pay on Foot equipment is more than 18 years old and has now reached the end of its operational life. Maintenance costs have risen considerably and replacement parts are now difficult or impossible to source and a high level of repairs is needed.
23. The aged equipment is planned for replacement as part of the retendering of the off-street car parks in 2014, and scoping for this contract is currently being undertaken. However as the equipment is becoming increasingly unreliable, alternative methods for payment of off street parking are being considered. The introduction of PaybyPhone in some or all of the car parks may provide an alternative to the existing Pay on Foot system.
24. By its very nature, the PaybyPhone method of parking payment is reliant on mobile phone reception, which is not conducive to the City's under -ground car parks. However by introducing PaybyPhone in the car parks where reception allows, this may offer an interim measure reducing reliance on the aged equipment.
25. Implementing PaybyPhone in the car parks is currently being considered. Where it is technically possible, Members are asked to approve its introduction in the car parks, as well as any changes needed to facilitate the service such as the introduction of a grace period e.g. 15 minutes to allow customers the opportunity to exit the car park to make their call from a location where mobile phone reception is available.

### **Contract Extension**

26. The current contract with PaybyPhone has an expiry date of 27 November 2013 with the option to extend by 12 months. Members are asked to approve an extension to the 27 November 2014, which will allow the further benefits as identified to be determined. The contract extension will continue to operate at nil cost to the City of London.

### **Financial and Risk Implications**

27. The investment made in increasing adoption of PaybyPhone through the introduction of a free one-hour promotion is estimated to have a payback of 16 weeks based on a number of assumptions (data provided by PaybyPhone):
- Each PaybyPhone transaction is higher than a P&D machine transaction, at an average £6.67 compared to £4.89
  - The average motorist parks two-times per week in the City of London
  - 70% of new users go on to become regular PaybyPhone users
  - The cost of a free hour parking is £4
  - Savings achieved from lower equipment, card processing and cash collection costs are excluded from this calculation
28. Appendix 1 outlines the expected pay bay period based on the above assumptions.

### **Legal Implications**

29. There is provision within the Contract with Verrus UK Ltd to extend it for a further period not exceeding 12 months. As provided for within the Contract, the extension will have to be recorded by way of an exchange of correspondence. To formally record the service (including the extension to the Barbican & Hampstead Heath car parks, and possibly to other sites in the City), the change request mechanism set out in the Contract will apply.
30. Regulation 4 of the City's Procurement Regulations provides that, the City of London Procurement Service (the CLPS) must be consulted on all opportunities for letting and extending contracts. The CLPS has been consulted in the preparation of this report and supports the extension.

### **Strategic Implications**

31. All costs associated with the introduction of new signage (machine stickers) will be met by PaybyPhone
32. Mobile phone payment technology for parking meets the City's Community Strategy vision; the provision of high quality, cost effective and responsive parking enforcement service.

Theme: A safer City

Vision: The City of London will remain a safe environment for all

Objective: To balance the competing demands of all users of the City's streets.

### **Consultees**

38. The Town Clerk, the Chamberlain, the Comptroller & City Solicitor and Planning & Transportation have been consulted in the preparation of this report and their comments are included.

## Conclusion

39. Mobile phone payment technology for parking is an additional benefit to customers paying for on-street parking and has been well received by the business community, residents and visitors to the City. With more customers paying for their parking sessions using this technology, a review of the number of machines has been undertaken with the intention of removing some at certain locations reducing costs associated with maintenance and servicing. Encouraging its use will reduce costs and income and ways of achieving this are supported.
40. Extending the PaybyPhone contract by one year will allow the opportunity to explore further ways of encouraging use through the introduction of PaybyPhone in the car parks and a trial in offering 1 hour free parking for first time users.

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## APPENDIX 1

### Assumptions:

• Average PaybyPhone transaction	£6.67
• Average non-PaybyPhone transaction	£4.89
• Value of one hour free parking	£4.00
• Additional income from PaybyPhone transaction	£1.78
• New users per month	3006
• 80% of new users expected to take up the offer	2404
• Cost of free promotion per month	£9,616 (2404 x £4)
• 70% of new users become regular PaybyPhone customers (2,104 per month)	
• Income from new PaybyPhone users per month	£3,745 (2104 x £1.78)

### Month 1

Cost of Free Promotion	£9,616
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### Month 2

Cost of Free Promotion	£9,616
Income from Increased PaybyPhone transactions	£3,745

**-£5,871**

### Month 3

Cost of Free Promotion	£9,616
Income from Increased PaybyPhone transactions	£7,490

**-£2,126**

### Month 4

Cost of Free Promotion	£9,616
Income from Increased PaybyPhone transactions	£11,235

**£1,619**

Note: the above estimates do not take into account savings achieved through reduced stationery e.g. P&D tickets, machine maintenance, credit card transaction costs and cash collection.

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# Agenda Item 7d

<b>Committee(s):</b>	<b>Date(s):</b>
Planning and Transportation	25 <sup>th</sup> June 2013
<b>Subject:</b> Road Danger Reduction Plan 2013 - Progress Report	<b>Public</b>
<b>Report of:</b> Director of the Built Environment	<b>For Decision</b>
<b>Ward (if appropriate):</b> All wards	
<b><u>Summary</u></b>	
<p>The Road Danger Reduction Plan (RDRP) was approved in principle by the Streets &amp; Walkways Committee (11<sup>th</sup> December 2012) and Planning &amp; Transportation Committee (15<sup>th</sup> January 2013). This report fulfils the commitment to set out a detailed delivery plan for 2013/14 and summarises progress towards funding and implementation of the measures in the action plan.</p>	
<b>Recommendations</b>	
<p>I recommend that your Committee agrees to:</p> <p>Approve the delivery plan and funding arrangements for the short term RDRP actions (up to December 2014) as set out in the table in Paragraph 5 of this report.</p>	

## **Main Report**

### **Background**

1. The Streets & Walkways Committee (11<sup>th</sup> December 2012) and Planning & Transportation Committee (15<sup>th</sup> January 2013) agreed to :
  - i) Approve the Road Danger Reduction Plan in principle;
  - ii) Approve the measures set out for delivery up to December 2014 in Appendix 1 (of the RDRP); and
  - iii) Receive an annual report setting out future years' delivery plans and reviewing performance.
2. The Committees were advised that, subject to approving the Road Danger Reduction Plan in principle, a further more detailed report would be prepared setting out the detailed delivery plan for 2013/14.
3. This report summarises progress to date and provides more information about the delivery programme and funding arrangements.

### **Current Position**

4. The RDRP focuses on a limited number of key initiatives for implementation in the short term (to December 2014) for which funding is available either from local risk budgets or

externally such as from TfL. It also includes the medium term (to December 2017), and the longer term (up to 2020 and beyond).

5. The approved action plan is reproduced in the table below. Details of the proposed delivery and funding arrangements for the short term actions have been added and the timeframe for each measure has been reviewed and updated. The delivery plan and funding arrangements for the medium and long term actions will be developed over the course of 2013/14 in the light of experience with implementing the short term actions.

	<b>Action</b>	<b>Expected outcome</b>	<b>Timeframe</b>
	<b>Short term (to December 2014)</b>		
1.	<p><b>Refocus Road Safety team to conduct safety monitoring of streets within the City to identify danger hotspots and possible remedial measures.</b></p> <p><b>Delivery Plan</b> – The Road Safety Team has begun to refocus its work programme to undertake more safety monitoring of streets. By April 2013 the team will be devoting two person days per week to this activity which will deliver specific and generic solutions (using a professional view point) to improve the safety of dangerous (and potentially dangerous) streets in the top 20 ranked casualty streets over the course a full year.</p> <p><b>Funding</b> – This change can be delivered by redeploying existing staff at no additional cost.</p>	Safer streets	April 2013
2.	<p><b>Investigate 20 mph speed limit/zone</b></p> <p><b>Delivery Plan</b> – Investigations have been completed and a report on the findings appears elsewhere on this committee agenda.</p> <p><b>Funding</b> – The cost of the survey work (£6k) has been met from the approved City Transportation local risk budget for 2012/13.</p>	Safer streets and people	May 2013
3.	<p><b>Implement 20 mph speed limit/zone (depends upon the outcome of 2 above)</b></p> <p><b>Delivery Plan</b> – A separate report on the results of investigations into a potential 20 mph speed limit/zone appears elsewhere on this committee agenda. If approved, implementation of a City-wide 20mph zone/limit could be completed by December 2014.</p> <p><b>Funding</b> – If approved as a project, a further report will be prepared detailing the cost of implementing a 20mph zone/limit and possible funding sources. This might include a bid for funds from TfL under the Mayor’s Cycling Vision programme.</p>	Safer streets and people	Dec 2014
4.	<b>More focussed and evidence based enforcement/ETP activity, with a strong emphasis on cyclists, those on</b>	Safer	

	<p><b>foot and motorcyclists. To include a cost benefit analysis based upon the promotion of safer cycling in Cheapside.</b></p> <p><b>Delivery Plan</b> – A programme of monitoring the impact of the highway changes introduced as part of the Cheapside Enhancement Project is underway, with a particular focus on encouraging more considerate and safer behaviour on the part of all road users. The lessons from this initiative will be taken into account in formulating a more evidence based approach to enforcement and ETP (education, training and publicity) activity.</p> <p>The Road Safety Team and City Police will jointly review the existing programme of enforcement and ETP activity and develop a revised evidence-based programme with a strong emphasis on cyclists, pedestrians and motorcyclists by December 2013.</p> <p><b>Funding</b> – The cost of the Cheapside monitoring (totalling £40K) is being met from the approved Cheapside capital project and on- street parking reserve.</p> <p>The review of the enforcement/ETP programme will be undertaken within existing staff resources in the Road Safety Team and City Police. Implementation of the revised programme will also be met from within existing resources.</p>	people	Dec 2013
5.	<p><b>Investigation and development of measures for implementation in the medium and longer term, including better data collection and analysis, development of a pedestrian model and commencement of a programme of street auditing looking first at junctions with high casualty rates and at least one key cycle route across the City.</b></p> <p><b>Delivery Plan</b> – The City and City Police will jointly review the casualty data collected by the Police with a view to improving information on causation factors including collecting speed data when over 20 mph. The review will be completed by City Police by March 2014.</p> <p>A database of cycle counts across the City and collision data involving cyclists has been collated and analysis of these data sets has commenced. Further cycle surveys may be necessary to help inform the delivery of cycling measures and to help take forward the Mayor’s cycling vision.</p> <p>A separate report will be prepared outlining possible options for improving the City’s database on pedestrian activity which might include commissioning additional traffic surveys and the development of a pedestrian model.</p> <p><b>Funding</b> – The City will be seeking funding for improved data collection from TfL under the Mayor’s Cycling Vision programme. The programme of street auditing will be met from existing staff resources (see 1 above).</p>	Safer streets	March 2014
6.	<p><b>Implement approved engineering measures; both large and small – e.g. Holborn Circus, 2-way cycling, advance</b></p>	Safer	Dec 2014

	<p><b>cycle stop lines.</b></p> <p><b>Delivery Plan</b> – The following safety-related measures are due for implementation by December 2014:</p> <ul style="list-style-type: none"> <li>• 2 way cycling in 18 streets (£100k)</li> <li>• Advance cycle stop lines at 8 junctions (£16k)</li> <li>• 2 way cycling in 12 streets (£125k)</li> <li>• Cycle permeability schemes at 6 to 12 locations (£50k)</li> <li>• Informal pedestrian crossings at 2 to 3 locations (£30k)</li> <li>• Gresham Street/St Martins le Grand highway changes (£160k)</li> <li>• 5 Broadgate highway changes (£1m)</li> <li>• Holborn Circus junction enhancement (£3.25m)</li> <li>• Milton Court highway changes (£1.6m)</li> <li>• Stonecutter Street closure (£100k)</li> </ul> <p><b>Funding</b> – The advance cycle stop lines are to be funded from the City’s local risk budget. The other measures are funded by TfL and developer contributions.</p>	streets	
7.	<p><b>Review management of road works, temporary reinstatements and construction sites, including road safety elements of the Considerate Contractors scheme; to deliver better safety outcomes.</b></p> <p><b>Delivery Plan</b> –</p> <ol style="list-style-type: none"> <li>1) A review of the management of streetworks, including inspections, staff training and an increased focus on safety issues is underway and due for completion in Autumn 2013.</li> <li>2) The Guidance Notes for Activities on the Public Highway, which includes scaffolds and hoardings for building sites, is to be reviewed to include a wider set of safety issues by December 2013.</li> <li>3) The Considerate Contractors Scheme (CCS) is to be reviewed by December 2013 to emphasise the road safety requirements. An extra staff resource is also being sought to strengthen the City’s role in promoting the safety aspects of the CCS and to increase interaction with building sites.</li> </ol> <p><b>Funding</b> – The review of streetworks’ management, the Guidance Notes and the CCS will be funded from Highways</p>	Safer streets	<p>Nov 2013</p> <p>Dec 2013</p> <p>Dec 2013</p>

	local risk budget. The extra staff resource will be the subject of a bid to TfL's Cycling Vision fund.		
8	<p><b>Review the safety aspects of the operations and contracts undertaken using vehicles within the City, ensuring that all drivers are trained in relation to cycle safety and the fleet is fitted with appropriate safety measures such as reverse cameras, audible warning, and 'fresnel' mirrors.</b></p> <p><b>Delivery Plan –</b></p> <ol style="list-style-type: none"> <li>1) The driver training programme has commenced. All drivers working for the City's main contractors (Riney and Enterprise) will have received cycle safety training by April 2013.</li> <li>2) A programme of cycle safety training for other contractors and sub-contractors is being developed with a view to training all drivers during 2013/14.</li> <li>3) A programme of fitting safety equipment to all CoL and contractors' vehicles has commenced and is due for completion by July 2013.</li> </ol> <p><b>Funding –</b> Driver training is being funded from the Built Environment local risk budget (£15K) and by a contribution from TfL (£4k). The cost of fitting existing vehicles with safety equipment is being met from the TfL funded Road Danger Reduction budget for 2012/13 (£13k). The contractors will be responsible for providing such equipment on any new vehicles that may be acquired.</p>	Safer people	<p>April 2013</p> <p>March 2014</p> <p>July 2013</p>
9.	<p><b>Engagement with TfL to secure improvements on the TLRN and to lobby for the optimisation of signal timings to improve road safety.</b></p> <p><b>Delivery Plan –</b> Liaison with TfL regarding the TLRN and signal timings has tended to occur on a case-by-case basis. Coordination will be strengthened through the establishment of a City-wide Road Danger Reduction Partnership which will include representatives of the City, the City Police and TfL and meet on a quarterly basis commencing in June 2013. Consideration will be given to introducing pedestrian count-down timers and cycle only advance greens (as already in use in Brighton).</p> <p><b>Funding –</b> The cost of organising the Road Danger Reduction Partnership will be met from the City Transportation local risk budget for 2013/14.</p>	Safer streets	<p>June 2013</p>
10.	<p><b>Hold annual Member-level City Road Danger Reduction meeting with TfL.</b></p> <p><b>Delivery Plan –</b> The first annual Member-level meeting with representatives of the GLA/TfL is being arranged for September 2013 in order to review progress and oversee the</p>		<p>Sept 2013</p>

	implementation of the RDRP.  <b>Funding</b> – The cost of organising and hosting the meeting will be met from the City Transportation local risk budget for 2013/14.		
11.	<b>Strengthen work with the City Police at an operational and strategic management level.</b>  <b>Delivery Plan</b> – A joint meeting between CoL and City Police officers was held in January 2013 to develop arrangements for future partnership working. This will be followed up by regular meetings on a quarterly basis.  <b>Funding</b> - The cost of staff attendance at the coordination meetings will be shared between CoL and the City Police. The CoL contribution will be met from the City Transportation local risk budget for 2013/14.		April 2013
	<b>Medium term (up to December 2017)</b>		
12.	Continued enforcement and ETP activity	Safer people	ongoing
13.	Continue investigation and development of measures for implementation in the longer term, including continued review of major junctions, gyratories and key cycling corridors	Safer streets	
14.	Implement measures from TfL junctions review	Safer streets	2016
15	Implement measures from Area Strategies and the review of dangerous junctions and streets. e.g. Aldgate and Bank junction improvements and the Fleet Street to St Paul's corridor. Seek to remove all gyratories within the City.	Safer streets	2017
16.	Complete the universal courtesy crossing programme.	Safer streets	2015
17.	Prepare streets for major transport projects such as Crossrail and Bank Station upgrade ensuring street design mitigates risks associated with pedestrian congestion.	Safer streets	2017
	<b>Long term (up to 2020 and beyond)</b>		
18.	Continued enforcement and ETP activity	Safer people	ongoing
19.	Continued implementation of safety related measures identified in Area Strategies and LIP programmes	Safer streets	2020
20.	Change the streets to provide increased priority and safety for pedestrians and cyclists, once Crossrail has opened.	Safer streets	2020

## **Consultation**

6. The RDRP was developed taking account of the expressed views of a wide range of range of stakeholders.
7. The City of London Police have been consulted on this progress report.

## **Corporate & Strategic Implications**

8. The City has a statutory duty, the Road Traffic Act 1988, to promote road safety and ensure that changes to the highway infrastructure are as safe as possible.
9. The City Together Strategy: The Heart of a World Class City 2008 - 2014 sets out a priority to 'encourage walking and cycling safely'. It highlights that there are 'competing interests in road usage' and that 'the number of cyclists is likely to continue to grow, which is to be encouraged'. It also states that the City should 'encourage improvements to transport safety, especially road safety'.
10. The Corporate Plan 2009 - 12 states that we provide excellent services for our community by 'working to ensure the City residents and businesses enjoy an environment which is safe and, as far as possible, free from risks to health and welfare'.
11. The Road Danger Reduction Plan is key to one of the seven programmes in the approved LIP 2011. It will serve, along with the other six programmes, to deliver on LIP objective LIP 2011.3, which is "To reduce road traffic dangers and casualties in the City, particularly fatal and serious casualties and casualties among vulnerable road users".
12. There is no significant negative impact on any of the City's equality target groups.

## **Implications**

13. The delivery of the schedule of short term actions (with the exception of implementing a 20mph zone) can be met within existing budgetary and staff resources (Local and Strategic Transport Planning). Much of the funding from TfL for 2013/14 (£1.014M plus major scheme funding of Aldgate gyratory and Holborn Circus) will deliver on the safety agenda, specifically the implementation of the approved engineering measures itemised under Action 6.
14. The medium and long term actions have not been fully costed as yet. Some of the actions will be funded from existing budgets but it is clear that additional funding will be required to fully implement these measures and further work will be undertaken during 2013/14 to provide cost estimates and identify potential funding sources. Key sources of funding are likely to be the On-Street Parking Reserve which can be used to change the highway and traffic infrastructure and the Mayor's Cycling Vision programme; the Mayor is making £913m available for cycle improvements (£400m over the next three years) and is seeking bids for a range of initiatives to promote safer cycling. Other sources might include S106 contributions, the Community Infrastructure Levy (CIL), EU funding or private sponsorship.
15. Funding for the junctions and corridors activity is likely to total some £40M to £60M over the life of the Plan. It is expected that most of this will be funded from external sources; such as contributions from developments and from Transport for London. Full implementation will necessarily be subject to the funding constraints and priorities, both within the City of London Corporation and of other funding partners, such as Transport for London and each proposal contained within the Plan will need to be evaluated in the normal way, according to the City's project management arrangements, Standing Orders and Financial Regulations.

16. Options for funding the medium and long term actions will be included in the next annual progress report.

**Background Papers:**

- Road Danger Reduction Plan 2013 – report to Streets & Walkways Committee (11<sup>th</sup> December 2012) and Planning & Transportation Committee (15<sup>th</sup> January 2013).

**Contact:**

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<b>Committee(s):</b>	<b>Date(s):</b>
Planning & Transportation Committee	25 June 2013
<b>Subject:</b> Department of the Built Environment Business Plan 2012/15 : Quarter 4 Update and Financial Outturn Report	<b>Public</b>
<b>Report of:</b> <b>Director of the Built Environment</b>	<b>For Information</b>
<b>Summary</b>	
<p>This report sets out the progress against the 2012/13 Business Plan and the Financial Outturn Report for the Department of the Built Environment. It shows what has been achieved, and the progress made over the last year against our departmental objectives and key performance indicators.</p> <p>The financial 2012/13 year end outturn position for the services covered by Planning &amp; Transportation Committee reveals a net underspend for the Department of £90k (1%) against the overall net local risk budget of £10.8m for 2012/13.</p> <p>I have requested to carry forward this underspend into 2013/14, along with underspends within other Committees I support. These requests are currently being prepared for consideration by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee.</p>	
<b>Recommendation(s)</b>	
Members are asked to:	
<ul style="list-style-type: none"> <li>• note the content of this report and the appendices.</li> <li>• receive the report</li> </ul>	

## Main Report

### **Background**

1. The 2012 -2015 Business Plan of the Department of the Built Environment was approved by this committee on 24<sup>th</sup> April 2012. As agreed, quarterly progress reports have been provided.
2. The report also takes the opportunity to update Members on achievements made during Quarter 4, of which the most significant was that the 2012 Clean City Awards were presented in February 2013, at Mansion House, by the Rt. Hon. The Lord Mayor and the Chairman of Port Health and Environmental Services Committee, John Tomlinson. The City of London Clean City Awards scheme was established in 1994 to promote, share, and encourage best practice of sustainable waste management practices. There are over 1650 sites participating in the scheme, ranging from small shops and food outlets to large multi-national companies and financial institutions. These awards

continue to recognise those leading the way in recycling and waste management.

### **Key Performance Indicators**

3. Performance against the 30 key performance indicators (KPIs) (Appendix A) is good with those not meeting their targets being actively managed by the Management Team
4. On NI192 (recycling) we started the year at a low level and have steadily increased, to the point where now we are exceeding the target. Latest results show 41% and still improving. This is as a result of a concerted effort on all fronts, led by my recycling team, to not only improve recycling itself but to drive down the volume of residual household waste.
5. NI 195 (Graffiti etc.), and TPR1, show we are maintaining the quality of our street cleansing service. Our independent street surveys (carried out by the former Keep Britain Tidy Organisation) confirm this.
6. Our Parking enforcement performance also remains high. The single KPI shown here (LTR2) is a snapshot of our total performance, but the steady take-up of pay by phone parking and the low number of complaints shows we are maintaining a top quality service, on which I plan to report further (to P&T Committee) in the Autumn.
7. On Highways, (see TPR2) our new contractor (Riney) has settled in well and is about to start on some major projects, notably Holborn Circus.
8. On accidents, our new Road Danger Reduction Strategy is the mechanism we are using to get to work on the casualty rates. It will be a long haul, with a combination of measures, not least consideration of the 20mph speed limit (on your agenda today).
9. My District Surveyor Division (LBC 1,2,3) continues to provide a high quality service, despite the intense competition in building control services. Our marketing efforts continue, with the latest being a short youtube video.
10. On Planning Policy, our Draft Local Plan and CiL preparation programme are generally on track (PP1, 2, 3) despite a slight delay in consultation on CiL rates, and my Development Management Team have dealt with some demanding applications and maintained a high of approval rate on initial application.
11. One concern is the sheer volume of Freedom of Information requests, which an additional member of staff has been retained. Members will note from DM6 that our Access Team of three officers (2 of which are part time) have been hard pressed but has maintained a high performance despite a demanding KPI.

12. On the Corporate Service Response Standards, we are scrutinising these KPIs regularly, and act where shortcomings are identified.

### Finance

13. The 2012/13 year end outturn position for the Department of Built Environment services covered by Planning & Transportation Committee reveals a net underspend for the Department of £90k (1%) against the overall net local risk budget of £10.8m for 2012/13. Appendix B sets out the detailed position for the individual services covered by this department. The table below details the summary position by Fund.

Local Risk Summary by Fund	Latest Approved Budget	Outturn Position	Variance from Budget (Better) / Worse	
	£'000	£'000	£'000	%
City Fund	10,611	10,517	(94)	(1%)
Bridge House Estates	230	234	4	2%
<b>Total Built Environment Services Local Risk</b>	<b>10,841</b>	<b>10,751</b>	<b>(90)</b>	<b>(1%)</b>

14. I have requested to carry forward this underspend into 2013/14, along with underspends within other Committees I support. These requests are currently being prepared for consideration by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee.
15. The reasons for the significant budget variations in the above table are detailed in Appendix B, which sets out a detailed financial analysis of each individual division of service relating to this Committee.
16. The better than budget year end position of £90k (1%) is principally due to additional income generated from on-street activities relating to hoardings & scaffolding licences, road closure fees and fee charges for use of the pipe subways by utility companies. There were also reduced expenditure costs for the repair and maintenance of drains & sewers due to a moratorium on street works during the Olympics and salary underspends on Town Planning due to vacancies throughout the year, plus various other running expenses budget savings.
17. These budget savings were in part offset by a shortfall in Building Control fees income resulting from a downturn in the economy and competition from approved inspectors.

### Business Risk Management

18. Risks have been reviewed in accordance with corporate policy. The Risk Management register shows no change to the mitigated or unmitigated likelihood or impact score of any risk.

19. One new risk has been identified, this relates to the City of London Roads Network Management role. Details are at Appendix C (part1).
20. The review of all existing risks identified 5 with minor changes since the last report. All the changes relate to additional work that is now in hand to reduce the likelihood or impact of a risk occurring. A summary of these 5 risks and the changes since the last report can be found in Appendix C (part 2).
21. All risks have been reviewed for the effectiveness of the controls. There is no change in the assessment of the effectiveness of controls since the last report.
22. No risks are assessed as Red (*Existing controls are not satisfactory*) and all but two have been assessed as Green (*Robust mitigating controls are in place with positive assurance as to their effectiveness*).
23. The two that were assessed as Amber (*Existing controls require improvement or mitigating controls identified but not yet implemented fully*) are shown in Appendix C (part 2) and in both cases work is in hand to continue the implementation of the controls.

### **Achievements**

24. This report reflects back on the first full year of the Department of the Built Environment. My key departmental objectives were to improve the internal information flows, provide better management information and thus to maintain continual service improvement whilst looking for greater efficiencies.
25. Key achievements were reported in the 2013-16 Divisional Business Plans, however a key achievement of the department over the last financial year was our contribution to the delivery of a highly successful Olympic and Paralympic Games, as well as the Jubilee River Pageant and annual Lord Mayor's show.
26. A complete list of our 2012/13 achievements was contained in my report on the 2013/16 Business Plan (reported to P&T Committee on 22<sup>nd</sup> March 2013).

### **Individual Achievements**

27. Amanda Harcourt, our Land Charges Officer, was awarded a Highly Commended at the annual Land Charges Officer of the Year awards.
28. Nasser Hashemi, in the Highways team was recently awarded a PhD in Civil Engineering.

### **Annual Assurance Statement**

29. For the financial year 2012/13 I give assurance to Members that my department complies with the corporate Data Quality Policy and Protocol in producing its service and performance data. I confirm that my Department has effective systems and procedures in place that produce relevant and reliable information to support management decision-making and to manage performance.

**Appendices**

- Appendix A – Progress of KPI's
- Appendix B – Detailed Financial Analysis
- Appendix C – Business Risk Assessment

**Background Papers:**

DBE Business Plan 2012/15

Business Risk Management (P&T Committee 18 September 2012)

The Road Danger Reduction Plan (P&T Committee 15 January 2013)

DBE Business Plan 2013/16

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	This indicator is performing to or above the target.
	This indicator is a cause for concern, frequently performing just under target.
	The indicator is performing below the target.

		Target	Q1	Q2	Q3	Q4	Year End	12/13 Performance against target
<b>Transportation &amp; Public Realm</b>								
NI 191	To reduce the residual annual household waste per household.	<565 kgs	104.12	102.18	98.25	84.71	389.26	
NI 192	Percentage of household waste recycled.	40%	32%	36.45%	39.01%	40.81%	37.07%	
NI 195	Percentage of relevant land and highways from which unacceptable levels of litter, detritus, graffiti and fly-posting are visible.	<2%	n/a	1.16%	0.86%	1.04%	1.02%	
LTR2	Percentage of valid PCN debts recovered.	80%	80%	81%	81%	83%	81.25%	
LTR3a	Respond to percentage of PCN correspondence within 15 days.	90%	100%	100%	100%	100%	100%	
TPR1	No more than 3 failing KPIs, per month on new Refuse and Street Cleansing contract	<9 per quarter / 36 per annum	8	6	8	5	27	
TPR2	No more than 3 failing KPIs, per month on new Highway Repairs and Maintenance contract.	<9 per quarter / 36 per annum	0	0	3	2	5	

		Target	Q1	Q2	Q3	Q4	Year End	12/13 Performance against target
TPR3a	Reduction by 10% of number of persons killed and seriously injured compared to 2010 baseline (45 persons).	Quarterly	Reduction 0.42% *	Increase 48%	Increase 38%	Increase 77%	Increase 40.65%	
TPR3b	Reduction by 5% of number of total road traffic casualties compared to 2010 baseline (350 persons).	Quarterly	Increase 3.5% *	Increase 36%	Increase 34%	Increase 20%	Increase 23.38%	
TPR4	No more than 10 unresolved 'time banding' queries.	<10	0%	0	0	0	0	
<b>Comments</b>	<b>NI192:</b> While the average figure is lower than the target, due to new working practices the target is now being met. <b>TPR3:</b> Report to Committee Jan 2013							
<b>District Surveyors</b>								
LBC1	To decide 90% of standard 5 week applications within the timescale compared with the number of applications received under these terms.	90%	89%	100%	92%	100%	95.25%	
LBC2	To decide 90% of 8 week applications within the timescale where this has been agreed compared with the number of application received under these terms.	90%	94%	93%	90%	93%	92.50%	
LBC3	To issue a completion certificate within 10 days of the final inspection of completed building work in 85% of eligible cases.	85%	90%	89%	86%	88%	88.25%	



		Target	Q1	Q2	Q3	Q4	Year End	12/13 Performance against target
<b>Planning Policy</b>								
PP1	Consult the public on the City's preliminary draft Community Infrastructure Levy (CIL) by October 2012 and the draft CIL by March 2013		on track	on track	on track	on track	DELAY	
PP2	Consult the public on the draft LDF Development Management Development Plan Document by January 2013		on track	on track	on track	on track	DONE	
PP3	Publish development pipeline information bi-annually (June & Dec) and publish initial analysis of the 2011 Census for the City by December 2012		on track	on track	on track	on track	DONE	
PP4	Improve the match of gazetteer to Non-Domestic Rate records from 80% to 85% during 2012/13.	85%	83%	86%	87%	89%	86.25%	
PP5	Ensure internal and public-facing GIS services are availability 98% of the working day (excluding IS service disruptions).	98%	100%	99%	99%	99%	99.25%	
<b>Comments</b>	<p><b>PP1:</b> Preliminary Draft CIL public consultation was March-May 2013. Delay was due to extra time needed to achieve officer and member consensus on the proposed CIL rates. Draft CIL consultation is scheduled for July-September 2013.</p> <p><b>PP2:</b> Draft Local Plan public consultation was January-March 2013.</p> <p><b>PP3:</b> Development info pipeline information was published ahead of schedule in April and November 2012. Census 2011 initial analysis was published ahead of schedule in November 2012.</p>							

		Target	Q1	Q2	Q3	Q4	Year End	12/13 Performance against target
<b>Development Management</b>								
DM1a	Process 65% of minor planning applications within 8 weeks	65%	81%	61%	71%	66%	69.75%	😊
DM1b	Process 75% of other planning applications within 8 weeks	75%	73%	71%	72%	75%	72.75%	😐
DM1c	To negotiate schemes such that 95% are eligible for approval on initial application.	95%	99%	96%	99%	99%	98%	😊
DM3	Process 100% of standard land charge searches within 8 working days (11-12 target 100% in 10 days)	100%	100%	100%	100%	100%	100%	😊
DM4	To publish 6 conservation area appraisals and management proposals by 31st March 2013	6	On track	On track	On track	On track	Done	😊
DM5	Ensure 90% of valid planning applications are viewable online within 3 working days of validation	90%	92%	92%	90%	94%	92%	😊
DM6	Provide access team observations to 100% planning applications within 14 days of receipt of information	100%	95%	95%	98%	98%	96%	😐
DM7	To provide responses to requests under the Freedom of Information Act within 20 working days. (Statutory target of 85%)	85%	98%	96%	95%	100%	97.25%	😊
<b>Comments</b>	<b>DM4:</b> Adopted and published 18 September 2012 <ul style="list-style-type: none"> <li>Smithfield Conservation Area Character Summary and Management Strategy</li> <li>Bow Lane Conservation Area Character Summary and Management Strategy</li> <li>Queen Street Conservation Area Character Summary and Management Strategy</li> </ul>							

	Target	Q1	Q2	Q3	Q4	Year End	12/13 Performance against target
Adopted and published 22 March 2013							
<ul style="list-style-type: none"> <li>Eastcheap Conservation Area Character Summary and Management Strategy</li> <li>Fenchurch Street Station Conservation Area Character Summary and Management Strategy</li> <li>St Paul's Cathedral Conservation Area Character Summary and Management Strategy</li> </ul>							

Service Response Standards								
SRS C	Emails to all published (external-facing) email addresses to be responded to within 1 day	100%	80%	67%	100%	100%	86.75%	☹
SRS D	A full response to requests for specific information or services requested via email within 10 days.	100%	80%	100%	80%	100%	90%	☺
SRS E	Telephone calls to be picked up and answered within 5 rings/20 seconds	90%	91%	92%	92%	92.3%	91.8%	☺
SRS F	Where possible calls to be answered by a human voice [Voicemail element only target = less than 10%]	10%	11.4%	11.5%	11%	11.1%	11.25%	☹
<b>Comments</b>	<p><b>SRS C &amp; D:</b> The small volume tested results is significant changes in results, however new procedures are in place from one box which was a cause for concern.</p> <p><b>SRS F:</b> A large volume of Officers are on site and out of the office as part of their working day, we have set up procedures in teams to ensure, as much as possible callers are given the option to speak to a person, however due to their technical nature callers tend to leave voice mail.</p>							

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**Department of Built Environment Local Risk Revenue Budget - 1st April 2012 to 31st March 2013**  
**(Income and favourable variances are shown in brackets)**

Appendix B

	Latest Approved Budget 2012/13			Actuals 2012/13			Variance (Better) / Worse		Notes
	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	£'000	%	
<b>Planning &amp; Transportation (City Fund)</b>									
Town Planning	2,868	(479)	2,389	2,734	(490)	2,244	(145)	(6)	1
Section 106 Monitoring	0	0	0	0	0	0	0	0	
Planning Obligations Monitoring	147	(111)	36	143	(107)	36	0	0	
Transportation Planning	2,163	(1,866)	297	2,213	(1,856)	357	60	20	
Road Safety	246	(5)	241	235	(21)	214	(27)	(11)	
Street Scene	807	(780)	27	827	(799)	28	1	4	
Building Control	1,475	(1,281)	194	1,462	(1,014)	448	254	131	2
Highways	5,297	(1,404)	3,893	5,372	(1,436)	3,936	43	1	
Traffic Management	847	(1,412)	(565)	778	(1,448)	(670)	(105)	(19)	3
Off Street Parking	2,444	(2,400)	44	2,382	(2,295)	87	43	98	
On Street Parking	3,773	(32)	3,741	3,715	(38)	3,677	(64)	(2)	
Drains & Sewers	560	(255)	305	497	(337)	160	(145)	(48)	4
Contingency	9	0	9	0	0	0	(9)	(100)	
	<b>20,636</b>	<b>(10,025)</b>	<b>10,611</b>	<b>20,358</b>	<b>(9,841)</b>	<b>10,517</b>	<b>(94)</b>	<b>(1)</b>	
<b>Planning &amp; Transportation (BHE)</b>									
London Bridge	60	0	60	55	0	55	(5)	(8)	
Blackfriars Bridge	44	0	44	50	0	50	6	14	
Southwark Bridge	45	0	45	44	0	44	(1)	(2)	
Millennium Bridge	81	0	81	85	0	85	4	5	
	<b>230</b>	<b>0</b>	<b>230</b>	<b>234</b>	<b>0</b>	<b>234</b>	<b>4</b>	<b>2</b>	
<b>TOTAL PLANNING &amp; TRANSPORTATION COMMITTEE</b>	<b>20,866</b>	<b>(10,025)</b>	<b>10,841</b>	<b>20,592</b>	<b>(9,841)</b>	<b>10,751</b>	<b>(90)</b>	<b>(1)</b>	

**Notes:**

- Town Planning** - the favourable outturn was mainly due to salary underspends and various running budget savings for printing, computing & communications and advertising.
- Building Control** - the year end overspend was due to a shortfall in Building Control fees income resulting from a downturn in the economy and competition from approved inspectors.
- Traffic Management** - the favourable outturn was due to additional income from hoardings & scaffolding licences and road closure fees, and various savings on running expenses budgets.
- Drains & Sewers** - the favourable outturn was due to additional income and savings on repairs and maintenance expenditure work due to a moratorium on street works during the Olympics.

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**PART 1**

DBE/TPHW/1 - Department of the Built Environment / Transportation &amp; Public Realm / Highways

**Failure to comply with our Network Management****Control Effectiveness G**

Under S16 of Traffic Management Act 2004 we are required to manage our road network so that (a) we secure the expeditious movement of traffic on the City's road network; and (b) facilitate the expeditious movement of traffic on road networks for which another authority is the traffic authority (e.g. TfL and neighbouring authorities).

In so complying with S16 of the Act, the City is required to take account of other relevant policies.

This Risk also relates to the activities of the Local Transportation team.

Unmitigated ... Impact 3      Likelihood 4      Risk **16**

Status Review signed off on 2 Apr 13 by Steve Presland - Review due by 1 Jul 13

## Detailed Risk(s)

Specific Risk	Mitigation
Failure to identify & implement ways to facilitate traffic movement on the City's road network & those of other authorities and agencies	Monitor network performance, engage with stakeholders to identify needs and seek funding to make appropriate network change
Negative synergy of impact of multiple concurrent works by TfL or other traffic authority	Information exchange protocols regarding works which are liable to impact the City
Negative synergy of impact of multiple concurrent works within the City	12 month rolling programme to de-conflict works
Streetworks disrupt the network	Effective streetworks management process to minimise disruption
Adversely disrupting the network by making inappropriate highway changes	Anticipate effects of change across all user groups, consult with stakeholders on proposed changes, monitor effects of change

Mitigated ... Impact 3      Likelihood 1      Risk **6**

**Further Action**

## PART 2

Reference DBE/DSUR/1 **Owner** Department of the Built Environment / District Surveyor**Control Effectiveness** G**Risk Title:** Legislation changes**Impact** 2 **Likelihood** 3 **Risk** 8

<b>Risk Description</b>	The government are looking at all regulatory functions to relieve the burden on industry. Any changes to the remit of the Building Regulations will affect the financial viability of the Division
<b>Further Actions</b>	None
<b>Changes since last review</b>	Following repeal of Section 20 of the London Building Acts we are addressing the reduction in income by undertaking "Approval In Principle" work on behalf of the City Surveyor and "Fire Risk Assessments" for both internal and external clients.

Reference DBE/DSUR/2 **Owner** Department of the Built Environment / District Surveyor**Control Effectiveness** G**Risk Title:** Budget Loss over 3/5 year period**Impact** 3 **Likelihood** 3 **Risk** 13

<b>Risk Description</b>	CIPFA guidance states that the Building Regulations chargeable account should balance over this period.
<b>Further Actions</b>	None
<b>Changes since last review</b>	The District Surveyor is carrying out an analysis of expected workload over the next 3 years to ensure that resources are matched to requirements.

Reference DBE/PLSV/5 **Owner** Department of the Built Environment /Development Division/  
Development Management**Control Effectiveness** G**Risk Title:** Uncertainty of the legislative environment and Central Government advice in respect of Development Management**Impact** 3 **Likelihood** 3 **Risk** 13

<b>Risk Description</b>	Uncertainty of the legislative environment and Central Government advice in respect of Development Management
<b>Further Actions</b>	None
<b>Changes since last review</b>	The City of London has applied to DCLG for exemption with regard to Permitted Development Rights for Change of Use from Commercial to Residential.



Reference DBE/TPLC/3 **Owner** Department of the Built Environment /Transportation & Public Realm/  
Cleansing **Control Effectiveness** A

**Risk Title:** A fatal road accident **Impact** 4 **Likelihood** 2 **Risk** 17

<b>Risk Description</b>	An accident involving a Member/employee/contractor on City of London business leading to a fatality. Possibility of a corporate manslaughter charge being brought against the City of London.
<b>Further Actions</b>	Complete implementation of driving licence checking procedure following adoption of new Corporate Transport Policy.
<b>Changes since last review</b>	Revised Corporate Transport Policy agreed by Summit Group. Implementation pending approval of Chief Officers' Group in Spring 2013. DBE piloting the new driver registration software on iTrent.

Reference DBE/TPLC/5 **Owner** Department of the Built Environment /Transportation & Public Realm/  
Cleansing **Control Effectiveness** A

**Risk Title:** A major incident, such as flooding or fire, makes Walbrook Wharf unusable as a depot **Impact** 2 **Likelihood** 2 **Risk** 5

<b>Risk Description</b>	This could have several causes such as natural disaster, accident or terrorism/riot
<b>Further Actions</b>	Continuity plans (including the waste and cleansing contractor plans) to be reviewed and updated. Cost benefit of insuring this risk to be explored.
<b>Changes since last review</b>	Continuity plans (including the waste and cleansing contractor plans) have been reviewed and are current until June 2013. Alternative arrangements are being negotiated with Ealing Council.

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# Agenda Item 11

By virtue of paragraph(s) 3, 5, 7 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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