Planning Obligations SPD Consultation Statement

Introduction

This document, alongside the engagement summary included at Appendix 1, forms the 'Consultation Statement' under Section 12 (a) of the Town and Country Planning (Local Planning) Regulations, 2012. It sets out the dates and detail of the formal public consultation and informal engagement carried out with regard to the Planning Obligations SPD.

Appendix 2- 'What We Heard' document sets out the detail of the informal engagement which took place in Autumn 2025.

Scope of Regulation 12/13 consultation

The draft SPD and supporting material was 'made available' from 16 March to 15 April 2026. The documents were made available at the City Corporation's principal offices, the libraries within the Square Mile and on the Corporation website: Planning guidance - City of London. The website also contained links to the 'Konveio' consultation portal.

All persons registered on the Corporation's local plan database were informed of the consultation by email, including information on where to find the SPDs and supporting documents.

A series of consultation events also took place as per the below. These events were also promoted and publicised via social media, City Resident newsletters, posters and leaflets and via other networks.

- 24 March 9-10:30am SPD information session(external link) at Aldgate Centre EC3N 1AB
- 31 March 6:30-8pm Residents session(external link) at Artizan Street Library E1 7AF
- 1 April 10-11am Online session for major planning applicants and developers
- 8 April 9-10:30am Heritage session(external link) at St Ethelburga's Centre for Reconciliation and Peace Venue EC2N 4AG

Summary of main issues raised

A total of 15 representations and 138 comments were made in relation to the Planning Obligations SPD. These are all contained in the table at Appendix 1 as well as a City Corporation response. The main issues raised were:

Statutory Tests

- Several representations raised concerns that planning obligations should not be applied as a rigid framework, and that due regard must be given to the statutory tests set out in Regulation 122 of the CIL Regulations.

Culture

- Widespread unease at the complexity of the formula for calculating cultural contributions and the impact on viability that the higher ratios would have. Several respondents made similar comments, and these were best compiled in the City Property Association representation (R13_29). There was also anxiety with the concept that cultural contributions could be increased based on the wider planning balance.
- The evidence for the formula was questioned as it is based on three schemes from a range of twenty.
- Noted that there is not a single formula that would work optimally for all sites and that often the best interventions are rooted in site specific features.
- Suggestions that a simple pound per square metre rate would be more workable.

Transport

- Concern about the cumulative impact of monitoring costs for several obligations (Travel Plans, Delivery and Servicing Plans, Construction and Logistics Plans). It was suggested that digital tools may be able to reduce the officer time in monitoring these obligations.
- Concern that financial contributions for cycle parking may be sought where it is shown that there is no demand
- Support for pooling contributions to deliver area wide improvements such as the A10 corridor

Local Skills, Training and Employment

- Opposition to the fixed target of 15% of goods and services to be procured from Central London Forward based SMEs. It was claimed that this may be difficult to apply in practice and would amount to undue influence in the commercial market.

Heritage

- It was noted that there could be more signposting in the SPD to heritage guidance in the Local Plan or the Celebrating Heritage SPD, as well as some more details on the types of historic environment obligations that may be sought.

Viability Evidence

- It was suggested that the inputs into the viability assessment are too generic and not specific to construction in the City. This then may cause the assessment to overstate the viability position for larger and more complex sites.

Community Infrastructure Levy

- Support for a review of CIL phasing with the aim to secure a more flexible instalment policy

How those issues have been addressed in the SPD

The City Corporation has considered the representations made as at Appendix 1 and has made some changes to the final adoption version of the Planning Obligations SPD to cover the matters raised. These matters include:

Culture (chapter 11)

- The culture formula at page 21 has been removed and replaced with a flat payment in lieu rate of £23/sqm (GEA), levied on the uplift in floorspace. This has been balanced with a reduction in the Employment and Skills contribution from £35 to £23, so that the overall impact on viability is neutral. In fact, there is a technical betterment to the viability position.
- The text in paragraphs 11.2 to 11.7 has been updated to reflect the change from a formula to a flat rate for payment in lieu contributions
- The standard requirements for on site provision at paragraph 11.9 (now paragraph 11.6) has been updated with additional details that should aid delivery and are specific to different cultural typologies.

Transport

- Additional wording has been included to clarify that contributions towards short-stay cycle parking will only be sought where an identified shortfall results in impacts that require mitigation in order to render the development acceptable in planning terms.

Statutory Tests

- Additional wording is included to clarify that the statutory tests will be applied to all planning obligations sought in relation to an individual application, including those set out in the SPD. Planning obligations will be assessed on a bespoke and proportionate basis, having regard to the specific circumstances of each application.

Appendix 1 Consultation responses

SEQ no.	**Rep number**	**Organisation**	**Comment**	**City Corporation response**	SPD amendments
2	R13_01_002	Port of London Authority	With regard to the Planning Obligations SPD, support the reference in section 16 (Flood Risk) which states that the City Corporation may use CIL contributions to deliver improvements to the City's flood defences, and that where development necessitates enhancements to existing flood defences, or additional flood resilience measures, s106 planning obligations, or planning conditions may be used, as appropriate, to ensure that all required works are complete, including with regard to flood defence raising.	Support noted.	No change
183	R13_04_174	None	Purpose This Supplementary Planning Document (SPD) sets out the City of London Corporation's approach to securing planning obligations under Section 106 of the Town and Country Planning Act 1990 **("S106").**	Noted.	No change
184	R13_04_175	None	**S106** and **Community Infrastructure Levy** in the City of London Community Infrastructure Levy The Community Infrastructure Levy (**"**CIL**"**) is the mechanism for securing funding from new development for strategic infrastructure. It helps address the cumulative impacts of growth. The City of	The required amendments will be made.	Include heading - <u>S106 and Community Infrastructure Levy in the City of London</u>

			London Corporation (“the City Corporation “) manages a City CIL fund and a Neighbourhood CIL fund and is responsible for collecting Mayoral Community Infrastructure Levy (**“**MCIL2**”**) towards funding London-wide strategic transport infrastructure.		
185	R13_04_176	None	**S**106 Planning Obligations **S**106 planning obligations are legal agreements that operate alongside **CIL** to mitigate the sitespecific impacts of development. They are also used to regulate the manner in which a development is implemented where it is not possible to do so solely by means of planning conditions. Planning Obligations are a material consideration in the determination of planning applications and this SPD should be read alongside national planning policy, the London Plan **2021** and the City Plan 2040 policies.	The required amendments will be made.	Section 106 ("S106") planning obligations are legal agreements that operate alongside ~~the community infrastructure levy~~ CIL ……
186	R13_04_177	None	Under Regulation 122 of the Community Infrastructure Levy Regulations 2010 **(“CIL Regulations”)**, a planning obligation may only constitute a reason for granting planning permission for a development if it complies with the following three statutory tests:	Noted.	No change
187	R13_04_178	None	It is common for a**n S**106 agreement to require the landowner to enter into a **Section** 278 agreement with the Local Highways Authority1. A **Section** 278 agreement allows a landowner to fund works on the public highway or to carry out the works themselves. This is usually necessary to implement improvements to nearby public highways that help to mitigate impacts of the development or to allow for any damage to the highway which occurs during the delivery a development to be remediated.	The required amendments will be made.	Amendment made to “It is common for a S106 agreement to require the landowner to enter into a section 278 agreement with the Local Highways Authority.* A Section 278 ("S278")agreement allows …… “
188	R13_04_179	None	Strategic Policy S26 of the City Plan 2040 seeks developer contributions to manage and mitigate the impact of development and sets out the S106 obligations most commonly sought from development. *Air Quality, Transport, Construction and*	The table is drawn from Strategic Policy S26. Matters relating to air quality, transport, construction and environmental impacts, as well as open space provision, trees and	No change

			Environmental impacts, Open Space requirements and Trees and Biodiversity are missing from the table below.	biodiversity, are addressed through site-specific mitigation measures (See Policy S26, point 2(a)).	
189	R13_04_180	None	As S106 **planning** obligations are used to mitigate site-specific impacts, **S**106 agreements will be bespoke and may include additional or site-specific **planning** obligations. London Plan **2021** Policy DF1 sets a strategic priority for using **S**106 planning obligations to support affordable housing and public transport improvements.	Noted . S106 will be capitalised throughout the document to ensure consistency	Amendment made as follows: "As S106 obligations are used to mitigate site-specific impacts, <u>S106</u> agreements will be bespoke and may include additional or site-specific planning obligations. London Plan Policy DF1 sets a strategic priority for using <u>S106</u> obligations to support affordable housing and public transport improvements."
190	R13_04_181	None	Financial contributions required under **Section** 278 agreements are assessed on a sitespecific basis by the City Corporation's Transport and Public Realm Projects Team prior to implementation of the development and may not be subject to indexation.	The required amendments will be made.	Amendment made as follows: "Financial contributions required under <u>S 278</u> agreements are assessed on a site specific basis by the City Corporation's Transport and Public Realm Projects Team prior to implementation of the development and may not be subject to indexation."

191	R13_04_182	None	Viability Assessment The City Corporation commissioned a Viability Assessment (2026) to determine whether development anticipated during the City Plan 2040 period can reasonably absorb the cumulative costs of planning obligations and **CIL** liabilities while remaining deliverable. The **Assessment** provides robust, high-level, viability evidence in accordance with national policy and guidance, ensuring that planning obligations and CIL charges are set at appropriate levels to support infrastructure delivery without undermining development viability. It considers the cumulative impact of City of London CIL, **M**CIL**2**, the proposed revised CIL instalments policy, the financial contributions set out in this SPD, and other emerging requirements of the City Plan 2040.	The required amendments will be made.	Amendment made as follows: "The City Corporation commissioned a Viability Assessment (2026) to determine whether development anticipated during the City Plan 2040 period can reasonably absorb the cumulative costs of planning obligations and <u>CIL</u> liabilities while remaining deliverable. The <u>Assessment</u> provides robust, high-level, viability evidence in accordance with national policy and guidance, ensuring that planning obligations and CIL charges are set at appropriate levels to support infrastructure delivery without undermining development viability. It considers the cumulative impact of City of London CIL, <u>MCIL2</u>, the proposed revised CIL instalments policy, the financial contributions set out in this SPD, and other emerging requirements of the City Plan 2040."
192	R13_04_183	None	Requirement £57.21 per m2 **Gross Internal Area ("**GIA"**)** of additional floorspace	The required amendments will be made in Table 1.	Amendment made as follows: "Table 1 Threshold

					> 500sqm Gross Internal Area (GIA) net increase
193	R13_04_184	None	The City Corporation allows land use swaps, housing credits, or off-site contributions from commercial developments, in line with London Plan **2021** Policy SD5, to meet affordable housing requirements rather than requiring on-site mixed-use delivery. New commercial developments that result in a net increase of 500 m² or more **GIA** must make a financial contribution toward off-site affordable housing at a rate of £**50** per m² of additional floorspace. This contribution is payable on implementation of the development (as defined in the Glossary), and will be used to deliver new affordable housing, primarily on City Corporation estates, either elsewhere in the City or within a reasonable **and economical** travel distance.	The original wording in the draft SPD is "New commercial developments that resultt in a net iwncrease of 500 m² or more Gross Internal Area (GIA) must make a financial contribution toward off-site affordable housing at a rate of £50 per m² of additional floorspace. This contribution will be used to deliver new affordable housing, primarily on City Corporation estates, either elsewhere in the City or **within a reasonable travel distance**." The highlighted wording will be amended to provide greater clarity on where affordable housing may be located outside the City.	5.3 This contribution will be used to deliver new affordable housing, primarily on City Corporation estates, either elsewhere in the City or in neighbouring boroughs ~~within a reasonable travel distance~~ ."
194	R13_04_185	None	Off-site affordable housing contribution Off-site provision will only be accepted in **exceptional** circumstances, where it can be robustly demonstrated that affordable housing cannot be delivered on-site or where off-site provision or a financial contribution would better deliver mixed and inclusive communities that meet the needs of households on the City Corporation's **Housing Register, or other priority housing needs.** *Every circumstance seems to be "exceptional" as, apart from the City Corporation's own residential developments, no "affordable" housing has been built in the City. What are the "other priority housing needs?*	This aligns with City Plan Policy S3, point 2(b). The Strategic Market Housing Assessment outlines the City's housing needs and priorities over the Plan period	No change

195	R13_04_186	None	Where the principle of off-site provision has been accepted, this should be met either through: provision of the required number of affordable units on an alternative site elsewhere in the City or within **reasonable and economical** travel time of the City. Developers will need to liaise with the Department of Community & Children's Services Department on appropriate locations and the proposed mix and tenure of the units to be provided. *A "reasonable" travel cost is also necessary but, of course, "reasonable" needs clarifying.* • provision of a commuted sum or cash in lieu payment, which will be calculated on a site8 by-site basis, to ensure that the full uplift in value when delivering a 100% market scheme is reflected in the contribution and that there is **no financial incentive to the developer in delivering the affordable housing by means of a commuted sum.** Isn't financial benefit for the developer inherent in cash in lieu payments, particularly when the unit cost is less than the sale price of a similar market unit in the development?	The original wording is " Where the principle of off-site provision has been accepted, this should be met either through: provision of the required number of affordable units on an alternative site elsewhere in the City or **within reasonable travel time of the City**. " The highlighted wording will be amended to provide greater clarity on where affordable housing may be located outside the City. The commuted sum is not based on build cost but on the uplift in value arising from delivering market housing in place of affordable provision. This approach ensures the developer is in a policy-neutral position. As it is calculated on a site-specific basis, it reflects the actual economics of each scheme. Any financial incentive would only arise if the contribution is set below the true value uplift.	Amendment made as follows: "5.9 Where the principle of off-site provision has been accepted, this should be met either through: provision of the required number of affordable units on an alternative site elsewhere in the City or ~~within reasonable travel time of the City.~~ <u>in neighbouring boroughs, principally on City Corporation owned housing estates</u>."
196	R13_04_187	None	The Viability Assessment (2026) indicates that a viable contribution to off-site provision should lie in the range of **£440,000 to £460,000 per unit**. Developers proposing a commuted sum must submit two appraisals of the development scheme - one incorporating a policy compliant level of affordable housing on-site and a separate appraisal of the same scheme but with all units provided as market housing. The required commuted sum payment will be the greater of **£440,000** per unit or the difference between these two submitted appraisals.	Noted.	No change

197	R13_04_188	None	**The formula used to calculate is as follows:** **X = ((A-B) x C) – ((A x C) x D)** where X = the payment in lieu A - the market value of a square metre of floorspace in the development B - the value of affordable housing per square metre of floorspace (reflecting the blend between affordable rent and shared ownership) C - the number of square metres that would be required on-site to meet the target in Strategic Policy S3. D - Additional developer costs (the difference between the profit applied to market housing and affordable housing and marketing costs on private housing) Will the appraisals show unit or total cost as the difference between the two could be a single amount or a unit cost? The formula is unnecessarily confusing. Firstly, what is the relevance of a “range of £440,000 to £460,000” when the calculation uses £440,000? This is all the more confusing when units in Black Raven Court cost nearly £600,000 to build. What is the difference between “market” and “private” housing? Why is area and not the number of units relevant in (C)? Why are additional developer costs (D) relevant? In the case of Bernard Morgan House, the developer was allowed a credit of £9 million for interest but hardly paid any.	The two appraisals are intended to show the overall impact on the viability of the scheme, rather than a per-unit cost difference. Build costs are generally similar across affordable and market housing, and the viability impact mainly arises from the lower revenue generated by on-site affordable homes. As a result, the difference between the appraisals will usually be expressed as a single monetary amount (such as a reduction in residual land value or developer profit), which is the appropriate basis for considering any commuted sum. Please note the justification for both the formula and the contribution rate is set out in the City Plan Viability Assessment (2020). In viability terms, "market housing" and "private housing" are used interchangeably. Both refer to homes sold or rented at open market values, without subsidy or affordability restrictions.	No change

198	R13_04_189	None	Viability Review Where an application has proceeded through the Viability Tested Route (VTR) and does not achieve policy compliant levels of affordable housing, the City Corporation will require a viability review mechanism within the S106 agreement, in line with London Plan Policy H5. • An early-stage review will be required where a development has not reached an agreed level of progress two years after the grant of permission, or an alternative period of time agreed by the City Corporation. • Mid-term review prior to implementation of each phase for larger phased schemes. • A late-stage review will be required at the point of practical completion for commercial developments or when **75% of the permitted units have been legally sold.** *Why not 100%? Also "legally sold" seems open to interpretation. "Independent third party sales would seem to be more appropriate.*	The Viability Review mechanisms set out in the Planning Obligations SPD are in line with the London Plan Policy H5 Threshold approach to applications (Part F 2b).	No change
199	R13_04_190	None	The City of London Transport Strategy sets out a long-term vision for safe, accessible and high-quality streets and public spaces. In line with t**he City Plan 2040** Strategic Policy S26, development is required to support the delivery of infrastructure identified in the Transport Strategy, including Healthy Streets Plans **(the City Plan 2040** Strategic Policy S10). Contributions are secured principally through CIL, which funds strategic transport infrastructure required to support growth, and through **S106 planning obligations**, which mitigates the direct transport impacts of individual developments.	Noted.	No change
200	R13_04_191	None	The level of **S106** contributions towards transport improvements cannot be predetermined, as it will depend on the scale, nature and transport impacts of each proposal and each must meet the statutory tests. The City Corporation will engage with developers at the earliest preapplication stage to identify likely mitigation requirements and provide advice on the expected scope, scale and	Noted.	S106 will be capitalised throughout the document to ensure consistency.

			timing of contributions. Where multiple developments come forward within a defined area, **S106** contributions may be pooled to deliver coordinated, areawide transport improvements.		
201	R13_04_1 92	None	Additional **S106** contributions may be sought to address short-stay cycle parking shortfalls. In certain conditions, in accordance with City Plan **2040** Policy AT3, if London Plan **2021** minimum long-stay cycle parking standards cannot be fully met for office developments, a financial contribution towards cycle infrastructure improvements in the City will be secured through S106 planning obligations. Contributions towards upgrades to Legible London signage will also be secured via S106, where appropriate.	Noted.	S106 will be capitalised throughout the document to ensure consistency.
202	R13_04_1 93	None	Transport for London **("TfL")** may seek contributions toward site-specific measures, including public realm improvements along TfL's road network and enhancements to public transport infrastructure.	Noted.	Minor typographical amendment made as suggested.
203	R13_04_1 94	None	Transport Monitoring Fees Monitoring of Travel Plans, DSMPs, and CLPs secured through **S106** obligations is essential for both the occupier and the City Corporation to track progress against agreed targets.	Noted.	S106 will be capitalised throughout the document to ensure consistency.
204	R13_04_1 95	None	Table 4: Transport Monitoring Fees 0-15 trips £3,000 annually for five years 15-30 trips £7,000 annually for five years 30+ trips £10,000 annually for five years Fee linked to the scale of the project as defined by the City Corporation's Code of Practice for Deconstruction and Construction Sites **("COP")**. Large Scale – £10,000 initial fee + £2,000 per month for the duration of the project Medium Scale – £7,500 initial fee + £1,000 per month for the duration of the project	Noted.	No change

			Minor Developments – £3,500 initial fee + £1,000 per month for the duration of the project		
205	R13_04_196	None	Section 278 agreements Where a development impacts the highway or surrounding public realm (including during the construction phase), mitigation will be secured through a Section 278 agreement. The City Corporation will be responsible for designing and delivering **the** highway works to the City Corporation highways' **standards applicable at the time of the necessary reinstatement/reconstruction works.** The developer will be responsible for all associated costs, including the evaluation and design fee required to define the scope of works and this will be secured in the **S**106 agreement, along with any excess fee that may be necessary to complete the evaluation and design. The design of Highway works can only begin once the Section 278 agreement has been signed by both parties and all costs have been paid.	Noted.	No change
206	R13_04_197	None	Where **TfL** is the relevant highway authority, developers must enter into the required legal agreement(s) with TfL and cover all associated costs. For smaller contributions, payments towards highway works may be made to the City Corporation, with **S**106 clauses ensuring the automatic transfer of funds to TfL.	The required amendments will be made.	Amendment made as follows: "Where ~~Transport for London~~ TfL is the relevant highway authority, developers must enter into the required legal agreement(s) with TfL and cover all associated costs. For smaller

					contributions, payments towards highway works may be made to the City Corporation, with S106 clauses ensuring the automatic transfer of funds to TfL."
207	R13_04_198	None	The City Corporation will also ensure through a**n S**106 agreement, that the costs of: any remedial highway works required for the proper reinstatement/reconstruction of any highway, in the vicinity of a development site, which are damaged in the delivery of a development; and/or any other works necessary to integrate the development with the highway (for example to address a change in levels), are met by the developer.	Noted. S106 will be capitalised throughout the document to ensure consistency.	Amendment made as follows: "The City Corporation will also ensure through an S106 agreement, that the costs of ….."
208	R13_04_199	None	Table 5: **Section 278** agreements Use Class All Threshold/Impact Timing Requirement Adverse transport impacts that require alterations or repairs to the adjacent public highway or surrounding public realm after construction or changes required to facilitate the operation of the development. Timing The initial fee is payable on commencement of development with any excess evaluation and design fees payable following written request. Signing of **Section** 278 agreement Requirement Evaluation and Design fee (the amount of the initial fee sought, will take into account the scale of the development, the likely design requirements and the number and length of highways likely to be impacted by the development).	Wording will be capitalised throughout the document to ensure consistency.	Minor typographical amendments made as suggested.

			Highway works costs (and any maintenance) calculated on a site-specific basis		
209	R13_04_200	None	Construction and Environmental Impacts Developments are required to comply with the **COP**: (https://democracy.cityoflondon.gov.uk/documents/s110923/Code%20of%20Practice%20for%20Deconstruction%20and%20Construction%20Sites%209th%20Edition%2018-12-18%20March%20PHES.pdf , which sets out the standards expected within the City to mitigate the negative impacts of construction activity.	Noted.	No change
210	R13_04_201	None	The City Corporation will use a **S**106 planning obligation to secure: compliance with the **COP** the submission of a scheme of protective works the payment of construction monitoring fees	Noted.	S106 will be capitalised throughout the document to ensure consistency
211	R13_04_202	None	The Control of Pollution Act 1974 establishes duties to control environmental impacts from construction activities including the setting of Construction Codes of Practice. Conditions will be placed on development seeking the submission and approval of a construction	Noted.	No change

			management plan prepared in accordance with the **COP** and for minor developments a contribution towards the monitoring of construction impacts may be sought before the condition is discharged. The financial contribution for minor developments will be paid via invoice to the Construction Impacts Team upon commencement of the works.		
212	R13_04_203	None	Table 6: Construction monitoring contributions Use Class All Threshold All development (Categories set out in the **COP**) Timing Payable on commencement of development and then each year on the anniversary of the commencement date until the completion date. Requirement Construction monitoring fees Large scale major developments: £58,500 upon commencement of development, £52,250 for each subsequent year until completion. Medium scale major developments: £33,625 upon commencement of development, £28,000 for each subsequent year until completion. Minor developments: £5,500 upon commencement of development and then annually for each subsequent year until completion.	Noted.	No change
213	R13_04_204	None	Construction monitoring fees, as set out in Chapter 2 of the **COP**, include an initial Annual Construction Monitoring payment, followed by subsequent Annual Construction Monitoring payments payable to the City Corporation on each anniversary of the commencement date until the completion date, unless: No construction work takes place during a particular year, and the developer provides prior written notice to the City Corporation, in which case no payment is required for that year. The completion date occurs before the next anniversary of the commencement	Noted.	No change

			date, in which case, subject to a written request from the developer, the City Corporation will refund the proportion of the final annual construction monitoring contribution covering the period after the completion date.		
214	R13_04_205	None	Area Security Developments in the City Cluster Key Area of Change will be required to make contributions towards area-wide security, in accordance with the **City Plan 2040** Policy S21(14) and paragraph 14.6.6. Elsewhere in the Square Mile, this obligation will be sought on a case-bycase basis, based on advice by the City of London Police, in accordance with Policies S2 and SA3 of the City Plan 2040.	Noted.	No change
215	R13_04_206	None	Local Skills, Training and Employment The Corporate Plan 2024-29 outcomes- Diverse Engaged Communities and Dynamic Economic Growth - seek to maximise opportunities arising from the City **Corporation's** international role in supporting London's communities, working with partners and neighbouring boroughs to promote employability, provide jobs and growth, and deliver a diverse and inclusive workforce. This commitment is also reflected in Strategic Policy S26 of the City Plan 2040.	Noted.	No change
216	R13_04_207	None	The City Corporation will use **S106** planning obligations from commercial and residential development to **require** developers to: Provide apprenticeship and other training and progression opportunities with measures to ensure uptake, completion, and meaningful progression. Provide financial contributions to support employment, training, and skills development, linking local residents to opportunities and addressing skills shortages. Provide developer-led curriculum support and	Noted. S106 will be capitalised throughout the document to ensure consistency.	Amendment made as follows: "The City Corporation will use <u>S106</u> planning obligations from commercial and …"

			community benefit initiatives. Create economic opportunities for local SMEs through local procurement targets.		
217	R13_04_208	None	An **ESP** (previously referred to as a 'Local Training, Skills and Jobs Brokerage Strategy') must be submitted. The ESP shall set out how the development will deliver local employment, training and skills benefits. The following targets set out in the ESP Guidance represent the standards that the City Corporation expects developers to achieve. Any deviation from the targets should be subject to detailed explanation and justification:	Noted.	No change
218	R13_04_209	None	Applicants are expected to use the **ESP** template which is available on the City Corporation's website: https://www.cityoflondon.gov.uk/assets/Services-Environment/employment-andskills- plan-guidance.pdf.	Wording will be capitalised or abbreviated where required.	Amendment made as follows: "Applicants are expected to use the <u>ESP</u> template which is available on the City Corporation's website ……"
219	R13_04_210	None	Local procurement The City Corporation encourages businesses and developers to procure locally from small and medium-sized enterprises (SMEs), including those within the City's administrative area and the **CLF** boroughs. A Local Procurement Strategy (**"**LPS**"**) should be submitted upon implementation of the planning permission and shall include details of initiatives to identify local procurement opportunities in order to achieve a 15% target from local SMEs. The **LPS** shall also set out the timings and arrangements for implementing such initiatives, along with suitable mechanisms for monitoring.	Noted.	No change
220	R13_04_211	None	Culture In accordance with **the City Plan 2040** Policy CV2 major developments are required to make provision for cultural floorspace. The policy expects that this is provided on site, however,	Noted	No change

			includes circumstances where an off-site contribution may be acceptable.		
221	R13_04_212	None	Table 8: Culture contributions Use Class All All All Threshold Major Development Major Development Major development Timing Signing of **S106** agreement Implementation of the development 6 months prior to occupation Requirement Cultural Contribution as set out in the Culture and Vibrancy Plan **("CVP").** This will either be delivered on site through the provision of new facilities, or through financial contributions to an identified project. Payment of financial contributions towards the project. Where there is a new provision, a Cultural Implementation Plan ("CIP") must be submitted.	Noted	No change
222	R13_04_213	None	Scale of the cultural contribution 11.3. The scale and nature of the cultural contribution will be confirmed as part of the planning application, through the submission of a **CVP**. For applicable schemes this is a validation requirement. However, many aspects of a cultural contribution, especially if it is new provision, cannot be confirmed at planning application stage due to them being reliant on the final cultural operator. The **S**106	Noted	No change

			agreement will include an obligation to submit a **CIP** which is where these details will be confirmed (see below).		
223	R13_04_214	None	Many aspects of a Cultural Contribution are qualitative (e.g. physical layout of the space, its flexibility and adaptability for different uses, choice of cultural operator, relationship with the surrounding cultural ecosystem, and justification for a financial contribution instead of new provision). These factors will be judged by the City Corporation as part of the full assessment of the planning application and when the **CIP** is submitted.	Noted	No change
224	R13_04_215	None	The formula is calibrated to assess defined Cultural Contributions; generic public realm or other parts of the development that do not provide additionality should not be counted. Target = Value of Cultural Contribution = Total NIA of the new development X NIA of the proposed new provision X Expected rental rate in £/sqm X NIA of the proposed new provision + 2% A ratio of 5% (good) or 11% (outstanding) provide a guide for enhanced provision. Financial contributions	The formula provides a target that can then be met either by delivering space on site or via a financial payment in lieu. There has been consistent feedback that the formula is confusing, so for the adoption version of the SPD it will be removed and replaced with a flat rate for payment in lieu. On site delivery will not be subject to quantitative spatial target.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11.2-11.7 has been updated to reflect this change.

			Again, this is confusing. What is the relevance of the value of the cultural contribution or even the target?		
225	R13_04_216	None	Cultural Implementation Plan (CIP) Appendix 1 includes a suggested structure for the **CIP.** Six months prior to occupation, the applicant should confirm the appointed operator and provide full details of how the space will function on a day-to-day basis. This should include the business plan for the operator, a management plan for the space, a proposed programme of events, and an explanation of how the operator was identified. In cases where the final cultural contribution is materially different to that which was envisaged in the **CVP**, the CIP should explain the reasons for this change.	Noted	No change

226	R13_04_217	None	Standard requirements for new cultural provision Where the Cultural Contribution includes new provision, the list below sets out the **S106 planning** obligations that the City Corporation would expect: A peppercorn rent or, for cultural production uses, an end user rent that is benchmarked using the Herbert Affordability Formula. A long-term lease (20+ years) Capped service charge for the operator Fit out to a level agreed in the **CVP** or a mechanism to agree a fit-out costs once an operator has been confirmed Public opening hours: The standard assumption is that a Cultural Contribution will be free and publicly accessible during daytime hours, **seven days** a week. Selective closures during this time for private events may be acceptable based on a robust business plan. *Provision in residential areas must respect the need for restrictions on weekend and after daytime hours.*	Noted	No change
227	R13_04_218	None	Air Quality The City of London Air Quality Strategy sets out how the City Corporation will go beyond national standards to meet the World Health Organization Air Quality Guidelines by reducing emissions from transport, building operations and construction activity. Defra's Interim Planning Guidance also requires planning applications to consider PM2.5 targets, with the aim to minimising air pollution and exposure. Policy HL2 of the City Plan 2040 requires development to maintain acceptable air quality through design, layout, landscaping, and technological solutions, while Policy HL9 **of the City Plan 2040** requires development to deliver health benefits and mitigate adverse impacts.	Noted	No change

228	R13_04_219	None	Table 9: Air Quality offset payments Use Class All Threshold/Impact Residual operational emissions that exceed acceptable thresholds at, as defined by the **City Corporation's** Air Quality SPD Timing Payable on completion of development Requirement An offset payment as set out in the **City Corporation's** Air Quality SPD	Noted	No change
229	R13_04_220	None	Financial contributions for Air Quality offsetting will be required upon completion of the development. Contributions will be placed into the City Corporation's Air Quality Fund, which will be used for air pollution reduction and public health improvement projects within the City of London. These will be delivered under four categories: Infrastructure, Public Health, Transport and Research. **The work programmes** will contribute towards the delivery of the Air Quality Strategy 2025-2030. *Please explain how the payment will be calculated and what the "work programme is.*	Noted.	No change
230	R13_04_221	None	Carbon Offsetting Major developments must achieve net zero carbon in operation, in accordance with London Plan **2021** Policy SI2 and Policy DE1 of the City Plan 2040. Where on-site targets cannot be fully met, carbon offset payments in lieu will be secured through S106 agreements.	Noted.	No change
231	R13_04_222	None	Financial contributions will be placed in the City Corporation's Carbon Fund, ring-fenced for carbon reduction projects to help achieve net zero-carbon emissions across the City by 2040, in line with the **City Plan 2040** Strategic Policy S8, London Plan **2021** policy SI 2, and the objectives outlined in the City Corporation's Climate Action Strategy.	Noted.	No change

232	R13_04_223	None	Open space and Public Realm Development must protect and enhance open spaces, contribute to high-quality public realm, and address identified deficiencies, in accordance with London Plan **2021** policies D8 and G4 and **the** City Plan 2040 policies S14 and OS1.	Noted.	No change
233	R13_04_224	None	Standard Biodiversity Net Gain ("BNG") conditions and S106 **planning** obligations will be used to secure the provision, monitoring and long-term management of habitat creation and enhancement works as required to meet the statutory BNG requirements and the requirements of Policy OS4 of the City Plan 2040. **S**106 will be utilised to secure habitat creation for a period of 30 years from occupation, require the submission of Monitoring Reports at defined intervals and cover the City Corporation's costs in reviewing those reports, as set out in Table 12 below.	Noted.	No change

234	R13_04_225	None	Table 12: Biodiversity requirements Use Class All All All All Threshold/Impact Loss or replacement of trees Development which meets statutory requirements and/or major development that triggers **Policy** OS4 Development which meets statutory requirements and/or major development that triggers **Policy** OS4 requirements Major Development that triggers BNG Timing Prior to occupation Prior to occupation On occupation and years 2, 5, 10, 20 and 30 post occupation. On receipt of each Habitat Monitoring Report Requirement Secure the protection of existing or provision of new trees through a **Section** 278 agreement where works relate to a public highway, and otherwise through a landscape planning condition requirements Provision of Habitat Creation and Enhancement Works that meets the statutory 10% BNG or 3 BU/Ha policy target Receipt of Habitat Monitoring Reports £1,500 habitat monitoring fee per monitoring event +£250 s106 monitoring fee per monitoring event	Noted.	No change
235	R13_04_226	None	Any development that triggers **BNG** under the small site metric is **likely to** be subject to **S**106 planning obligation and planning conditions to secure the provision and long-term management of habitat creation and enhancement works required to meet statutory BNG requirements and the	Noted.	No change

			requirements of Policy OS4 of the City Plan 2040. *How will "likely to" be determined to in practice?*		
236	R13_04_227	None	The City Flood Risk Area (surface water and fluvial risk along the Thames) and the Thames Estuary 2100 Plan (**"**TE2100**"**) requirements necessitate resilience and defence raising. London Plan **2021** Policy SI12 and Policies CR2 and CR4 of the City Plan 2040 require proposals to minimise and mitigate flood risk and safeguard the integrity of defences.	Noted.	No change
237	R13_04_228	None	The City Corporation may use CIL contributions to deliver improvements to the City's flood defences. Where development necessitates enhancements to existing flood defences, or additional flood resilience measures, **S**106 planning obligations, or planning conditions may be used, as appropriate, to ensure that the required works are delivered.	Noted.	No change
238	R13_04_229	None	Utilities and Infrastructure Applicants are required to engage early with utility providers to ensure sufficient infrastructure capacity and the timely delivery of services, in accordance with the London Plan **2021** Policy D2 and Policy S7 of the City Plan 2040. The City Corporation may use **S**106 planning obligations to ensure that: All necessary utilities and infrastructure are delivered in a timely manner and fully operational prior to occupation of the development. Continuous coordination and engagement on route planning and load requirements is maintained. Adverse impacts arising from the installation of utilities infrastructure under public highways are minimised, for example through co-ordination of street works, where possible.	Noted.	No change
239	R13_04_230	None	Where **an** existing City Walkway (or a City Walkway Bridge) is to be removed or altered or where **a** new City Walkway is to be provided.	Noted.	No change

240	R13_04_231	None	**S**106 Monitoring Costs **S**106 Monitoring contributions are set out in the table below: Table 14: **S106** monitoring costs	Noted.	No change
241	R13_04_232	None	The City Corporation manages **S**106 **planning** obligations in four stages: pre-application, planning assessment, resolution to grant, and implementation. Heads of Terms and payment triggers are agreed during the assessment stage, while the **S106** agreement is completed following the resolution to grant the planning permission. Where an **S**106 agreement is required, the agreement will be prepared in accordance with the City Corporation's template **S**106 agreement (as updated from time to time) and applicants should ensure that all parties with land interests are aware they will need to enter the agreement, prior to submitting the application.	Noted.	No change
242	R13_04_233	None	Developers should also ensure that the party proposing to enter the agreement is registered as the owner at the land registry and if this is not the case because registration is pending, that an application to expedite the registration has been made to the land registry. Before work on the **S**106 agreement commences the following will need to be provided to the Comptroller and City Solicitor's Department:	Noted.	No change

243	R13_04_2 34	None	Non-financial planning obligations Highways works for site-specific mitigation Remedial highway works Local Procurement Strategy **(LPS)** Provision of details in respect of utility connections Provision of public route and public realm (Specification & Access) Provision of public roof terraces and viewing galleries Wind Audit (in case of tall buildings/large sites only) Solar Glare (in case of tall buildings/large sites only) Travel Plan (including Cycling Promotion Plan) Delivery, Servicing and Management Plan (DSMP) Construction and Logistics Plan (CLP) Employment Skills Plan (ESP) Culture Implementation Plan **(CIP)** Management and maintenance of lifts for use by the public Works to existing city walkway or the provision of new city walkway (including city walkway bridges)	Noted.	No change

244	R13_04_235	None	Financial planning obligations Affordable housing (in case of commercial development) Local training, skills and job brokerage financial contribution Legible London contribution (in case of tall buildings/large sites only) Culture financial contribution Air Quality Damage Costs Area security contribution (in case of tall buildings/large sites only) Carbon offsetting contribution **Section** 278 Evaluation and Design fee Cycle parking contribution Cycle hire contribution Monitoring fees o S106 planning obligations fees o **Section** 278 agreement monitoring fees o Construction monitoring fees o Transport monitoring fees for Travel Plans, CLPs and DSMPs) o **BNG** monitoring fees	Noted.	No change
245	R13_04_236	None	Amendments to planning permissions Under s73 of the Town and Country Planning Act 1990, amendments to planning conditions constitute a new consent. The City Corporation will seek additional **S**106 contributions only where a s73 application results in a net increase in floorspace, with any other site-specific mitigation which may be necessary in connection with the s73 application, to be assessed on a case-by-case basis. Where a s73 application reduces floorspace, a refund will be made. 19.13. Section 96A of the 1990 Act allows non-material changes to be made to a planning permission. Such changes are unlikely to result in an increase in floorspace and should not, therefore, generate any additional requirement for **S**106 planning obligations.	Noted.	No change

246	R13_04_237	None	Appendix 3: Summary of Financial Contributions Planning obligation **Air Quality Damage Cost** Development type **All** Threshold/Impact **Impact** Requirement **£?**	Noted.	No change
247	R13_04_238	None	Heads of Terms (HoT) - The agreed list of **planning** obligations used to draft the s106 agreement.	Noted.	No change
248	R13_04_239	None	Section 96A (s96A) application - A planning application to make minor, non-material changes to an existing planning permission that do not significantly affect the development. They are unlikely to require additional planning obligations but sometimes changes to existing **planning** obligations will be required, through a deed of variation to a Section 106 agreement already in place.	Noted.	No change
304	R13_11_002	Environment Agency	We are pleased to see that this SPD includes a specific section on both biodiversity and flood risk. We are particularly supportive of the strong reference to the TE2100 Plan and raising/enhancement of the tidal flood defences in the borough. We are also pleased to see that the Riverside Strategy is referenced in the SPD.	Support noted.	No change
330	R13_14_018	BGLNF	1.We doubt whether the CIL fund (large though it is) is enough to implement the Local Energy Plan.	Noted.	No change
331	R13_14_019	BGLNF	2.We also do not think that the amount of money collected from developers is enough to build meaningful amounts of affordable housing. The City's own experience shows this. For example, the Sydenham Hill development cost more per unit than the contributions would fund. We also point to the Black Raven development, where the building costs per flat were said to be over twice the contributions per unit.	Planning contributions are intended to secure the uplift in development value where affordable housing is not provided on-site. Schemes such as Sydenham Hill and Black Raven Court demonstrate that affordable housing delivery relies on blended funding	No change

				(including grant support, City Corporation investment and contributions from host neighbouring boroughs), and that construction costs are highly scheme-specific. Contribution levels are therefore set at the plan-making stage having regard to viability considerations.	
332	R13_14_020	BGLNF	3.We welcome the softening of the insistence that cultural contributions for major developments should always be on site.	Support noted.	No change
333	R13_14_021	BGLNF	4.However, the comment: "The standard assumption is that a Cultural Contribution will be free and publicly accessible during daytime hours, seven days a week. Selective closures during this time for private events may be acceptable based on a robust business plan" This assumes a very narrow sort of cultural offer. What if a theatre or concert hall or a community space were to be offered, where evening use would be prominent.	Comments noted and the wording of this bullet point will be updated.	The standard requirement for on site provision at paragraph 11.9 (now paragraph 11.6) has been updated with additional details that should aid delivery and are specific to different cultural typologies. The 7 day a week opening has been softened to a 5 day minimum for most cultural spaces. Viewing galleries and terraces remain at 7 days a week.

349	R13_17_001	Historic England	We note and welcome the reference to archaeology at para 11.7, within the section relating to Culture together with the passing reference to heritage assets at para 17.3. However, given the concentration of both designated and non-designated heritage assets within the City of London, their contribution to its character and significance together with the level of development pressure and potential for impacts, we consider that the SPD could include further helpful detail relating to the historic environment in order the emphasise the importance the City Corporation places on this element of the local planning framework. This could include signposting to the relevant policies in the local plan (including the related Heritage SPD currently being consulted on), together with detail on which types of applications may involve historic environment-related planning obligations and the form they may take. This could include: · The repair or restoration of a heritage asset, including those on the Heritage at Risk register · Public engagement exercises and increased public access to heritage assets, including the provision of public interpretation materials · New or updated conservation management plans · Climate change adaption measures for historic buildings · Measures for the preservation or investigation, recording and recovery of archaeological remains and the display of archaeological sites	Planning obligations form a part of the toolkit that is used to protect and enhance the city's historic environment, particularly when they are used to secure a cultural contribution. The Celebrating Heritage sets out in detail how the City Corporation understands the historic environment of the City, how it should be considered through development, and showcases best practice examples. This information does not need to be duplicated in the Planning Obligations SPD	No change
362	R13_19_001	TfL	We welcome your commitment to delivering sustainable transport, public realm and highways mitigations as detailed within the SPD. We also note that many of our suggestions to the Call for Evidence have been incorporated in the draft SPD. Detailed comments are summarised in Appendix 1; however, we also have some higher-level points below. The reference to the pooling of section 106 contributions to deliver co-ordinated area wide improvements is welcomed (paragraph 7.2,	Support noted.	No change

			page 10). This approach has been successful in upgrading the A10 corridor and provides a successful example of how pooling section 106 contributions addresses wider network impacts to deliver improvements to multiple developments. Pooling of contributions has been particularly useful in securing funding towards strategic transport projects and area-wide or corridor improvements such as Healthy Streets schemes along the A10 corridor.		
363	R13_19_002	TfL	For major applications where strategic TfL infrastructure is affected, or TfL is responsible for delivering key parts of the agreement, it is generally beneficial for TfL to be a signatory. Where this involves legal costs incurred by TfL, we would expect these costs to be met by the developer through an administration fee. For smaller contributions, payment can be made initially to the City of London with a clause in the section 106 agreement to secure automatic transfer to TfL when the payment is received. This will help to avoid delays to project delivery and provide certainty of funding to the TfL project sponsor. We look forward to continuing our work together in developing the Planning Obligations SPD. We are committed to continuing to work closely with GLA colleagues to help deliver integrated planning and make the case for continued investment in transport capacity and connectivity to unlock further development and support future growth in the City of London and across London. Meanwhile, if you wish to discuss any aspect of this response, please do not hesitate to contact me.	The City Corporation will apply each contribution or payment solely for the purposes for which it was secured, as specified in the relevant Section 106 obligation, including contributions towards Transport for London (TfL) infrastructure. TfL will be a signatory to the Section 106 agreement in cases where it has a legal interest in the land or a direct role in the delivery of the infrastructure.	No change

364	R13_20_001	Sport England	As I am sure you are aware, Sport England has an established role within the planning system which includes providing advice and guidance on all relevant areas of National and Local Planning Policy as well as supporting Local Authorities in developing their evidence base for sport. Sport England aims to ensure positive planning for sport and creating opportunities for physical activity by enabling the right facilities to be provided in the right places based on robust and up-to-date assessments of need and strategies for all levels of sport and for all sectors of the community. To achieve this aim our planning objectives are to PROTECT sports facilities from loss as a result of redevelopment, ENHANCE existing facilities through improving their quality, accessibility and management and to PROVIDE new facilities that are fit for purpose and meet demands for physical activity and sport participation now and into the future. You will also be aware that Sport England is a statutory consultee on planning applications affecting playing fields. Further detail on Sport England's role and objectives within the planning system can be found at https://www.sportengland.org/guidance-and-support/facilities-and-planning/planning-sport Sport England notes that the SPD does not mention any obligations relating to sport and physical activity infrastructure within the City. It would encourage that the City Corporation consider how development could contribute to deliver its sports strategy objectives and support those in the City to be active. That said, Sport England appreciates that the City Corporation has a Community Infrastructure Levy, fundd from which could be used to deliver community sport and physical activity developments/projects.	The City Corporation will use the Community Infrastructure Levy (CIL), where appropriate, to support and fund sport and physical activity initiatives, in line with the identified needs and priorities set out in the City Corporation's Infrastructure Delivery Plan. Work on the Infrastructure Delivery Plan is currently underway and is expected to be published over the summer.	No change

369	R13_22_001	Savills on behalf of Aviva Investors	Introduction This representation is submitted on behalf of Aviva Investors (“Aviva”) in response to the City of London Corporation’s consultation on the draft Planning Obligations SPD (“draft SPD”). Aviva has a longstanding reputation within the City of London, operating five sites within the Square Mile. This representation relates solely to New Broad Street House ("NBSH" or “the Site”), an existing mixed-use building comprising office accommodation above ground-floor retail floorspace. The Site is currently undergoing preapplication engagement with the City of London Corporation’s Officers to explore opportunities for development and expansion. Aviva supports the City Corporation’s wider ambitions for growth, vibrancy, and Destination City, and recognises the role that planning obligations can play in mitigating development impacts and securing public benefits. However, for the reasons set out throughout this representation, the draft SPD gives rise to concern in relation to: i. The cumulative cost burden arising from the revised and additional obligations proposed, and the implications for deliverability; and ii. The operation of the new culture contribution mechanism proposed in Chapter 11, particularly in relation to the payment in lieu route and the transparency of the methodology used to calculate any contribution; and iii. The need for clearer, internally consistent guidance to ensure obligations are applied transparently and in proportionately, in accordance with the statutory tests. This representation sets out our concerns in the overarching context of ongoing viability and deliverability concerns within the capital, as well as specifically in relation to commercial schemes such as NBSH. Any future scheme at NBSH will need to respond carefully to its commercial context, site constraints, and the City’s broader objective of delivering additional high-quality office floorspace, in	The cumulative impact of planning obligations has been explicitly tested through the Viability Assessment, which underpins the draft SPD. This assessment considers the combined effect of existing and proposed obligations alongside adopted CIL charges and City Plan policy requirements, using a range of development typologies reflective of schemes expected to come forward over the plan period. The evidence demonstrates that, in the majority of cases, development remains viable and deliverable, while recognising that capacity will vary between schemes depending on site-specific circumstances. The draft SPD does not apply obligations rigidly. All planning obligations will continue to be assessed and secured in accordance with the statutory tests set out in Regulation 122 of the CIL Regulations. Contributions will continue to be applied flexibly and proportionately, having regard to viability at the scheme level, and supported by site-specific evidence.	No change

			addition to the compounding commitments proposed within the draft SPD.		
370	R13_22_002	Savills on behalf of Aviva Investors	Main Representation Aviva acknowledges the purpose of the draft SPD in setting out the City Corporation’s approach to securing planning obligations, including contribution levels, triggers and mechanisms. The draft SPD confirms that planning obligations are intended to operate alongside Community Infrastructure Levy (“CIL”) payments, and to mitigate the site-specific impacts of development, and also confirms that Section 106 agreements will be bespoke and inclusive of additional or alternative obligations beyond those set out in the draft SPD, where justified by site-specific circumstances.	Noted.	No change

371	R13_22_003	Savills on behalf of Aviva Investors	The draft SPD sets out a broad package of financial and non-financial obligations, with financial contributions broadly set out under the following heads: • Affordable housing • Local training and skills • Legible London • Culture financial • Air Quality Damage Costs • Area security • Carbon offsetting • S278 Evaluation and Design fee • Cycle parking • Cycle hire • Monitoring Notwithstanding that development should contribute appropriately to mitigating its site-specific impacts and the delivery of necessary infrastructure, the cumulative effect of the revised and additional obligations proposed in the draft SPD creates a substantial package of obligations that will significantly increase the overall cost burden on development. For a commercial redevelopment opportunity such as NBSH, the aggregate impact of multiple financial and non-financial obligations will materially affect deliverability. This is particularly important in the current market context, where scheme viability and delivery in the capital remains under significant pressure. Aviva requests that the final SPD resolves a number of internal inconsistencies and provides clearer definitions to ensure the guidance can be applied consistently and transparently. For example, the SPD appears to refer to different commercial affordable housing contribution rates (£57.21/sqm and £50/sqm) and different "outstanding" cultural ratios (11% and 13%). These discrepancies should be corrected to avoid uncertainty at the pre-application and application stages and to support consistent decision-making.	The cumulative impact of planning obligations has been explicitly tested through the Viability Assessment, which underpins the draft SPD. This assessment considers the combined effect of existing and proposed obligations alongside adopted CIL charges and City Plan policy requirements, using a range of development typologies reflective of schemes expected to come forward over the plan period. The evidence demonstrates that, in the majority of cases, development remains viable and deliverable. The draft SPD does not apply obligations rigidly. All planning obligations will continue to be assessed and secured in accordance with the statutory tests set out in Regulation 122 of the CIL Regulations. Contributions will continue to be applied flexibly and proportionately, having regard to viability at the scheme level, and supported by site-specific evidence. Noted. The inconsistencies to para 5.3 will be rectified.	Amendment made as follows: "5.3 New commercial developments that result in a net increase of 500 m^2 or more Gross Internal Area (GIA) must make a financial contribution toward off-site affordable housing at a rate of <u>£57.21</u> per $m^2$of additional floorspace."

372	R13_22_004	Savills on behalf of Aviva Investors	The draft SPD also states that the City Corporation has commissioned a Viability Assessment to consider the cumulative impact of CIL, revised instalments, and the proposed financial contributions in the draft SPD, which underscores the importance of ensuring that the obligations package remains workable in practice. The assessment demonstrates clearly that the impact of the draft SPD is not marginal and concludes that, when the obligations package is tested cumulatively against the "base" policy position, residual land values reduce by between 19.8% and 26.3% on average for office schemes, depending on the level of culture contribution, and by 7% to 10% on average for hotel, co-living and PBSA schemes. The same assessment identifies average reductions in residual land value for office schemes arising from individual obligations as follows: • Commercial affordable housing contribution: average 7% reduction • Employment and training contribution: average 4.3% reduction • Air quality contribution: average 0.7% reduction • Security contribution: average 1.2% reduction • Culture contribution: average 1.4% to 7.9% reduction depending on the level applied; • Monitoring fees: average 5.3% reduction The assessment remedies this by summarising that "in most cases, the cumulative impact of the requirements does not render any schemes unviable against the sites' benchmark land values", but then goes on to state that "the degree to which commercial schemes will be viable depends largely on the value of the existing building and the extent of the uplift in floorspace arising from the newly developed/refurbished floorspace". Italso concludes that "schemes that may not appear viable as development propositions may still proceed if the owner is motivated by an objective of enhancing asset values or futureproofing against forthcoming requirements". These resolutions seem insufficient given the wider	The City Corporation acknowledges Aviva Investors' comments on the cumulative impact of planning obligations and the findings of the Viability Assessment. The Assessment was commissioned specifically to test the cumulative effects of City CIL, Mayoral CIL, the revised CIL instalments policy, base City Plan requirements and the obligations proposed in the draft SPD. While the impacts identified are material, the Assessment demonstrates that in most cases schemes remain viable against benchmark land values, recognising that outcomes will vary depending on site-specific factors such as existing use value, building condition and floorspace uplift. The City recognises the current challenging market context, which is reflected in the Assessment and reinforces the need for flexibility at scheme level. The draft SPD does not introduce a tariff-based approach; standard categories, benchmarks and formulae are intended to provide clarity only. All obligations will continue to be assessed case by case against the statutory tests in	No change

			market context, and the acknowledged wider economic effects of inflation, supply chain disruption, labour market pressures and increased energy costs. The figures provided by the assessment are clearly material, and illustrate that that the proposed approach hasa substantial effect on residual value and therefore on scheme deliverability, landowner incentives, and thecapacity of development to come forward. In practice, applicants are dealing simultaneously with base policy requirements, City CIL and Mayoral CIL liabilities, sustainability requirements, section 278 costs, legal costs, indexation and the additional contributions sought through the draft SPD. Within this context, Aviva considers the final SPD should further emphasise that the inclusion of standard charges, formulae or contribution categories does not remove the need to demonstrate, in each case, that an obligation is necessary, directly related and fairly and reasonably related in scale and kind. This would help avoid any perception of a tariff-based approach and would support proportionate, impact-led mitigation aligned to national policy and the SPD's stated intent.	Regulation 122 of the CIL Regulations, with viability taken into account where supported by robust evidence.	

373	R13_22_005	Savills on behalf of Aviva Investors	Aviva therefore requests that the final SPD expressly confirms that planning obligations will continue to be: • Site-specific and responsive to the individual impacts of the development in question, not functioning as a fixed rate tariff; • Proportionate to those impacts and to the nature and scale of the proposal; • Subject to the statutory tests for planning obligations to ensure they remain closely tied to demonstrable impacts; and • Applied flexibly, having regard to viability and the need to support the delivery of high-quality development in the Square Mile. This is especially important given that the draft SPD itself states that, under Regulation 122 of the Community Infrastructure Levy Regulations 2010, a planning obligation must be necessary to make the development acceptable in planning terms, directly related to the development, and fairly and reasonably related in scale and kind to the development. Therefore, it would be valuable for the draft SPD to state clearly that the existence of a contribution category, tariff or formula does not displace the need to satisfy those statutory tests in each case. Where it is shown that the cumulative burden would prejudice delivery, Aviva requests that the SPD provide a transparent framework for prioritising obligations rather than assuming that all contributions can always be secured in full. This better reflects national policy as plans should set out contributions expected from development, but should not undermine deliverability. Further consideration should also be given to the extent to which a number of contributions are payable on implementation of the planning permission. These triggers occur early in the development's critical path and prior to revenue generation, thereby increasing financing pressure, reducing schemes' ability to absorb costs, and constraining deliverability. The timing of obligations materially	The draft SPD already makes clear that Section 106 planning obligations are site-specific, bespoke, and secured to mitigate the individual impacts of development, rather than operating as a fixed-rate tariff. All obligations must comply with the statutory tests in Regulation 122 of the CIL Regulations. The existence of contribution categories, benchmarks or formulae does not displace the need to satisfy these tests in any case. The City agrees that obligations must be applied flexibly, having regard to site-specific impacts, viability considerations, and the delivery of high quality development. Where robust, site-specific evidence demonstrates that the cumulative burden of obligations would prejudice delivery, this will continue to be taken into account through the development management process. With regard to prioritisation, the SPD reflects national policy and the London Plan requirements by identifying the types of contributions typically sought, while retaining discretion at application stage to focus on those obligations that are most	No change

			affects viability, and the assessment recognises that where the delivery of a planning obligation is deferred, the real cost to the applicant is lower because interest costs in the development cashflow are reduced. This is particularly relevant for: • Major commercial redevelopments with long lead-in and build periods; • Retrofit and refurbishment-led schemes where margins may be thinner; • Phased schemes; and • Sites with constrained floorspace uplift relative to existing use. Aviva requests that the draft SPD reconsider the default use of implementation-stage triggers and instead provide greater flexibility for payment on occupation, completion, or phased milestones, where this would not prejudice delivery of the relevant mitigation and would support viability.	necessary to address the specific impacts of an individual development. Greater emphasis will be given to affordable housing and transport obligations as per the London Plan and City Plan Policy S26. The timing of planning obligations is determined by the type and purpose of each obligation. Financial contributions (such as affordable housing from commercial development, local skills and employment contributions, and area security contributions) are generally payable on implementation of the planning permission. This approach provides certainty that development will commence and that contributions are secured at an early stage, enabling forward funding, infrastructure planning and effective mitigation of development impacts. On-site delivery requirements (including affordable housing, public realm, and other physical mitigation) are typically required prior to occupation, ensuring that necessary mitigation is in place before the development is brought into use. Air quality and carbon offsetting contributions are payable on completion, as these must be calculated using actual operational	

				outcomes. While these timings provide clarity and certainty, alternative or phased triggers may be considered on a case-by-case basis where justified and where mitigation delivery would not be prejudiced.		

374	R13_22_006	Savills on behalf of Aviva Investors	Aviva supports the City Corporation's ambition to promote cultural activity and vibrancy across the Square Mile as a core component of its wider Destination City growth strategy, and recognises that development can play an important role in delivering that ambition. Aviva recognises the critical role that cultural activation and placemaking play in reinforcing the City's global appeal, and in creating a place where people want to visit, work and live. Aviva also recognises that Chapter 11 of the draft SPD introduces a new culture contribution mechanism, to be secured through the Culture and Vibrancy Plan and, where relevant, a Cultural Implementation Plan. Aviva welcomes the principle of introducing a cultural contribution in lieu. Aviva believes this is an appropriate response to balancing the City Corporation's cultural ambitions with realistic deliverability of cultural destinations in the City. The addition of further guidance around this demonstrates a pragmatic step towards securing more consistent, high-quality cultural outcomes alongside sustainable development across the Square Mile. For NBSH, the cultural provisions are particularly important because the Site may be better suited to a financial contribution rather than to dedicated on-site cultural floorspace. As an office-led commercial opportunity in a constrained City location, there may be circumstances where a payment in lieu would represent the most proportionate and effective means of delivering cultural value. The draft SPD should therefore provide greater certainty as to when a financial contribution is acceptable, rather than on-site provision, particularly for constrained commercial schemes. Paragraph 11.1 helps confirm that, while on-site provision is expected, there are circumstances in which an off-site contribution may be acceptable. Paragraph 11.2 – Culture and Vibrancy Plan Guidance Aviva notes that Paragraph 11.2 builds on Policy CV2's requirement for a Culture and Vibrancy Plan ("CVP"), requesting a Cultural Implementation Plan ("CIP") at the Section 106 agreement stage,	The formula provides information about the approximate expected scale of a cultural contribution. This gives certainty throughout the preapplication process and, compared to the current absence of guidance, more clarity to applicants. However, there has been consistent feedback that the formula is confusing and that the higher ratios are unviable, so for the adoption version of the SPD it will be removed and replaced with a flat rate for payment in lieu. On site delivery will not be subject to a quantitative spatial target; rather there will be additional guidance on when and where a payment in lieu could be supported over on site delivery of a cultural contribution.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11..2-11.7 has been updated to reflect this change.

			where a new cultural provision is being proposed. Appendix A provides details on what this should include, which is clear, and would assist applicants in preparing plans that are proportionate and genuinely add value. Providing this guidance would support consistency, improve the quality of submissions, and help ensure that CVPs and CIPs are prepared thoughtfully from an early stage. Paragraph 11.3 – Flexibility of the Cultural Requirement Aviva welcomes the acknowledgement in Paragraph 11.3 that the cultural contribution requirement may be adjusted to reflect the wider planning balance, taking into account material considerations. This flexibility is supported, however, as currently drafted, the culture contribution mechanism is too ambiguous. The standard assumption is that the “minimum” target will be reached, but that the Formula can be adjusted to “good” or “outstanding” to account for different levels of provision based on the wider planning balance and material considerations. Paragraph 11.7 then states that it is at the City Corporation’s discretion as to when the Cultural Contribution should go beyond the minimum 2%. Whilst Aviva understands the desire to retain flexibility, the current drafting does not provide sufficient clarity on how a scheme would be assessed as falling within one category or another, nor when a payment in lieu would be considered acceptable. Therefore, Aviva would encourage the draft SPD to more clearly articulate the considerations that may inform this assessment, which would vary the application from ‘minimum’ to ‘outstanding.’ This could include elements such as: • Whether the proposed development is locationally or strategically significant; • The typology of asset being delivered (e.g. office, retail, residential) • The project’s alignment with the City of London’s ambitions and		

			policy objectives; and • The on-site deliverability of cultural space, including factors such as operator appetite, financial viability, local need, and expected footfall. This lack of clarity creates uncertainty for applicants at an early stage, and makes it difficult to understand the likely scale of contribution that may be sought or how this should inform design development, viability testing and commercial decision-making. It is also notable that the draft SPD expressly states that compliance with the target does not mean compliance with Policy CV2, further underlining the need for clearer guidance on how the policy and Formula will operate in practice. Paragraph 11.4 also confirms that qualitative matters, including the justification for a financial contribution instead of a new provision, will be judged by the City Corporation, which makes it all the more important that the basis for that judgment is explained more clearly in the draft SPD. Clarifying these considerations would improve transparency and help applicants engage meaningfully with officers at an early stage. Aviva therefore requests that the City Corporation provide much clearer guidance on the operation of the culture contribution/payment in lieu route, including: • A clearer explanation of the methodology used to calculate the contribution, including the inputs, assumptions and any variables that may be applied; • Clear definition of "expected rental income" used in the Culture Formula, e.g. estimated rental value versus passing rent; annualised basis; valuation date; treatment of mixed-use schemes and different lettable zones, and confirmation of the evidence that will be accepted to substantiate this input; • Worked examples showing how the Formula would operate for different types and scales of commercial development, including office-led schemes; • Clearer decision-making criteria for how a scheme would be		

			judged to meet a “minimum”, “good” or“outstanding” level of provision, if that tiered approach is to be retained; • Guidance on how partial or hybrid provision would be treated where some on-site cultural offer is delivered but a residual payment is still sought; and • Specific confirmation of the circumstances in which a financial contribution will be accepted in place ofon-site provision, particularly for constrained commercial schemes where on-site cultural floorspace may not be practical, viable or the most effective outcome. Providing this additional clarity would make the draft SPD more transparent, reduce the risk of prolonged negotiation at the application stage, and allow applicants to engage with the City’s cultural objectives in a more informed and constructive way from the outset.		

375	R13_22_007	Savills on behalf of Aviva Investors	Paragraph 11.7 – Cultural Contribution as a Public Benefit Paragraph 11.7 states that a Cultural Contribution is required as part of the public benefits package to be weighed in the overall planning balance. While Aviva recognises that this will necessarily be project-specific, Aviva considers that clearer guidance for officers would help to ensure that contributions are assessed and applied fairly and consistently across schemes. The reference to new developments that provide opportunities for unique experiences or contribute to a wider placemaking vision is also supported. Where a financial contribution is proposed in lieu of on-site cultural provision, applicants should provide a proportionate justification explaining why this represents the most effective and deliverable means of securing cultural benefit in the circumstances of the scheme. For example, this could refer to site constraints, operational considerations, deliverability, or the realistic prospects of securing and sustaining an operator. The final SPD should confirm that this assessment will be undertaken on a case-by-case basis against clear and transparent criteria, and that the payment in lieu route is a legitimate mechanism for achieving Policy CV2 outcomes where it can be demonstrated to be appropriate. Paragraph 11.8 – Submission of Cultural Plans Aviva supports the approach set out in Paragraph 11.8, which requires submission of the CVP at the planning application stage, with a CIP to follow six months prior to occupation where new on-site cultural provision is proposed. This appropriately recognises that it is not always possible to fully define the scope, delivery mechanisms, or operator arrangements for cultural provision at an early stage, while still embedding cultural considerations into the planning process. Paragraph 11.9 – Standard Requirements for Cultural Space Aviva supports the principle of setting out expectations to help ensure that where on-site cultural space is delivered, it is capable of being occupied, and operated successfully over the long term.	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. A consequence of removing this, in response to clear industry feedback, is that there will not be an objective target for the quantum of onsite delivery of cultural contributions. Specialised guidance for cultural contributions is being developed and this will contain qualitative criteria that officers can use assess on site cultural contributions. The comments on the requirements for new cultural space are noted.	The standard requirement for on site provision at paragraph 11.9 (now paragraph 11.6) has been updated with additional details that should aid delivery and are specific to different cultural typologies. The 7 day a week opening has been softened to a 5 day minimum for most cultural spaces. Viewing galleries and terraces remain at 7 days a week.

			However, Aviva considers the measures listed in Paragraph 11.9 should be applied flexibly and on a case-by-case basis, having regard to the nature of the proposed cultural use, the operator model, the commercial and management structure of the host building, and scheme viability and deliverability. The final SPD should confirm that these items are guiding principles rather than prescriptive ‘one-size-fits-all’ requirements, and that they should not be used to inadvertently ‘benchmark’ or penalise the payment in lieu route where a financial contribution is agreed to be the most appropriate and effective means of securing cultural benefit. Aviva particularly welcomes the recognition that selective closures for private events may be appropriate where supported by a robust business plan, as this flexibility is critical in enabling cultural organisations to generate income. Aviva would also encourage the draft SPD to acknowledge other appropriate opportunities for monetisation that support long-term viability without undermining public benefit.		

376	R13_22_008	Savills on behalf of Aviva Investors	Culture Formula Overall, whilst Aviva supports the City of London's ambition to ensure a well-rounded and flexible approach to cultural offerings and contributions, Aviva considers that further clarity is required on the evidence base underpinning the proposed Culture Formula. In particular, it would be helpful to understand the range of examples, projects, and associated costs consulted in establishing the Formula, to ensure it is both suitable and robust across different development typologies and locations. Aviva considers that the Formula would benefit from thorough testing and piloting prior to full implementation, to ensure it operates as intended, and delivers proportionate, viable outcomes in practice. As such, Aviva feels there are limitations to the application of the Culture Formula at this present time, and that further refinement and validation would strengthen its effectiveness in determining cultural payments in lieu. Aviva supports the overall intent of the Culture Formula in providing a structured and transparent approach; however, Aviva notes a number of areas where clarification would be beneficial to confirm that the Formula is the right application for ensuring cultural offerings successfully balance quality with the quantum of space. Firstly, the Formula should be consistent in its use of Net Internal Area (NIA) or Gross Internal Area (GIA), to avoid uncertainty or inconsistency in application. Secondly, the use of expected rental income as an input requires further explanation. Rental values vary significantly across different asset types and locations within the City of London. Clarification would be welcome on whether this is to be determined on a site-specific basis by the applicant, or whether a standardised or benchmark approach is intended across the City. Aviva notes that the draft SPD's tiered approach provides flexibility to reflect the planning balance; however, the draft SPD is currently inconsistent regarding the 'outstanding' ratio (11% in the text and 13% in the formula	The formula provides information about the approximate expected scale of a cultural contribution. This gives certainty throughout the preapplication process and, compared to the current absence of guidance, more clarity to applicants. However, there has been consistent feedback that the formula is confusing and that the higher ratios are unviable, so for the adoption version of the SPD it will be removed and replaced with a flat rate for payment in lieu. On site delivery will not be subject to a quantitative spatial target; rather there will be additional guidance on when and where a payment in lieu could be supported over on site delivery of a cultural contribution.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11..2-11.7 has been updated to reflect this change.

			diagram). The final SPD should confirm a single set of ratios and provide clear criteria for their application to support early-stage certainty. Furthermore, additional guidance on how expectations may be set within this range would support planning and early engagement. For example, factors such as the extent of public harm, alignment with Destination City ambitions, or strategic importance of a site could reasonably inform whether a contribution sits at the upper or lower end of the range. They could usefully be agreed through early preapplication discussions. Additionally, labelling “minimum” (2%), “good” (5%), and “outstanding” (13%) could be considered oversimplified and would not support fair intent in application. Aviva requests that the final SPD confirms that where a payment in lieu is agreed as the most appropriate route, it will be treated as an equivalent and legitimate means of delivering cultural benefit and will not be subject to additional procedural burdens or a presumption of higher contribution levels by default. Finally, Aviva considers that the final SPD should ensure that the culture formula operates as a guide rather than a rigid determinant, and that it supports bespoke and hybrid approaches (including combinations of limited on-site activation with an agreed financial contribution) where these deliver better quality and more deliverable outcomes. This would help avoid the formula unintentionally constraining innovation or discouraging early engagement on culturally-led placemaking solutions. Overall, Aviva supports the intent of the Culture Formula in providing a structured and transparent framework for assessing commensurate cultural contributions, including payments in lieu. In addition, Aviva supports the draft SPD’s ambition to promote greater collaboration and to prioritise the delivery of cultural and social benefits through the planning process.		

			However, as drafted, it would benefit from refinement and clearer supporting guidance, including defined inputs and worked examples, to ensure it operates consistently, proportionately and with sufficient certainty to support early-stage design, viability, and commercial decision-making.		

377	R13_22_009	Savills on behalf of Aviva Investors	Local Skills, Training & Employment (Chapter 10) Aviva supports the principle of promoting social value outcomes, aligned to local skills, training and employment; additionally, acknowledging the valuable contribution that inclusion of SMEs into supply chains makes to the economic growth and success of the City and neighbouring boroughs. Section 10 outlines the local skills, training and employment requirements across a range of uses (Class E, Class C1, Class C3, and relevant Sui Generis uses, including co-living, purpose-built shared accommodation, and student housing). This includes a requirement for 15% of goods and services to be sourced from SMEs located within Central London Forward (CLF) boroughs. Employment and Skills Plan Targets The proposed Employment and Skills Plan Targets support the City in setting ambitious targets for development, however Aviva considers some of these targets unlikely to be achievable, and unaligned with broader CLF borough requirements and industry data and benchmarks. **SEE TABLE IN PDF REP**	The City's approach to local procurement seeks to promote and support SMEs within the Central London Forward boroughs. The 15% local procurement figure is a target rather than a fixed requirement, intended to set a clear benchmark for development. In practice, many major schemes already exceed 10% local procurement and frequently meet the 15% target. The local procurement target is therefore considered deliverable, reflecting current delivery experience and aligned with the City's wider economic objectives.	No change
378	R13_22_010	Savills on behalf of Aviva Investors	Paragraph 10.11 - Local Procurement Paragraph 10.11 suggests that a Local Procurement Strategy would need to be submitted upon implementation of the planning permission. Whilst Aviva supports the introduction of a Local Procurement Strategy, Aviva would challenge a target of 15% local supply-chain procurement from SMEs, noting that this will be challenging to achieve across all projects, due to elements such as the nature of rising material and build costs, modern construction methods (including off-site construction methods) and availability of specialist suppliers within CLF Boroughs. Paragraph 10.12 - Monitoring Whilst Aviva supports the ambition to share social value data, it should be recognised that there are limitations in data collection in	The City's approach to local procurement seeks to promote and support SMEs within the Central London Forward boroughs. The 15% local procurement figure is a target rather than a fixed requirement, intended to set a clear benchmark for development. In practice, many major schemes already exceed 10% local procurement and frequently meet the 15% target. The local procurement target is therefore considered deliverable, reflecting current delivery experience and aligned with the City's wider economic objectives.	No change

			practice and the ability to collect this data accurately will differ across projects and general contractors.	The City Corporation recognises that there are practical limitations in the collection of social value data and that the ability to gather information consistently may vary between projects and contractors. However, monitoring the outcomes of Employment and Skills Plans (ESPs) and Local Procurement Strategies (LPS) is important to understand whether agreed targets are being met. This monitoring will help the City Corporation assess the overall performance, identify areas for improvement and emerging challenges, and support ongoing collaboration with developers to strengthen the delivery of local skills, training and employment outcomes over time.	

379	R13_22_011	Savills on behalf of Aviva Investors	Conclusion In summary, Aviva's principal concerns are as follows: • The draft SPD proposes to increase the cumulative cost burden on development, with potential implications for deliverability and viability; • The draft SPD should resolve internal inconsistencies and provide clearer definitions to ensure transparent and consistent application; • The draft SPD should confirm clearly that planning obligations will remain site-specific, proportionate and subject to the statutory tests; • The draft SPD should provide a transparent framework for prioritising obligations where they cannot be met in full; • The draft SPD should reconsider the default use of implementation-stage triggers and instead provide greater flexibility for payment upon alternative milestones, for example, on occupation, completion, or phased triggers; • The new culture contribution mechanism within Chapter 11 requires substantially clearer guidance, including worked examples and more transparent assessment criteria; and • The employment, skills, and local procurement requirements would benefit from clearer guidance on deliverability, proportionality and acceptable alternatives where factors outside an applicant's control constrain outcomes; and • The City Corporation should provide certainty on when a financial contribution is acceptable instead of on-site cultural provision, particularly for constrained commercial schemes such as NBSH. Aviva remains keen to engage constructively with the City Corporation as the SPD is refined ahead of adoption. The above comments are intended to help ensure that the guidance supports the delivery of viable, high-quality development while securing	The draft SPD has been prepared in accordance with the policy requirements of the City Plan 2040 and the London Plan, and provides a clear and robust framework for the application of planning obligations. Detailed responses to the specific matters raised are set out in separate responses associated with the same representation.	No change

398	R13_25_008	For and on behalf of Caroe Architecture Ltd	Comment: Planning Obligations SPD Much of this SPD lies outside of the scope of the Cathedral's comment or areas of expertise There are, however, some areas of relevance. Discussion of cultural contributions is welcome. We have, however, often queried the quality and sustained longevity of new cultural provision within development, especially where this is deployed as a public benefit to justify harmful proposals. We hope that the various plans described within this SPD means that such provision can be better secured by the planning process, not just in the initial capital phase of forming the provision, but also in the delivery and long term operation of the cultural facility to continue to hit a high quality of provision long term. This must also include provision for refreshing and changing exhibitions, interpretation, engagement and participation in heritage over time. Monitoring, evaluation and reporting should be baked into the SPD expectation. This thesis also stretches to other public amenities, such as public toilets, public art, or access to water. Viability is an important aspect to the planning process and often has a bearing on decisions that affect the significance of the Cathedral and other heritage assets. We leave it to those better qualified to pass judgement on the viability processes within this document, noting the importance of a well prescribed, clear methodology. Conclusion We warmly welcome the opportunity to provide comment on these emerging aspects of planning guidance, which will help shape the future of the Square Mile. Whilst we welcome the aspirations of the SPDs, we have some concern, specifically with the Celebrating Heritage SPD, that the current drafting could cause confusion in relation to heritage assessment. We would therefore welcome further discussion. We therefore hope that these comments further the shared aims of	The City Corporation is mindful of the need for cultural contributions to be deliverable and viable throughout the planning process, not just attractive propositions at planning application stage. It is acknowledged that the use of the proposed cultural formula to insist on the delivery of new cultural spaces can result in poor quality spaces. There is a suggested modification to the City Plan that will allow more developments, including those over 10,000sqm, to make a payment in lieu of delivering new cultural space on site. This should ensure that where new cultural space does come forward, it is in the right building and right location, with a team that is committed to its success. This will also allow nearby developments to fund the space to refresh its programming or hold additional events. As part of this change to the City Plan, the cultural formula will be removed from this SPD, to be replaced with a flat £/sqm rate for payments in lieu. There is also forthcoming guidance in a Culture Planning Advice Note that will create a stronger framework for implementing cultural spaces and	No change

			the Corporation of the City of London, and St Paul's Cathedral. Yours sincerely,	monitoring their delivery through the section 106 process.	
418	R13_26_010	DP9 on behalf of BNP Paribas	Dear Sir / Madam, Representations on the updated Draft Planning Obligations SPD to support the implementation of the City Plan 2040 These representations are submitted to the City of London (CoL) on behalf of our client, BNP Paribas Asset Management ('BNPP AM') (formerly AXA Real Estate Investment Managers) (acting in its capacity as investment manager and advisor to its investors and clients) in respect of the consultation on the new and update SPD's. The SPDs are an update to the Planning Obligations SPD, and new SPDs covering Officers, Air Quality and Celebrating Heritage. These representations focus on the draft Planning Obligations SPD, and separate representations have been prepred on the other SPD's listed above, where relevant. BNPP AM welcomes the opportunity to engage in this consultation that will feed into the City Plan 2040. Representations have previously been made to the City Plan 2040 Regulation 19 consultation (17 June 2024) and to the Tracked	Noted.	No change

			Changes' version of the City Plan 2040 Proposed Main and Additional Modifications to the Regulation 19 version (6 February 2026).		
419	R13_26_011	DP9 on behalf of BNP Paribas	Plannning Obligations SPD BNPP AM recognise the City's proposal to update the Planning Obligations SPD and approach to securing planning obligations under Section 106 of the Town and Country Planning Act 1990. BNPP AM stress the importance of planning contributions remaining proportionate, flexible and viable to support the continued high-quality development in the City. We also acknowledge the proposed increase in the carbon offsetting contribution, rising from £95 to £114 per tonne of carbon. This aligns with the Great London Authority's approach and therefore BNPP AM accepts this update and that indexation will be applied to this moving forward. The below provides comments on the draft Planning Obligations SPD.	Noted.	No change

420	R13_26_012	DP9 on behalf of BNP Paribas	CIL Instalments Policy Paragraph 2.3 states that “the City Corporation is currently reviewing its CIL instalment policy and further details will be published in due course.” As such whilst this does not form part of the SPD for formal consultation, it is of significance to the overall viability of projects and as such we have provided some initial comments below. Paragraph 1.10 of the Planning Obligations Viability Assessment (March 2026), prepared by Quintic Advisory LLP, states the following in relation to CIL instalments policy: “We have tested the impact of the City Corporation’s emerging CIL instalments policy, which will extend the payment profile for larger developments from payment of the entire liability by 8 months from commencement to payment by 2 years from commencement. For schemes with very significant volumes of chargeable floorspace (i.e. where there is a significant uplift in floorspace in comparison to the existing space), the emerging instalments policy could have a fairly sizable increase in residual land values of circa 4%, which would be equivalent to circa £30 per square metre GIA. This positive change to residual land values could help to offset the impact of planning obligations, or simply move schemes that are on the margins of viability towards a more deliverable position.” We support revisions to the City’s instalments policy, but not to be simply replaced by additional planning obligations and would welcome the opportunity to submit further evidence in due course when the new policy is published. The cumulative burden on development is already too high, and measures are needed to ease it if the City wishes to see development come forward in the current challenging economic circumstances.	Work on updating the CIL instalment policy is underway and falls outside the scope of the Planning Obligations SPD. However, the City Corporation welcomes feedback on this matter. The Viability Assessment was commissioned specifically to test the cumulative effects of City CIL, Mayoral CIL, the revised CIL instalments policy, base City Plan requirements and the obligations proposed in the draft SPD. The Assessment demonstrates that in most cases schemes remain viable against benchmark land values, recognising that outcomes will vary depending on site-specific factors.	No change

421	R13_26_013	DP9 on behalf of BNP Paribas	We support revisions to the City's instalments policy, but not to be simply replaced by additional planning obligations and would welcome the opportunity to submit further evidence in due course when the new policy is published. The cumulative burden on development is already too high, and measures are needed to ease it if the City wishes to see development come forward in the current challenging economic circumstances. Given the current viability challenges facing development in the City, we consider that the instalments policy is a key mechanism for supporting the deliverability of schemes and we ask the City to approach it in that light. We have summarised below our proposed approach to the instalment policy and our preferred approach for the City's consideration. To support the delivery of schemes of strategic importance, a different instalments policy for larger developments could be introduced. Most of the Inner London boroughs have introduced their own CIL instalment policies to allow larger liabilities to be paid over a longer period of time. A summary of their policies is provided below: **SEE TABLE IN PDF REP**	Noted. We acknowledge that the updated CIL instalment policy will be instrumental in supporting deliverability and welcome your suggestions in this regard.	No change
422	R13_26_014	DP9 on behalf of BNP Paribas	The Royal Borough of Kensington and Chelsea, Tower Hamlets and the City are the only three authorities who adopt the Mayor's policy without change. Given the greater scale of the City's core development pipeline, the retained £100,000 threshold is detrimental to viability and deliverability. This is out of step with other Central London boroughs, where thresholds are generally in the millions, and up to £25m for the longest payment periods. These boroughs also tend to have fewer major commercial developments. The most flexible approach is that of LB Hammersmith and Fulham, who adopted the following instalment policy in 2020: **SEE TABLE IN PDF REP**	Work on updating the CIL instalment policy is underway and falls outside the scope of the Planning Obligations SPD. However, the City Corporation welcomes feedback on this matter.	No change

423	R13_26_015	DP9 on behalf of BNP Paribas	The majority of the City's strategically important development projects are tall buildings located in the City Cluster. These are generally higher risk developments - more expensive per sqm compared to typical London office schemes, often due to the specialist supply chain, complex logistics and longer construction durations. The availability of funding on reasonable terms for these higher risk developments is more constrained, and typically more sensitive to market volatility. To support deliverability, the City could introduce a new tier into its instalment policy for CIL liabilities of £20m or more. In the Lambeth example above, payment of liabilities of this scale are made across two years from the commencement of a chargeable development. Therefore, for a typical tall building, even this payment period will still see all CIL being received by the City before the development has received any revenue – albeit the period for which debt financing is required would be significantly reduced. This does not therefore go far enough to support the development of tall buildings with longer construction durations. We consider that a tiered approach like most other Inner London boroughs would be appropriate to support the City's development objectives. If operated alongside phasing, a top tier bracket for liabilities of £20,000,001 or more, payable in 3 instalments per phase over a period of up to 1095 days (3 years), would significantly aid the delivery of large development schemes. Rather than delivering an uplift in land values which would allow more charges to be levied elsewhere, this change would ease the funding burden for major City schemes and support their timely delivery. Whilst we do appreciate the City's need to ensure that receipts are paid in a timely manner in order to support infrastructure investment, CIL infrastructure is not tied to the impacts of a specific development and so there is no strict requirement or link for receipts to be available for the City to spend prior to the occupation of a single development. Notwithstanding that, however, even the	Work to update the CIL Instalment Policy is underway and falls outside the scope of the Planning Obligations SPD. The City Corporation welcomes feedback on this matter.	No change

			most flexible instalment policy listed above would still ensure that a CIL liability for a typical tall building would be paid in full before occupation, giving the City sufficient time to plan the provision of infrastructure. That position is supported by the City's infrastructure funding statement for 2024-25, which indicates that CIL receipts totalled £21.2m but spending only amounted to £11.7m, with an outstanding balance of £46.9m.		
424	R13_26_016	DP9 on behalf of BNP Paribas	Transport – Cycle Parking (Section 7) Paragraph 7.3 of the draft SPD states that "additional s106 contributions may be sought to address short-stay cycle parking shortfalls. In certain conditions, in accordance with City Plan Policy AT3, if London Plan minimum long-stay cycle parking standards cannot be fully met for office developments, a financial contribution towards cycle infrastructure improvements in the City will be secured through s106 planning obligations." BNPP AM agree with the importance of contributing towards strategic transport infrastructure secured through CIL and that the planning obligations are used to direct transport impacts arising from the development. However, it has been widely demonstrated that cycle parking demand in the City is limited and therefore a short fall in short-stay or long-stay cycle parking would not have an impact. This has been demonstrated through the background	Through the City Plan examination process flexibility has been added to policy AT3 to permit a short fall of long stay cycle parking in certain circumstances. This modification was consulted on and for consistency the approach has been added into the SPD. Monitoring fees are set at a relatively modest level and, as evidenced in the viability assessment, are expected to have only a marginal impact on scheme viability. The City Corporation considers them to be reasonable and	No change

			research that the City Property Association (CPA) have undertaken through their 'Cycling in the City' Report. BNPP AM do not feel it is therefore appropriate to attribute a financial contribution where a short-fall in cycle-parking is identified. Paragraph 7.9 and the accompanying table outline the updated monitoring costs for Travel Plans, Delivery and Servicing (DSMP) and Management Plans and Construction and Logistics Plans (CLP) which enable the City to track progress against agreed targets. BNPP AM understand the principle of monitoring of these plans however question that the cumulative impact of these increased monitoring costs will place additional financial burden on development viability. BNPP AM suggest that the guidance and the application of the costs allow for at least some flexibility or exceptions where appropriate, recognising that cumulative monitoring costs may adversely affect development viability.	proportionate, and necessary to support the effective monitoring and delivery of agreed planning obligations.	
425	R13_26_017	DP9 on behalf of BNP Paribas	Local Skills, Training and Employment (Section 10) Section 10 sets out local skills, training and employment requirements across a range of uses (Class E, Class C1, Class C3, Sui Generis (co-living, purpose-built shared accommodation or student housing). It includes a requirement that 15% of goods and services be sourced from SMEs based in a Central London Forward Borough. Whilst BNPP AM understand the principle of local procurement and recognises the important role SMEs play in the local economy, the question remains on the requirement for developments to provide a fixed percentage of local procurement.	The City's approach to local procurement seeks to promote and support SMEs within the Central London Forward boroughs. The 15% local procurement figure is a target rather than a fixed requirement, intended to set a clear benchmark for development. In practice, many major schemes already exceed 10% local procurement and frequently meet the 15% target. The local procurement target is therefore considered deliverable, reflecting current delivery experience and aligned with the City's wider economic objectives.	No change

426	R13_26_0 18	DP9 on behalf of BNP Paribas	Culture (Section 11) BNPP AM support the City's ambition to promote culture and vibrancy across the Square Mile as an integral part of a wider growth strategy, and one that will reinforce the City's status as a global destination for business. It is understood that the City's Cultural Planning Framework (CPF) sits behind the culture section the draft SPD. The draft Planning Obligations SPD sets out a formula that has been developed to determine a commensurate scale based on the size of the development. The standard assumption is that the 'minimum' target will be reached. The formula can also be adjusted to 'good' or 'outstanding' to account for different levels of provision based on the wider planning balance and material considerations. The target provided by the formula is a guide to help assess what a 'commensurate scale' might be. The target is calculated using the 2% ratio. Additional ratios of 5% (good) and 13% (outstanding) are included to provide a guide in cases where an enhanced cultural contribution may be required. The draft SPD states that compliance with the target does not mean compliance with Policy CV2 of the City Plan 2040.	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11..2-11.7 has been updated to reflect this change.
427	R13_26_0 19	DP9 on behalf of BNP Paribas	However, BNPP AM question the simplicity of the proposed Target Value Cultural Contribution. The calculation is derived as a percentage of total development floorspace, and simply categorised as 'minimum' (2%), 'good' (5%) and 'outstanding' (13%). It is understood that the CPF has set the benchmark figures from just three schemes within the sample of 20, and without any particular rationale. The three examples are specific examples with limited variation i.e. one is a stalled scheme, and two and purpose-built student accommodation schemes. BNPP AM question the soundness of these benchmarks for major commercial office development schemes within the City. The 2%, 5%, and 13% has been developed by an urban design	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in

			company (Publica) rather than a data analysist. No evidence has been provided that these figures are accurately measured, reported and reviewed. BNPP AM suggest further work is undertaken by a data analyst to accurately measure / provide evidence to support these figures. Overall, BNPP AM want to emphasise that ‘one size does not fit all’ i.e. setting a Target Value does not work for all schemes coming forward. This is due to the fact that there may be other site specific cultural contributions which do not fit within the Target Value. It seems concerning that site-specific cultural contributions which are regarded as less than ‘minimum’ by the fact that the cultural contribution did not equate to 2% of the development floorspace.	undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	paragraphs 11..2-11.7 has been updated to reflect this change.
428	R13_26_020	DP9 on behalf of BNP Paribas	Financial Contributions BNPP AM acknowledge the proposed introduction of a mechanism that may allow spatial contributions to culture to be commuted into a financial payment in lieu instead of providing cultural space on site. Having reviewed the draft SPD, it is BNPP AM’s view that there should be a single adopted formula for the calculation, generating a payment that would then meet the statutory tests in Regulation 122. BNPP AM do not agree with the fact that the financial contribution to culture should be increased where a development is assessed to have impacts in other respects unrelated to culture. The draft SPD implies that the overall planning balance would need to be considered in the first instance, before determining the quantum of the cultural payment that is necessary to make that development acceptable in planning terms. BNPP AM question how this would work in practice, with the impact of this approach likely to generate unviable contributions to culture that are disproportionate and could undermine deliverability. Additionally, the draft SPD contribution formula uses the input of NIA floorspace figures and an anticipated rental value for commercial floorspace in the development. Both these figures are	The removal of the cultural formula negates many of these points. A forthcoming 'Culture Planning Advice Note' will provide further guidance on when a payment in lieu could be an acceptable means to satisfy the requirements of policy CV2	No change

			likely to change over the course of the scheme delivery, in particular the rental value for commercial floorspace in the development due to the change in market conditions. It should also be recognised that rents will vary significantly over the City dependant on location, specification, age and quality of the development being delivered.		
429	R13_26_021	DP9 on behalf of BNP Paribas	Air Quality (Section 12) It is understood that a new Air Quality Damage cost has been proposed for increased emissions and associated with the replacement of combustion plant, including on-site generators used for business continuing purposes. Section 12 of the draft SPD outlines that this contribution is determined by the emission rate and is expected to fall within the range of approximately £20,000 - £80,000. The detailed methodology for calculating these costs is set out in the Air Quality SPD rather than the Planning Obligations SPD. BNPP AM have prepared representations on this SPD separately. Conclusion BNPP AM welcomes the opportunity to comment on the draft SPD's to support the implementation of the new City Plan 2040 and we would welcome the opportunity to further engage with Officers to discuss any specific elements within these representations. Should you have any queries or require any further information in respect of the above, please contact Jonathan Smith or Elena Butterworth of this office. Yours faithfully DP9 Ltd.	Noted.	No change

434	R13_28_001	Avison Young on behalf of clients	Dear Sir/Madam, Representation to City of London “Offices SPD”, “Planning Obligations SPD” and “Celebrating Heritage SPD” dated March 2026 On behalf of clients, we write to provide our representations on the City of London’s Offices SPD, its Planning Obligations SPD and its Celebrating Heritage SPD, all dated March 2026. It should be noted that Avison Young represents a diverse range of clients operating in the City of London across range of sectors, such as office, leisure/ hotel and specialist residential, and includes developers, investors and other types of clients. In summary, whilst we are supportive of the aspirations of all documents, it is important that the objectives of the Offices SPD and Planning Obligations SPD in particular are balanced against the current and well-documented viability challenges facing development projects, including significantly increased construction costs (particularly for higher-rise buildings), the continued high cost of finance, higher yields and associated development risk. In this context, ensuring sufficient flexibility in relation to office projects, leisure projects and changes of use projects to complementary uses (including the application of planning obligations) is critical. With regard to the Celebrating Heritage SPD, we have only very minor comments on one of the principles within the document; otherwise, we offer our support for the adoption of the SPD. With regard to the Draft Offices SPD, we are supportive of the aspiration to protect and enhance the office stock within the City of London to ensure the City of London remains a competitive and attractive location for business. In this context, we recognise the strategic importance of office uses to the City of London’s economic function and global role.	Noted.	No change

435	R13_28_002	Avison Young on behalf of clients	With regard to the Draft S106 SPD, we also support the principle of reviewing financial obligations to ensure that contributions remain aligned with inflation and continue to appropriately mitigate the impacts of development. However, it is important that these requirements must remain proportionate if high-quality development is to be delivered across the City of London. This is particularly the case in the context of the large pool of secondary office stock which requires significant refurbishment to bring it to the standards expected by modern occupiers (including the required minimum EPC ratings). On this basis, we consider that an appropriately flexible and pragmatic approach will be essential to supporting continued development activity and sustaining the City of London's wider economic role. We would also like to confirm that we support the City Property Association's representations on the two SPD consultations; however, we have set out only our key summary points in this letter. Further detail and explanation is provided below.	The draft SPD clearly establishes that Section 106 planning obligations are negotiated on a site-specific and bespoke basis, and are secured only where they are necessary to mitigate the individual impacts of a development. The City Corporation will continue to apply Section 106 obligations in accordance with the statutory tests set out in Regulation 122 of the Community Infrastructure Levy Regulations, ensuring that all obligations are necessary to make development acceptable in planning terms, directly related to the development, and fairly and reasonably related in scale and kind. The SPD intends to provide greater clarity and consistency in the City Corporation's approach, rather than to introduce a rigid or prescriptive framework. It allows for flexibility where justified by site-specific circumstances and scheme viability, while ensuring that development contributes proportionately to mitigating its impacts and supports the City's wider economic role.	No change

437	R13_28_0 04	Avison Young on behalf of clients	Representations to Planning Obligations SPD We acknowledge and welcome the fact that both the suggested standard and bespoke planning obligations are much reduced and more realistic when compared with those set out within the City Plan 2040's evidence base. However, we note that some of the contributions are substantial and also have the potential to significantly reduce project cost certainty, and may inadvertently affect some development proposals more than others. We set out our detailed comments on the Planning Obligations SPD below.	The Viability Assessment has tested the cumulative impact of planning obligations, CIL and emerging City Plan policies, demonstrating that most schemes can absorb these requirements, while underlining the importance of a flexible, site-specific approach where cumulative impacts may affect viability of some schemes.	No change
438	R13_28_0 05	Avison Young on behalf of clients	Cultural Contribution In accordance with Policy CV2, major developments are required to make provision for cultural floorspace. The policy expects that this is provided on site; however, it includes circumstances where an off-site contribution may be acceptable. Whilst we support the City of London's ambition to promote culture and vibrancy as a central component of City Plan 2040, we have concerns regarding the structure, evidence base and practical application of the proposed cultural contribution framework set out in the draft Planning Obligations SPD. In particular, the combination of an inherently subjective benchmarking system with a highly consequential, valuation-based formula risks producing outcomes that are disproportionate, opaque and insufficiently grounded in real-world delivery costs, site constraints or cultural value. We would also note that whilst we commend the objective to deliver cultural spaces at a peppercorn rent that are free and publicly accessible during daytime hours, seven days a week, this may artificially restrict use across the whole week and may also impact the long-term viability of such spaces - when in fact, they may benefit from cross-subsidies/ corporate use during the weekdays (which would then allow them to be better quality/ better	Comments on the formula are addressed below. We agree that further flexibility could be added to the standard requirement for cultural spaces.	The standard requirements for on site provision at paragraph 11.9 (now paragraph 11.6) has been updated with additional details that should aid delivery and are specific to different cultural typologies.

			maintained and free at the weekend) - and may also have the benefit of being used by office workers resulting in substantial economic benefits.		
439	R13_28_006	Avison Young on behalf of clients	Turning to the calculation of the provision of cultural space, the SPD introduces indicative percentage benchmarks of 2%, 5% and 11–13% to guide the assessment of a “commensurate” cultural contribution. Although these figures are presented as guidance, the discretion afforded in moving between them in practical terms is substantial and carries very significant financial and area-based consequences. Through our testing of an approved major commercial scheme as a sample, this indicates that applying a 2% benchmark would equate to approximately 1,800 sqm of cultural floorspace, whereas applying an 11–13% benchmark would require in the order of 11,700 sqm. This more than six-fold difference arises entirely from the selection of the benchmark, rather than from any change in development impacts, site characteristics and constraints or cultural outcomes. In practical terms, this places considerable weight on subjective planning judgement to determine obligations that may differ by many millions of pounds or several thousand square metres of floorspace. This adds substantial risk and uncertainty to the development process.	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11.2-11.7 has been updated to reflect this change.

440	R13_28_007	Avison Young on behalf of clients	Indeed, this sensitivity is concerning given the limited evidence base underpinning the benchmarks themselves (including the use of development projects that are yet to be built). In addition, the Cultural Planning Framework, from which the figures are derived, explicitly notes that there is no discernible correlation between the quantum of cultural floorspace and the quality or success of cultural outcomes, and that higher scores against quantitative measures do not necessarily equate to better provision. Notwithstanding this, the SPD risks the potential for these to be applied as targets, despite their derivation from a small number of atypical schemes (including one which required substantial public benefits as a result of a land use policy conflict) and the absence of a clear rationale for their general application across the City of London's predominantly commercial development pipeline. Further concerns arise from the construction of the formula itself. The methodology relies heavily on Estimated Rental Value as a proxy for both the scale of development and the value of cultural provision, converting on-site cultural floorspace into a notional monetary figure based on foregone office rental income and combining this with any financial contribution. While this creates an internally consistent accounting mechanism, it is highly abstracted from the practical realities of cultural delivery. Small changes in assumed ERVs, efficiencies or benchmark selection can materially alter the calculated requirement, despite no corresponding change in the physical space, capital cost, operational subsidy or cultural impact. This approach risks prioritising notional valuation assumptions over the tangible cost, complexity and qualitative merit of different forms of cultural provision.	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11.2-11.7 has been updated to reflect this change.

441	R13_28_008	Avison Young on behalf of clients	The formula also treats on-site cultural floorspace and payments in lieu as interchangeable based solely on notional foregone rental value. In doing so, it implicitly assumes that cultural value can be adequately captured through commercial value proxies. This risks undervaluing high-quality, heritage-led or bespoke cultural interventions that involve significant construction, fit-out and long-term management costs, but do not translate neatly into rental value terms. Conversely, it may over-credit relatively straightforward floorspace provision where assumed rental values are high, irrespective of the distinctiveness or effectiveness of the cultural outcome. A further structural issue is the treatment of public realm and foregone commercial floorspace. Major commercial schemes frequently deliver significant new public realm, permeability and civic space at the expense of substantial areas of office floorplate, including the permanent loss of multiple floors that could otherwise be commercially developed. From an economic perspective, this represents a material sacrifice of potential rental value and delivers enduring civic and cultural benefit. However, under the current approach, such losses are not recognised within the cultural contribution calculation unless the space is explicitly categorised as cultural provision, notwithstanding that the economic trade-off is identical and the public benefit potentially much higher. This creates a risk that developments which already make substantial public realm and civic contributions are nonetheless required to provide additional cultural floorspace or financial payments, leading to outcomes that are disproportionate when viewed in the round.	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11.2-11.7 has been updated to reflect this change.

442	R13_28_0 09	Avison Young on behalf of clients	Taken together, these issues raise fundamental questions about certainty, proportionality and compliance with the statutory tests governing planning obligations. The combination of subjective benchmarks, dramatic step-changes in floorspace and financial consequences, and reliance on abstract valuation proxies introduces significant uncertainty at application stage and risks undermining confidence in the fairness and consistency of the system. In particular, where the same development could justifiably give rise to vastly different obligations depending on the exercise of judgement alone, it becomes increasingly difficult to demonstrate that the resulting requirement is fairly and reasonably related in scale and kind. In conclusion, we would agree with the CPA that the formula does not provide sufficient clarity and would suggest instead that a simpler per sqm GIA figure for off-site contributions would be more appropriate, with on-site provision subject to need, demand and site/ building constraints; and if imposed, a 2% target is used as a benchmark (noting the impact that 5% or 11-13% may have on projects).	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11.2-11.7 has been updated to reflect this change.
443	R13_28_0 10	Avison Young on behalf of clients	Transport Monitoring Costs We note that the SPD includes very significant increased monitoring costs relating to Travel Plans, Delivery and Servicing Management Plans (DSMPs), and Construction and Logistics Plans (CLPs) which may place additional pressure on development viability at a time when schemes are already facing significant delivery challenges. We would query whether there is an opportunity to reduce or combine some of these costs. As per the Office SPD, once adopted, we would welcome the introduction of a six-month grace period before implementation to allow for schemes that are delayed to be determined (i.e. adopted by end June but implemented by December).	The City Corporation notes the concerns raised regarding monitoring fees associated with Travel Plans, Delivery and Servicing Management Plans, and Construction and Logistics Plans. These fees reflect the level of resource required to ensure that agreed mitigation measures are implemented effectively and that potential impacts on the City’s transport network and environment are appropriately managed.	No change

				As set out in the viability assessment, the overall impact of monitoring fees on scheme viability is expected to be marginal. Monitoring requirements and associated costs will continue to be considered on a site-specific basis through the Section 106 process, with scope to streamline or combine arrangements where justified by the nature and scale of the development, while maintaining effective oversight of agreed obligations.	
445	R13_29_001	Newmark on behalf of CPA	am writing on behalf of the City Property Association (CPA) in response to the consultation on the draft Supplementary Planning Documents (SPDs) covering Offices, Planning Obligations, Air Quality and Celebrating Heritage. We welcome the opportunity to provide a single, consolidated submission, reflecting the way these documents intersect. Detailed comments on each SPD are set out in the appended representations starting from page 3. The CPA represents the owners, investors, developers and professional advisors shaping real estate across the Square Mile. We strongly support the City Corporation's City Plan 2040 and its ambition for a thriving, future-ready Square Mile, with this suite of SPDs forming a key part of that framework. We valued the constructive engagement with officers during their preparation and look forward to continued dialogue as they are finalised. Delivering modern, high-quality office floorspace is fundamental to achieving the City Plan 2040's vision, particularly given the ambition to deliver at least 1.2 million sqm of additional office space by 2040. Evidence shows that demand is overwhelmingly focused on best-in-class workspace in core locations: our report with Knight Frank Space for Change: City of London Deep Dive found that nearly 70% of lettings are in prime or Grade A buildings. Yet this demand is	Noted.	No change

			emerging against a backdrop of shrinking supply, with more than 3 million sq ft of office space lost between 2018 and 2023. At the same time, rising construction and financing costs and a more complex policy landscape are placing increasing pressure on development viability. Ensuring that planning contributions do not exacerbate these pressures is critical if the City is to maintain the commercial pipeline needed to meet its long-term growth ambitions. Whilst we welcome the City Corporation's efforts to respond to inflationary pressures and support viability, continued cumulative cost increases risk constraining delivery in practice. We therefore recognise the need to update the Planning Obligations SPD and accept that revised or new financial obligations may be justified, particularly where rates have remained unchanged for almost a decade. Our appended representations set out specific comments on cultural payments in lieu, supporting the City's cultural ambitions whilst emphasising the need for flexibility to ensure schemes remain viable.		

458	R13_29_014	Newmark on behalf of CPA	CPA REPRESENTATIONS TO THE OPLANNING OBLIGATIONS SPD The CPA acknowledges the need to update the Planning Obligations SPD and the approach to securing obligations under Section 106 of the Town and Country Planning Act 1990. We recognise that the SPD provides important guidance on the scope of obligations, contribution levels, triggers and mechanisms in line with Draft Strategic Policy 26 Planning Contributions of the City Plan. We also recognise the importance of reviewing financial obligations to ensure contributions remain aligned with inflation and continue to mitigate development impacts within the Square Mile. Whilst we accept that new financial obligations may be justified in line with government guidance, the CPA's Supporting the City's economic growth and development pipeline (December 2024) white paper highlights the significant viability pressures already facing development. In this context, it is essential that planning contributions do not place further constraints on delivering much-needed projects. The compounding effect of indexation across all levies, plus further new levies, increases the risk of not meeting the target of providing 1.2 million sqm of office floorspace by 2040.	The City Corporation acknowledges the CPA's support and recognises the viability challenges currently facing development. The review of financial obligations, including indexation, is intended to ensure contributions remain effective in mitigating development impacts, rather than to introduce disproportionate burdens. The Viability Assessment has tested the cumulative impact of planning obligations, CIL and emerging City Plan policies, demonstrating that most schemes can absorb these requirements, while underlining the importance of a flexible, site-specific approach where cumulative impacts affect marginal viability. The SPD therefore does not operate as a rigid framework, and Section 106 obligations will continue to be negotiated on a bespoke basis, with full regard to viability and the statutory tests in Regulation 122 of the CIL Regulations, to support high-quality development and the City's long-term economic objectives. We will amend the introduction to clarify that all planning obligations in the SPD are subject to the statutory tests and will be assessed proportionately on a bespoke basis.	Amendments made to paragraph 2.8 as follows: "<u>The City Corporation will apply the statutory tests on a case-by-case basis and will only seek a Section 106 planning obligation where it is necessary to make an otherwise unacceptable development acceptable in planning terms. In assessing the need for a planning obligation, the City Corporation will identify the specific impacts arising from the proposed development and consider whether these can be adequately addressed through planning conditions or whether a legal agreement is required. Where justified, planning obligations will be tailored to the specific circumstances of the development, having regard to its scale, nature, location and impacts. Any planning obligation must satisfy the statutory tests by being necessary to make the development acceptable in planning terms, directly related to the development and fairly and reasonably related in scale and kind. This approach ensures</u>

					that obligations are secured only where justified, having regard to the particular circumstances of each application and maintaining compliance with planning policy and legislative requirements. ~~These tests define the scope and limitations of the matters that may be secured throughS106 agreements~~."
459	R13_29_015	Newmark on behalf of CPA	The viability of delivering tall buildings in the City of London is becoming increasingly constrained at the very moment the City Corporation is seeking to unlock a minimum of 1.2 million sqm of additional office floorspace by 2040 to meet rising demand for best-in-class office space. Turner & Townsend's latest cost benchmarking shows that high-rise construction costs have risen sharply in recent years, with London now among the most expensive global markets for tower delivery, driven by sustained inflation, and supply chain pressures. This cost escalation is compounded by the high cost of finance and a limited pool of Tier One contractors willing to take on complex City tower projects, reflecting a notably low risk appetite in a market characterised by tight sites, logistical constraints, and long construction programmes. These extended build timelines delay returns for developers and investors alike, further weakening	The City Corporation acknowledges the increasing viability challenges associated with delivering tall buildings in the City, including rising construction and financing costs, supply-chain constraints, extended build programmes and a limited pool of contractors willing to take on complex tower projects. These pressures are recognised alongside the evidence of sustained structural demand for best-in-class office space and an increasingly constrained supply pipeline. The City's policy framework,	No change

			scheme viability in a high interest rate environment. At the same time, Knight Frank's Space for Change and City of London Deep Dive research highlights record demand for high-quality, sustainable space remains strong, with Knight Frank identifying a structural supply crunch: vacancy for prime space in core markets sits below 1%, and major corporates are increasingly expanding rather than contracting their footprints. Yet despite this demand, the development pipeline is weakening, with central London facing an 11 million sq ft shortfall over the next five years and viability cited as one of the biggest barriers to delivery.	including the City Plan and the draft Planning Obligations SPD responds to this context by supporting tall buildings in appropriate locations, prioritising retrofit where feasible, and ensuring that planning contributions are applied proportionately. The Planning Obligations SPD does not introduce a rigid or uniform approach. Section 106 obligations will continue to be negotiated on a site-specific and bespoke basis, having regard to viability, scheme complexity, delivery risk and the cumulative impact of planning requirements, in accordance with the Regulation 122 of the CIL Regulations. This flexibility is intended to help ensure that strategically important developments, including tall buildings, can continue to come forward while securing the mitigation necessary to support the City's growth and long-term economic role.	
460	R13_29_016	Newmark on behalf of CPA	The CPA therefore welcomes the steps the City Corporation has taken to support development viability whilst responding to rising inflationary pressures. We note in particular that several financial contributions have been updated to reflect indexation, resulting in relatively modest increases. As these revised rates are already being applied to current developments, the CPA does not raise any specific concerns regarding the following changes: • Affordable Housing contribution to £57.21/ sqm (currently £50/ sqm) (section 6 of the SPD); • Area Security contribution to £12.41 (currently 10/ sqm) (section 9	Support noted.	No change

			of the SPD); and • Local training, skills and job brokerage contribution to £35 (currently £30/ sqm) (section 10 of the SPD).		
461	R13_29_017	Newmark on behalf of CPA	The CPA also notes the proposed increase in the carbon-offset contribution, rising from £95 to £114 per tonne of carbon. This update aligns with the Greater London Authority's approach and reflects the fact that the City Corporation has not revised this rate for almost a decade. In this context, the CPA acknowledges and supports the proposed uplift, as well as the intention to apply indexation going forward. However, ensuring that planning contributions remain proportionate, flexible and viable is essential to supporting the delivery of high-quality development across the Square Mile and sustaining the City's wider economic role. On this basis, the CPA sets out the following comments and recommendations on the draft Planning Obligations SPD.	Support noted.	No change
462	R13_29_018	Newmark on behalf of CPA	1. Community Infrastructure Levy The CPA welcomes the City Corporation's decision to review its Community Infrastructure Levy (CIL) Instalment Policy and understands that this work will come forward separately. We consider this review essential to supporting the delivery of development within the Square Mile, recognising that a typical tower could take five years or more to deliver which a phased instalment policy should align with. The CPA has consistently highlighted the importance of introducing a more flexible, phased CIL payment structure, bringing the City in line with other central London boroughs, to help manage the significant upfront costs associated with complex commercial development. As set out in our Supporting the City's economic growth and development pipeline paper, the cumulative impact of rising construction costs, tighter	Noted. Work to update the CIL instalment policy is underway and falls outside the scope of the Planning Obligations SPD. The City Corporation welcomes feedback on this matter.	No change

			financing conditions and extended delivery timelines means that early-stage cashflow pressures are now one of the most significant barriers to bringing forward new schemes. A modernised, phased CIL approach would provide developers with greater certainty and liquidity at the point of construction, helping to maintain momentum in the development pipeline and ensuring the City can continue to deliver the high-quality, sustainable workspace needed to meet future demand.		
463	R13_29_019	Newmark on behalf of CPA	2. Transport – cycle parking Section 7 of the draft SPD explains that Strategic Policy S26 Planning Contributions requires the delivery of infrastructure identified in the Transport Strategy and Healthy Streets Plans. The CPA recognises that strategic transport infrastructure is primarily funded through CIL, with Section 106 obligations used to mitigate the specific transport impacts of individual developments. Paragraph 7.3 notes that additional Section 106 contributions may be sought where short-stay cycle parking falls below required levels. However, where robust evidence supports a reduced level of cycle parking, the CPA does not consider a financial contribution to be justified or consistent with the PPG tests. Our Cycling & the City (December 2024) report, alongside further evidence gathered by the CPA, demonstrates that demand for short-stay cycle parking in the Square Mile is limited. Most office workers and visitors continue to walk or use public transport, and retail activity is largely passing trade, further reducing the need for additional short-stay provision. On this basis, the CPA do not consider a financial contribution can be sought where evidence has been provided to demonstrate a reduced level of cycle parking is appropriate.	The London Plan requires developments to provide cycle parking in line with the adopted standards, while allowing flexibility where a reduced level of provision is robustly justified. The intention of the draft SPD is that Section 106 contributions will only be sought where insufficient short-stay cycle parking would result in an impact requiring mitigation to make the development acceptable in planning terms. Any such contribution would be assessed on a site-specific basis, having regard to the statutory tests set out in Regulation 122 of the CIL Regulations. However, we agree that this could be expressed more explicitly in the SPD and will propose an amendment to the wording.	Amendment made as follows: "Additional S106 contributions may be sought to address short-stay cycle parking shortfalls, <u>where required to mitigate impacts arising from the development</u>."

464	R13_29_020	Newmark on behalf of CPA	Paragraph 7.9 and the accompanying table set out updated monitoring costs for Travel Plans, Delivery and Servicing Management Plans (DSMPs), and Construction and Logistics Plans (CLPs), which enable the City Corporation to track progress against agreed targets. The CPA supports the principle of monitoring these plans to ensure commitments are met and performance is effectively managed. However, we are concerned that the cumulative impact of increased monitoring costs may place additional pressure on development viability at a time when schemes are already facing significant delivery challenges. Given the rapid advancement of digital tools for data collection, monitoring, and reporting, the CPA encourages the City Corporation to explore opportunities to streamline these processes to improve efficiency and reduce associated costs. We therefore recommend that the guidance, and the application of the monitoring costs set out in the table, allows for flexibility or exceptions where appropriate, recognising that cumulative monitoring requirements may adversely affect the viability of development in the Square Mile.	The monitoring of Travel Plans, Delivery and Servicing Management Plans, and Construction and Logistics Plans plays an important role in ensuring that agreed mitigation measures are implemented effectively and that development impacts are appropriately managed within the constrained environment of the City. The associated monitoring fees are intended to recover the reasonable costs of administering and overseeing these requirements, reflecting the differing levels of officer input and ongoing review involved. As set out in the viability assessment, the overall effect of these monitoring costs on development viability is expected to be limited and not materially affect scheme deliverability.	No change
465	R13_29_021	Newmark on behalf of CPA	Culture The CPA is strongly supportive of the City Corporation’s ambition to promote culture and vibrancy across the Square Mile as a core part of its wider growth strategy, Destination City. We recognise the vital role that cultural activity, public realm enhancements and heritage-led placemaking play in strengthening the City’s global appeal and creating places where people want to work, visit and spend time. However, in this challenging environment, where viability is difficult and provision for cultural amenity is not always commercially viable or practical i.e. located in areas of low demand), we welcome the principle of introducing a cultural contribution in lieu, which represents a positive step toward securing consistent, high-quality cultural and office outcomes across the Square Mile.		No change

466	R13_29_022	Newmark on behalf of CPA	The CPA maintains the representation made to the draft City Plan Main Modifications Consultation (February 2026) regarding the requirement for developments over 10,000 sqm gross floorspace to deliver cultural floorspace on site. This approach fails to consider uplift and places unnecessary burdens on refurbishment and retrofit schemes where the scale of change is limited. As previously set out, cultural requirements should relate to uplift only, consistent with the approach taken for all other planning obligations. In addition, the matrix at paragraph 7.3.4 of the Draft City Plan should be amended to avoid an overly prescriptive approach and enable greater flexibility, allowing proportionate financial contributions both below and above the 10,000 sqm threshold to support the effective delivery of cultural infrastructure in the City.	The City Corporation continues to believe that all major schemes should deliver for culture in some way. It should be noted that additional modifications have been sent to the City Plan Inspectors that allow for payment in lieu for schemes over 10,000 sqm where it is shown this better serves the surrounding cultural ecosystem. The removal of the proposed formula in favour of a flat payment in lieu rate means that it is simpler for schemes with minimal uplift in floorspace to make a payment rather than deliver on site. Additional guidance in a forthcoming 'Culture Planning Advice Note' will give more detail on the circumstances where a payment in lieu could be an acceptable way to satisfy policy CV2 requirements.	No change

467	R13_29_023	Newmark on behalf of CPA	Background The Cultural Planning Framework (CPF), which underpins this element of the draft Planning Obligations SPD, provides a rich evidence base for the City Plan 2040. In reviewing the SPD, the CPA has revisited the CPF, which highlights the wide range of ways in which development can contribute to the City's cultural success, from new retail and leisure floorspace to transformative public realm, elevated public spaces and opportunities to reveal and celebrate the City's heritage above and below ground. Importantly, the CPF acknowledges that there is no single formula for delivering meaningful cultural value. Its quantitative review of 20 major developments found "no discernible patterns in the data" and no correlation between the amount of cultural floorspace and the quality of cultural outcomes. As the CPF notes, "scoring higher on the calculations doesn't mean the provision is better." (CPF, Part 2, p.67) This demonstrates that the most impactful cultural contributions are often those rooted in the unique characteristics of a site where this is possible, particularly where development can unlock public access to heritage assets, archaeology or historic fabric. It is with this in mind that CPA expresses reservations with the proposed introduction of a Target Value Cultural Contribution that is derived as a percentage of total development floorspace and crudely categorised as 'minimum' (2%), 'good' (5%) and 'outstanding' (13%). Whilst this classification is derived from the CPF, we would suggest those terms are taken out of context when read against the CPF's acknowledgement that higher floorspace calculations cannot be equated with better provision. SEE TABLE IN PDF REP	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11..2-11.7 has been updated to reflect this change.

468	R13_29_024	Newmark on behalf of CPA	It is also worth noting that the CPF derived the benchmark figures (2%, 5% and 13%) from only three schemes within a wider sample of 20, and without a clear rationale for why these particular examples should form the basis for City-wide benchmarks. Of the three, one (120 Fleet Street) is currently stalled, while the other two (61–65 Holborn Viaduct and 65 Crutched Friars) are Purpose-Built Student Accommodation (PBSA) schemes. The CPA feels that relying on such a limited and unrepresentative sample does not provide a robust foundation for setting benchmarks for major commercial office development in the Square Mile. In particular, 65 Crutched Friars is a clear outlier, and we are not aware of any other City scheme dedicating 13% of total floorspace to non-commercial cultural use. More broadly, the CPA is keen to ensure that the introduction of 'cultural floorspace' targets does not unintentionally prioritise quantum over the quality or distinctiveness of cultural contributions. Many of the most meaningful opportunities, such as revealing archaeology, restoring heritage assets or enabling public access to listed buildings, are inherently site-specific and may not translate neatly into a floorspace percentage. These interventions often involve significantly higher costs than delivering an equivalent 'white box' cultural unit, yet under a rigid floorspace-based approach could be deemed to fall short of a 'minimum' contribution simply because they do not reach 2% of total floorspace. It would be unfortunate if such high-value, heritage-led contributions were undervalued in this way.	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11.2-11.7 has been updated to reflect this change.

469	R13_29_025	Newmark on behalf of CPA	CPA recommendations Having reviewed a number of worked examples, the CPA is reassured that the commuted payments generated at the 'minimum' Target Value appear broadly reasonable across different scales of development. However, where a payment in lieu is the agreed form of cultural contribution, CPA believes it would be preferable to adopt a single, transparent formula that produces a clear and proportionate payment, fully aligned with the statutory tests in Regulation 122. Where the provision of a payment in lieu is agreed, there should be no delivery of cultural floorspace on site. CPA is less convinced by the proposal to increase the cultural contribution in cases where a development is considered to have impacts or deficiencies in unrelated areas. As drafted, the SPD suggests that the overall planning balance should be assessed first, with the cultural payment then adjusted to make the development acceptable in planning terms. In practice, this risks generating disproportionately large cultural contributions that are unlikely to be fairly and reasonably related in scale and kind to the development. We recommend encouraging a simpler and more practical method for calculating payments in lieu. The current formula relies on NIA floorspace figures and anticipated rental values, both of which are likely to change during the design and viability process, and the latter of which may require specialist appraisal to reflect market conditions. This introduces unnecessary complexity and uncertainty for applicants and officers alike.	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11.2-11.7 has been updated to reflect this change.

470	R13_29_026	Newmark on behalf of CPA	The worked examples indicate that, when applied to typical development scenarios, the formula effectively equates to a contribution of around £12 per sqm GIA. In the interests of clarity and consistency with other formula-based obligations in the SPD, the CPA would therefore recommend expressing the cultural contribution as a straightforward rate per sqm GIA, indexed to RICS CIL. This approach would have minimal impact on the overall scale of contributions but would significantly streamline the process, reduce administrative burden, and provide far greater certainty throughout the development lifecycle. As stated, where the provision of a payment in lieu is agreed, there would be no delivery of cultural floorspace on site. In summary, the CPA supports the City Corporation's ambition to secure high-quality cultural outcomes and welcomes the principle of a cultural contribution in lieu as a positive and constructive step forward. Our recommendations are designed to help ensure that the mechanism is proportionate, transparent and easy to apply, whilst retaining the flexibility needed to recognise the rich variety of site-specific cultural opportunities that developments across the Square Mile can deliver. With a clear and workable approach in place, we believe the City can continue to foster cultural vibrancy in a way that complements development viability and supports the wider ambitions of City Plan 2040.	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11.2-11.7 has been updated to reflect this change.
471	R13_29_027	Newmark on behalf of CPA	4. Local skills, training and employment Section 10 sets out the local skills, training and employment requirements for a range of uses (Class E, Class C1, Class C3 and relevant Sui Generis uses such as PBSA and co-living schemes). This includes a requirement for 15% of goods and services to be procured from SMEs based in a Central London Forward borough. The CPA fully supports the principle of encouraging local procurement and recognises the important role that SMEs play in sustaining the City's wider economy. However, proposals to require developments to secure a fixed	The City's approach to local procurement is designed to support SMEs within the Central London Forward boroughs and maximise the local economic benefits generated through development. The 15% local procurement figure is set out as a target rather than a fixed requirement, providing a clear and consistent benchmark against which	No change

			percentage of local procurement introduces an unnecessary level of market intervention. Section 106 obligations are intended to mitigate the specific impacts of a development; they are not designed to regulate commercial procurement practices or supply chains. A rigid percentage requirement may therefore be difficult to apply in practice and may not always reflect the commercial realities of complex development projects. The CPA would welcome further engagement on a more flexible and facilitative approach, one that encourages positive outcomes for SMEs without imposing a prescriptive quantitative target. Such an approach would better support both the City's economic ambitions and the practical needs of developers delivering projects in the Square Mile.	developers can plan and report, rather than a rigid or prescriptive obligation. In practice, many major schemes in the City already achieve levels of local procurement in excess of 10% and frequently meet or exceed the 15% target. The City Corporation therefore considers the target to be realistic and deliverable, reflecting current delivery experience and aligning with the City's wider economic objectives. The application of this target will continue to be considered on a site-specific basis through the Section 106 process, having regard to the nature and complexity of individual schemes.	
472	R13_29_028	Newmark on behalf of CPA	4. Glossary definitions The CPA strongly recommends that the glossary is amended to clarify that 'major development' should apply only where a proposal results in a net increase of more than 10,000 sqm of floorspace, consistent with the general thresholds used elsewhere in the Planning Obligations SPD. As currently drafted, the definition refers to the overall size of a building, rather than the scale of development proposed. This would mean that even a minor addition, for example a 100 sqm extension to an existing 15,000 sqm building could be treated as a major development, which would be disproportionate. This approach risks conflicting with Regulation 122 of the CIL Regulations, which requires planning obligations to be necessary, directly related to the development, and fairly and reasonably related in scale and kind. It also cuts across the SPD's broader emphasis on net increases in floorspace as the appropriate trigger for obligations.	The definitions are drawn from the Code of Practice for Deconstruction and Construction Sites and relate specifically to the following categories set out in the Construction Code for the purposes of securing construction monitoring arrangements and associated fees: Category 1 - large-scale major developments; Category 2 - medium-scale major developments; and Category 3 - minor developments. These definitions are not intended to apply more broadly to the Planning Obligations SPD. We agree that this distinction should be made clearer	Amendment made to Glossary as follows: "<u>Large scale</u> major development (as per Construction Code <u>Category 1)</u> Medium scale major development (as per Construction Code <u>Category 2)</u> Minor development (as per Construction Code <u>Category 3)"</u>

			The CPA therefore considers it essential that the glossary makes clear that ‘major development’ is determined by the quantum of additional development, not the existing baseline, to avoid minor schemes being subject to major development obligations.	and will amend the wording accordingly.	
473	R13_29_029	Newmark on behalf of CPA	5. Viability Evidence underpinning the SPD The assessment concludes that, in most cases, the cumulative impact of the proposed policy requirements does not render schemes unviable when measured against benchmark land values. However, the analysis also makes clear that caution is required. In particular, it would not be prudent at this stage to increase the CIL rate for office development. By contrast, there may be scope to introduce a higher rate for PBSA and co-living schemes, which currently fall under the ‘all other uses’ category at £128.82 per sq m. These uses could potentially sustain a rate more closely aligned with the higher residential charge. Whilst these headline conclusions appear positive, a closer review of the inputs raises several concerns, particularly in relation to office development. The appraisal relies on a single spot rental value of £92.50 per sq ft, informed by 13 leasing transactions ranging from £87.50 to £183 per sq ft. Many of these comparables are from superior City stock and sit at the upper end of what would typically be achieved across the wider assessment area. Similarly, the adopted office yield of 5.5% reflects more prime transactions than the broader market, with the evidence base ranging from 4.90% to 7.20%.	The viability assessment adopts a balanced approach to office values and yields, recognising the heterogeneity of the City’s office market. While the headline office rent assumption of £92.50 per sq ft sits above current headline rents, it reflects an average derived from recent City transactions spanning a wide range -from £87.50 to £183 per sq ft - including both mid-range and premium stock. Importantly, this is adjusted through conservative assumptions, including a total of 36 months of void and rent-free periods. These allowances materially reduce effective income and reflect current letting risk. This approach is consistent with standard practice in plan-making viability testing, which assesses whether policies are broadly deliverable over the lifetime of the plan, rather than at a single point in	No change

				the market cycle or only for the weakest-performing assets. Similarly, the adopted office yield of 5.5% represents a mid-range assumption drawn from a broad evidence base, with recent City yields ranging from 4.90% to 7.20%. While secondary stock may trade at softer yields, this assumption is appropriate in the context of the City Plan’s focus on redevelopment and refurbishment to deliver modern, high-quality, ESG-compliant office space. This is further moderated by the use of lower-quartile rents and higher yields for existing use values, reflecting the weaker performance of secondary offices prior to redevelopment.	

474	R13_29_030	Newmark on behalf of CPA	There is also no allowance for demolition or exceptional costs, which are often substantial in the City and not captured by standard BCIS rates. Quintic themselves acknowledge that their adopted construction cost sits at the lower end of the range provided in CPA examples. All typologies assume a 24-month build period, which is unrealistic for larger office schemes. Benchmark Land Values are based on broad judgements of existing use values, with an EUV of around £150 per sq ft GIA and a flat 20% premium applied across all scenarios. Whilst not unreasonable, this approach lacks the nuance typically required for complex central London sites. Methodologically, the absence of detailed appraisals means the results cannot be interrogated or verified. The use of single spot figures for all key inputs, without any sensitivity testing, represents a significant limitation and fails to reflect the volatility of current market conditions. Taken together, these issues suggest that viability may be overstated, particularly for larger and more complex developments. Without transparency on the underlying appraisals and without sensitivity testing to stress-test conclusions, there remains considerable doubt about the robustness of the finding that the cumulative proposed contributions can be viably absorbed by future schemes.	While demolition, abnormal costs and longer build programmes can be significant on individual City sites, the Viability Assessment deliberately avoids applying blanket allowances for such items, as they vary widely and cannot be reliably averaged without distorting results. BCIS rates already include an element of abnormal cost, and Quintic (our consultants) explicitly acknowledged that they adopted construction costs towards the lower end of CPA-provided ranges in order to strike a balanced position. Benchmark Land Values are derived using existing use value plus a premium, consistent with the NPPF and PPG guidance. While the assessment does not include traditional variable-by-variable sensitivity tables, it undertakes effective sensitivity testing through scenario-based analysis, including testing 27 typologies, multiple levels of cultural contribution, alternative carbon offsetting scenarios, and cumulative policy impacts. These tests demonstrate the range of outcomes and variability in viability. Finally, the assessment repeatedly	No change

				emphasises that office viability is highly variable and site-specific, and it does not conclude that all schemes can absorb all contributions. Rather, it finds that in most cases viability is maintained at plan level, with flexibility required at development management stage. The City Corporation therefore considers that the viability assessment is robust and appropriate for the plan-making purposes.	

485	R13_30_001	DP9 on behalf of British Land	Dear Sir/Madam, CITY OF LONDON – REGULATION 12 AND 13 – DRAFT PLANNING SUPPLEMENTARY DOCUMENTS We are pleased to provide the following comments in response to the City of London Corporation's consultation on the draft SPDs published in March 2026. As set out in our previous representations on the draft City Plan 2040, British Land supports the overall vision for the City Corporation and the strategic policies set out within the Plan and the following comments are made within this context. PLANNING OBLIGATIONS SPD British Land acknowledges the need to update the Planning Obligations SPD to support the implementation of the emerging City Plan 2040. As highlighted in our Call for Evidence submission in December 2025, development viability has been severely challenged by significant construction cost inflation, regulatory change and higher interest rates which have worsened yields and increased finance costs. The cumulative impact of planning obligations, particularly where these are front-loaded, increases costs and places additional pressure on the viability and deliverability of schemes. In the current environment of construction cost inflation and regulatory change, it is important that the City does not unilaterally increase s106 rates and scope simply because of the passage of time. A careful balance is required to ensure obligations remain realistic and proportionate and do not inadvertently delay or prevent development from coming forward. We recognise that existing s106 obligations, such as affordable housing and local skills, job brokerage and training have been increased in line with inflation. These representations focus on the new obligations proposed within the draft SPD, which add further costs to development.	The City Corporation notes British Land's comments and recognises the significant pressures currently affecting development viability, including construction cost inflation, regulatory change and higher financing costs. These factors are reflected in the Viability Assessment, which tests the cumulative impact of City Plan policies and planning obligations under current market conditions. The SPD is designed to be applied with flexibility, with Section 106 obligations considered on a site-specific basis and in accordance with the statutory tests set out in Regulation 122 of the CIL Regulations. Existing obligations have been indexed to account for inflation, while the introduction of new obligations has been informed by the viability evidence to ensure that requirements remain proportionate, reasonable and deliverable at plan level.	No change

486	R13_30_0 02	DP9 on behalf of British Land	Cultural Contribution As set out in previous representations on the emerging City Plan 2040 and Call for Evidence, we would encourage the City reconsider the proposed 10,000 sqm gross floorspace threshold for cultural contributions. This should apply to a net uplift of 10,000 sqm, rather than gross floorspace. Without this adjustment, the policy risks generating a number of fragmented cultural contributions, rather than enabling payments to be pooled and directed towards more strategic, high-impact cultural interventions across the Square Mile. The SPD proposed calculating the payment in lieu based on Estimated Rental Values ('ERVs'). It is currently unclear whether ERVs would require independent verification, to be negotiated on a case-by-case basis, or rely on a standardised assumed ERV. However, a standardised ERV approach may not reflect variations in location, specification, use type, current market conditions, all of which influence rental values.	The City Corporation continues to believe that all major schemes should deliver for culture in some way. It should be noted that additional modifications have been sent to the City Plan Inspectors that allow for payment in lieu for schemes over 10,000sqm where it is shown this better serves the surrounding cultural ecosystem. The removal of the proposed formula in favour of a flat payment in lieu rate means that it is simpler for schemes with minimal uplift in floorspace to make a payment rather than deliver on site. Additional guidance will be added on the circumstances where a payment in lieu could be an acceptable way to satisfy policy CV2 requirements.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11..2-11.7 has been updated to reflect this change.
487	R13_30_0 03	DP9 on behalf of British Land	The draft Planning Obligations SPD sets out a formula that has been developed to determine a commensurate scale based on the size of the development. The standard assumption is that the 'minimum' 2% target will be reached. The formula can also be adjusted to 'good' or 'outstanding' to account for different levels of provision based on the wider planning balance and material considerations associated with individual schemes. The draft SPD states that compliance with the target does not mean compliance with Policy CV2 of the City Plan 2040. We question the simplicity of the proposed Target Value Cultural Contribution. The calculation is derived as a percentage of total development floorspace and simply categorised as 'minimum' (2%), 'good' (5%) and 'outstanding' (11%). It is understood that the benchmark figures have been set from just 3 schemes out of a	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11..2-11.7 has been updated to reflect this change.

			sample of 20. The rationale for the schemes that have been chosen is also unclear and are not considered to provide a broad enough profile of development within the City. One scheme is a stalled development which has not come forward and the other two are purpose-built student accommodation schemes. We question the soundness of using these as benchmarks for major commercial office schemes within the City.	from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	
488	R13_30_004	DP9 on behalf of British Land	It is unclear as to when 'enhanced' contributions set at the 5% or 11% level would be required. This is only identified as being as the City's 'discretion'. Given the potential difference in contribution that could be required between the different levels, further clarity is needed as to when the different multipliers are expected to be applied. For British Land's 1 Appold Street development, the contribution has been calculated as potentially ranging between £806k (2%) all the way up to £4.4m (11%); whilst for their 2FA development the range would be between £1.5m (2%) up to £8.3m (11%). This level of divergence between the different multipliers is substantial, and without greater clarity as to which multiplier is to be applied risks introducing even more uncertainty into the development process at a time when greater clarity is needed. It is currently unclear from the draft SPD how any financial contributions towards culture would be affected where development delivers cultural initiatives on site. There should be flexibility to be able to negotiate cultural provision on a site by site basis, recognising that there will be trade-offs between the scale of any on site provision, ongoing rental discounts and up front capital contributions. Overall, we welcome the principle of a financial contribution in lieu of cultural provision in every single development as a positive response to our earlier representations. However, as outlined	The purpose of the cultural formula was to provide an objective, quantitative target that all parties could agree on for cultural contributions, that was also proportionate to the scale of a development and consistent across all schemes. There has been clear feedback from the industry that the formula is too complex, does not respond to site specific circumstances, and that the higher ratios would undermine development viability. In response, the formula will be removed from the adoption version of the SPD and replaced by a flat rate for payment in lieu, with further guidance on when a payment could be acceptable. There will not be a quantitative target for on site cultural contributions.	The formula on page 21 has been removed, and for payments in lieu, a flat rate £23/sqm levied on the uplift in floorspace has been introduced. This has been balanced by a reduction in the Employment and Skills contribution to £23/sqm. On site delivery will not be subject to quantitative spatial target. The text in paragraphs 11.2-11.7 has been updated to reflect this change.

			above, greater clarity is needed to ensure the mechanism is proportionate, transparent and is flexible enough so the requirement can respond to site specific circumstances to ensure the most appropriate - and importantly - deliverable cultural offer can be realised.		
489	R13_30_005	DP9 on behalf of British Land	Transport – Cycle Parking Further to our previous representations, we maintain that the proposed cycle parking shortfall contribution should be omitted. Cycle parking provision within new developments is significantly under-utilised, and the GLA's published London Plan Guidance has already reduced residential cycle parking standards. It is widely anticipated that similar changes will be applied to commercial development as part of the upcoming London Plan review . These changes are in line with the findings of the recent 'Cycling and the City' report published by the CPA and Business LDN's 'Reforming Cycle Parking Standards In London' Briefing Paper. Given the findings of these recent studies, it is unclear what the rationale is to require a financial contribution to be provided for any shortfalls against policy targets that are widely accepted as now being over inflated and out of line of what is required in practice.	Through the City Plan examination process flexibility has been added to policy AT3 to permit a short fall of long stay cycle parking in certain circumstances. This modification was consulted on and for consistency the approach has been added into the SPD.	No change
490	R13_30_006	DP9 on behalf of British Land	Community Infrastructure Levy We support the City Corporation's decision to review its CIL Instalment Policy and understand that this work will be progressed separately. A phased CIL approach, which better reflects demolition and construction phasing on large schemes, would provide greater certainty for investors and developers and improve cashflows	Support noted. Work on updating the CIL instalment policy is currently underway and falls outside the scope of the Planning Obligations SPD. The City Corporation welcomes your feedback on this matter and will invite	No change

			without reducing developer contributions or infrastructure provision. We also encourage the City to provide increased transparency on how CIL receipts are allocated, ensuring that spending is clearly linked to infrastructure that supports and mitigates the impact of development. For example, this could include the reinvestment of CIL into strategic public realm improvements around Liverpool Street to support and enhance Network Rail's proposals for the station upgrades.	comments once the policy is published for consultation. The City Corporation is also updating the Infrastructure Delivery Plan, which will set out infrastructure priorities across the City, providing greater clarity on future infrastructure delivery.	
491	R13_30_007	DP9 on behalf of British Land	Air Quality Offset The proposed Air Quality Offset Payment would apply to increased emissions associated with the replacement of combustion plant, including on-site generators used for emergency life safety and business continuity, and where there is an increase in operational vehicles. Current and emerging planning policies already encourage developments to reduce emissions through sustainable transport and clean energy technologies such as ASHPs and PVs. Introducing an additional charge where on-site generators are required and only used in emergencies and for very limited testing adds further unnecessary cost to development.	The City Corporation notes the comments regarding the proposed Air Quality Offset. The purpose of the offset is to mitigate demonstrable increases in emissions arising from development where these cannot be avoided or adequately mitigated on-site, in accordance with policy guidance.	No change
492	R13_30_008	DP9 on behalf of British Land	Carbon Offset Contributions We welcome the proposed ring-fencing of carbon offset contributions into the City Corporation's Carbon Fund, alongside the commitment to report annually on contributions received and how they are spent through the Infrastructure Funding Statement. Where possible, we would encourage the City to go further by identifying specific projects that these contributions support, to improve governance and ensure that these contributions can be counted as genuine carbon offsets (rather than simply as a carbon tax).	Noted.	No change
493	R13_30_009	DP9 on behalf of	Glossary The glossary should clarify that the definition of 'major development' should be where there is an increase of >10,000 sqm (per general planning obligations qualifying criteria (i.e affordable	In the Code of Practice for Deconstruction and Construction Sites, the definition of "major development" is applicable for the	No change

		British Land	housing and local procurement), as otherwise a 100 sqm uplift to an existing 15,000 sqm building would qualify and be disproportionate.	purposes of managing construction-phase environmental impacts. The definition is based on the overall scale of construction works associated with a development, rather than the net increase in floorspace, and can therefore include refurbishments or works to existing buildings.	
498	R13_31_004	N/A	I support these measures to protect and enhance biodiversity.	Support noted.	No change

501	R13_32_0 03	Natural England	Dear Sir or Madam Planning Obligations Supplementary Planning Document for the City of London Thank you for your consultation request on the above dated and received by Natural England on 16th March 2026. Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development. Our remit includes protected sites and landscapes, biodiversity, geo-diversity, soils, protected species, landscape character, green infrastructure and access to and enjoyment of nature. Whilst we welcome this opportunity to give our views, the topic of the Supplementary Planning Document does not appear to relate to our interests to any significant extent. We therefore do not wish to comment. Should the plan be amended in a way which significantly affects its impact on the natural environment, then, please consult Natural England again. Strategic Environmental Assessment/Habitats Regulations Assessment A SPD requires a Strategic Environmental Assessment only in exceptional circumstances as set out in the Planning Practice Guidance here. While SPDs are unlikely to give rise to likely significant effects on European Sites, they should be considered as a plan under the Habitats Regulations in the same way as any other plan or project. If your SPD requires a Strategic Environmental Assessment or Habitats Regulation Assessment, you are required to consult us at certain stages as set out in the Planning Practice	An SEA screening for the Planning Obligations SPD was undertaken, and it concluded that the SPD is unlikely to give rise to significant impacts on the environment. Natural England was also consulted at the time.	No change

			Guidance. Please send all planning consultations electronically to the consultation hub at consultations@naturalengland.org.uk Yours faithfully Sharon Jenkins Consultations Team, Natural England		

Appendix 2- What We Heard document, Autumn 2025

https://www.cityoflondon.gov.uk/assets/Services-Environment/SPD-Autumn-Engagement-What-We-Heard.pdf