

# Elephant Park MP5 H7

Reserved Matters Application pursuant to  
Outline Planning Permission (ref: 12/AP/1092)

## Reserved Matters Affordable Housing Strategy

Prepared for Lendlease by DP9



**FREE!  
CHILDREN'S  
WORKSHOPS**

- Little Elephant  
Grow & Cook  
1:00, 2:00, 3:00, 4:00-5:00 (max 20)
- Southwark Playhouse  
Pop up Theatre  
2:00-2:45
- Wicker Elephant Ar  
1:00-5:00
- Newington Library  
Story Time  
1:30 & 2:30
- Face Painting  
1:00-4:30





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# 1. INTRODUCTION

## 1.1. Role of the affordable Housing Strategy

- 1.1.1. An Affordable Housing Strategy is required by Section 106 Agreement that accompanies the Outline Planning Permission. In accordance with the Section 106 Agreement, an Affordable Housing Strategy (July 2013) was submitted in support of the Outline Planning Permission. To demonstrate that the Development (and the Affordable Housing provided within the Development) is being developed consistent with the Outline Planning Permission and the Section 106 Agreement, the Section 106 Agreement requires the submission of an updated strategy in advance of each Reserved Matters Application that includes housing, in order to set out how the consented development is being delivered in accordance with the approved Affordable Housing Framework and Affordable Housing Strategy.
- 1.1.2. This version of the Affordable Housing Strategy provides details of the Affordable Housing to be provided in Phase MP5 Plot H7 (or MP5 H7) and updates the overall provision of Affordable Housing comprised in the development as a result, in accordance with the Outline Planning Permission. This is explained in more detail in Section 2 below.

## 1.2. The Planning Permission

- 1.2.1. Southwark Council (SC) granted two planning permissions for Elephant Park (formerly referred to as “the Heygate Masterplan”) on 27 March 2013: Outline Planning Permission (ref: 12/AP/1092 as amended by subsequent 96a applications) and Demolition Planning Permission (12/AP/3203):

- 1.2.2. The description of development for the Outline Planning Permission (the Development) is:

*“Redevelopment to provide a mixed-use development comprising a number of buildings ranging between 13.13m (AOD) and 104.8m (AOD) in height with a capacity for between 160,579sqm GEA (min) and 254,400sqm GEA (max) residential floorspace together with retail (Class A1-A5), business (Class B1), leisure and community (Class D1 and D2), and energy centre (sui generis) uses, new landscaping, park and public realm, car parking, means of access, and other associated works.”*

- 1.2.3. Full planning permission was also granted for:

*“Demolition of all existing structures and bridges and associated works.”*

- 1.2.4. Since the approval of the Outline Planning Permission, SC has approved Reserved Matters Applications for MP1 (Masterplan First Phase), comprising Plot H6, H10, H13 and associated public realm, on 10th February 2014, MP2 (Masterplan Second Phase), comprising Plots H2 and H3 and associated public realm on 3rd December 2014, MP1a (Masterplan First sub-phase) comprising Plot H12 and associated public realm on 7th October 2015, MP3 (Masterplan Third Phase) comprising Plot H4 and associated public realm on 26th May 2017 and Plot H5 and associated public realm on 22nd September 2017, and MP4 (Masterplan Fourth Phase) comprising Plots H11a and H11b and associated public realm on 28th September 2018.

## 1.3. The Elephant Park Site

- 1.3.1. The Site is located in Elephant and Castle, within the administrative boundary of the SC. The Site occupies an area of 9.71 hectares, and is bound by:

- New Kent Road (A201) to the north,
- Rodney Place and Rodney Road to the east,
- Wansey Street to the south; and
- Walworth Road (A215) and Elephant Road to the west.

- Heygate Street bisects the site with junctions to Walworth Road to the west and Rodney Place and Rodney Road to the east.

## 1.4. Elephant Park

- 1.4.1. In summary the Outline Planning Permission for Elephant Park granted consent for a maximum total of 330,741 m<sup>2</sup> GEA floorspace. Table 1 below defines the maximum and minimum floorspace figures for each category of approved land uses.

Table 1 - approved maximum and minimum floorspace

Land Use	Use Class	Minimum GEA (m <sup>2</sup> )	Maximum GEA (m <sup>2</sup> )
Residential	C3	160,579	254,400
Retail	A1/A2/A3/A4/A5	10,000	16,750
Business	B1	2,000	5,000
Community and Culture	D1	1,000	5,000
Leisure	D2	1,000	5,000
Sui Generis / Energy Centre	Sui Generis	500	925
Sub –Total	-	175,079	287,075
Parking; Servicing; Plant; Storage	-	34,854	43,666
<b>TOTAL</b>	-	<b>209,933</b>	<b>330,741</b>

- 1.4.2. The Outline Planning Permission granted consent for a maximum level of residential floorspace of 254,400 m<sup>2</sup> (GEA) and a minimum level of 160,579 m<sup>2</sup> (GEA).
- 1.4.3. The Outline Planning Permission introduced five specific character areas within Elephant Park which have been established to create a variety of experience and richness to the Development and determine the functions of the individual development plots. The five character areas are: The Park; Walworth Road; New Kent Road; Walworth Local; and Rodney Neighbourhood, which are described in detail in the Design Strategy Document (DSD) approved as part of the Elephant Park Outline Planning Permission.
- 1.4.4. Elephant Park was further sub-divided into 12 individual development plots (H1-H7, H10, H11a, H11b, H12, and H13) plus a pavilion to be located in the new park at the centre of the scheme (PAV1). The individual development plots contain a mix of residential and other land uses, and are of varying heights and massing to fit into the specific character areas in which they are located.
- 1.4.5. In addition to the built floorspace set out above, Elephant Park included significant areas of open space, including a new park, gateway spaces, pocket parks and new streets. Mature trees have been retained where possible and complemented with new landscape and new trees both on and off-site. The Development will provide a minimum of 45,286 m<sup>2</sup> (4.53ha) of publicly accessible realm.

## 1.5. Site Wide Strategy

- 1.5.1. The Section 106 Agreement associated with the Planning Permissions establishes a requirement to submit a suite of site wide strategies for Elephant Park to SC for approval. Where relevant, some of these strategies need to be submitted after consultation with key parties such as the Greater London Authority (GLA) and Transport for London (TfL). These strategies are intended to bridge the gap between the documents submitted as part of the outline planning application and the detailed design of the individual Phases, Plots, Infrastructure and Public Realm Areas which will come forward as Reserved Matters Applications (RMAs) to implement and deliver the Outline Planning Permission. By their very

nature these strategies need to be of a strategic nature and cannot contain the final details of all the elements of the scheme. However, they set out guiding principles and objectives to be applied across the whole site that explain how the design and approval of the RMAs implement and deliver the consented development at Elephant Park.

- 1.5.2. Once approved, the site wide strategies form the basis for the implementation of plot and phase specific strategies, also to be approved by SC.
- 1.5.3. The detailed design, materials, specifications, and programme for the individual elements of Elephant Park will be submitted for approval at a later date as Reserved Matters Applications, or pursuant to other Section 106 obligations or planning conditions attached to the Outline Planning Permission.
- 1.5.4. As well as the site wide strategies, the Section 106 sets out the requirement for the preparation of a hierarchy of plans and programmes designed to show how the overarching construction phasing will translate into the delivery and completion of buildings and associated infrastructure, transport and public realm works in each phase of development and at plot level.
- 1.5.5. Figure 1 below summarises the hierarchy and sequence for the approval of strategies, plans, and detail design pursuant to the Outline Planning Permission and the Section 106.

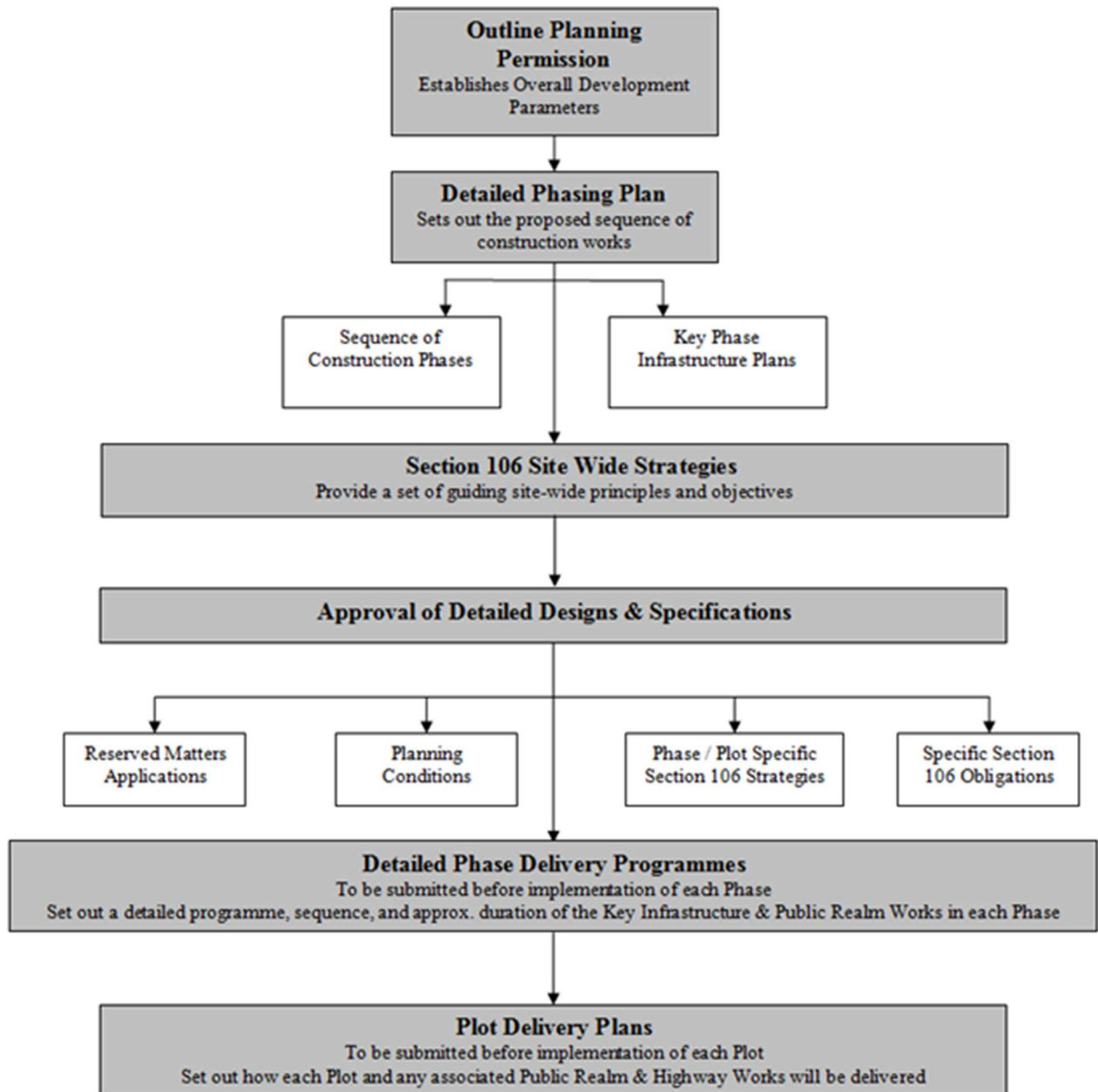


Figure 1 - Hierarchy of strategies and plans set out in the Outline Planning Permission and the Section 106

- 1.5.6. The Section 106 sets out different triggers and timings for the submission and approval for the various site wide strategies depending on when during the overall development each matter requires resolution. These triggers and requirements reflect the need to demonstrate how matters to be resolved and designed at detailed design stage of individual phases and plots fit within the general parameters and principles of the Outline Planning Permissions and the overarching objectives of the Development.
- 1.5.7. The Section 106 also sets out, where relevant and necessary, a framework for future amendments and updates of the various strategies to ensure that these high-level documents remain updated and relevant throughout the delivery of this complex regeneration project in the long term.

## 2. PURPOSE AND SCOPE OF THE STRATEGY

2.1 The purpose of this updated site-wide strategy is to address the requirements of the Section 106 in respect of the implementation and delivery of the approved Affordable Housing Strategy. This version of the strategy updates the previous version (January 2018), which contained emerging details of MP4, and was approved by SC pursuant to the Section 106, Schedule 3, Paragraph 5.3.1.

2.2 The relevant paragraphs of the Section 106 Agreement in relation to the submission and preparation of the Affordable Housing Strategy are extracted or summarised below and contained in full within Appendices 1, 2 and 3 of this document:

*5.3 The Developer further covenants:*

*5.3.1 not less than two months prior to the submission of the first Reserved Matters Application to submit for the written approval of the Council in consultation with the GLA the Affordable Housing Strategy in relation to the Development; and*

*5.3.2. not less than two months prior to the submission of each Reserved Matters Application thereafter which includes Dwellings to submit for the written approval of the Council In consultation with the GLA an updated Affordable Housing Strategy in relation to the Development; and*

*5.3.3 not to Implement the relevant Reserved Matters Approval for a Plot unless and until the Affordable Housing Strategy for that Plot has been approved in writing by the Council.*

*5.4 The Affordable Housing Strategy shall include:*

*5.4.1 the Developer's proposals for the provision of Affordable Housing in the Development in accordance with the Affordable Housing Framework; and*

*5.4.2 details of the Affordable Housing to be provided for each Plot and include the distribution, tenure mix, units sizes and Wheelchair Accessible Affordable Housing to be provided in each Plot and an indication of the overall provision of Affordable Housing comprised in the Development.*

2.3 The Affordable Housing Framework is defined in the Section 106 Agreement as “the framework contained at Appendix 4 (of the deed) which provides for 25% Affordable Housing across the Development (calculated on the basis of Habitable Rooms) 50% of which shall be Rented and 50% Shared Ownership”. This framework is reproduced below at Figure 2 and also included in Appendix 3 of this document.



**APPENDIX 4**

**Affordable Housing Framework**

**1. CUMULATIVE DELIVERY MILESTONES AND MIX**

Milestones (total number of units completed, including private and affordable)	Proportion of Affordable Housing to be provided by Habitable Rooms on completion of each cumulative milestone	Tenure Mix to be provided within the total provision of Affordable Housing by Habitable Rooms on completion of each cumulative milestone		Min and Max provision of 3 + bed Units at Social Rent Levels within the total provision of Affordable Housing by Habitable Rooms on completion of each cumulative milestone	
		RENTED	SHARED OWNERSHIP	RENTED 3 + BED	
400	Min 20%	Min 25%	Max 75%	Min 20%	Max 35%
800	Min 20%	Min 25%	Max 75%	Min 20%	Max 35%
1,200	Min 25%	Min 35%	Max 65%	Min 20%	Max 30%
1,600	Min 25%	Min 40%	Max 60%	Min 18%	Max 21%
2,000	Min 25%	Min 40%	Max 60%	Min 15%	Max 21%
Milestone	Proportion of Affordable Housing to be provided by Habitable Rooms on completion of the Development	Tenure	Mix to be provided within the total provision of Affordable Housing by Habitable Rooms	Max provision of 3 + bed Units at Social Rent levels within the total provision of Affordable Housing by Habitable Rooms	
On completion of the last unit	Target aggregate 25%	50%	50%	Max 18%	

**2. AFFORDABLE HOUSING PROVISION – MINIMUM LEVELS (2,300 units)**

	1 bed	2 bed	3 + bed	TOTALS
Rented Habitable Rooms (assuming no unit in the Development has a room larger than 27.5 m <sup>2</sup> )	No less than 501		No less than 285	Total no less than 787
MIN Development (based on 2,300 units)	[194]*		[73]*	[265]*
Shared ownership	1 + bed			
Habitable Rooms (assuming no unit in the Development has a room larger than 27.5 m <sup>2</sup> )	No less than 787			Total no less than 787
Units	[268]*			[268]*

[numbers]\* = illustrative position on unit numbers assuming no Habitable Room in the whole Development exceeds 27.5 m<sup>2</sup>

Within the Affordable Housing Framework the following principles will also apply:

- 50% of Shared Ownership Units (based on habitable rooms) are to be provided to residents on incomes at or below the Southwark Shared Ownership Affordability Threshold;
- 50% of the Shared Ownership Units (based on habitable Rooms) are to be made available to households at or below the GLA Affordability Threshold;
- Registered Providers shall ensure that initial share of the Shared Ownership Unit must be a minimum of 25% and a maximum of 75% of the Shared Ownership Unit.
- Registered Providers shall set rents for Shared Ownership Units at no more than 2.75% of the value of the unsold equity at the point of initial sale.

Figure 2 - S106 Affordable Housing Framework

2.4 Additional definitions and paragraphs in the Section 106 are relevant in respect of the delivery of Affordable Housing in the Development generally. A summary of these definitions and paragraphs as well as full extracts of the relevant text is provided in Appendices 1, 2 and 3 of this document.

2.5 In line with paragraph 5.3, this updated Affordable Housing Strategy is intended to set out how the Affordable Housing is to be delivered as part of the Development to be in line with the Affordable Housing Framework contained in Appendix 4 of the Section 106 Agreement.

2.6 The Affordable Housing Strategy needs to take a strategic overview of the whole development, setting out key principles and a framework for future design, monitoring, and delivery of the individual Phases and Plots. The detailed design and specifications for these individual elements of Elephant Park will be brought forward through the individual Reserved Matters Applications and updated Affordable Housing Strategies, which will be submitted at a later date and be subject to further consultation.

2.7 Figure 3 below summarises the hierarchy and sequence for the approval of the Affordable Housing Strategy, and the subsequent submission and approval of updated Affordable Housing Strategies, the detailed design of the individual phases, plots, and affordable housing proposals, and the detailed programme for the delivery of the construction phases pursuant to the Outline Planning Permission and the Section 106.

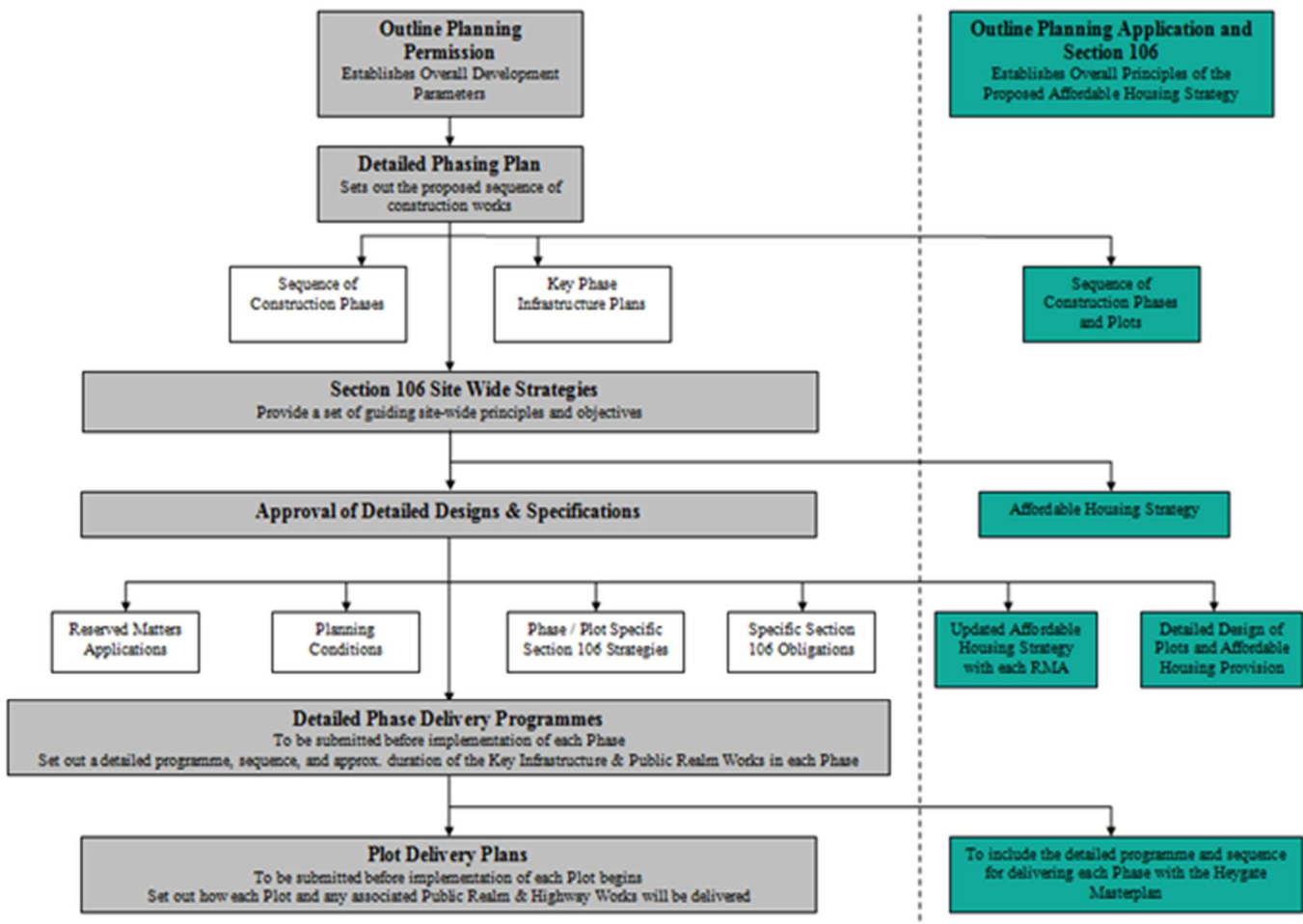


Figure 3 - Hierarchy of strategies and plans set out in the Outline Planning Permission and the Section 106 with specific reference to the Affordable Housing Strategy and the delivery of Affordable Housing

2.8 Lendlease shall comply with the approved Affordable Housing Strategy (and any updated as necessary) in carrying out and completing the Elephant Park development. The Reserved Matters Applications effectively contribute to the objectives of the Affordable Housing Strategy. Lendlease must update the approved Strategy with each Reserved Matters Application via Schedule 3, Paragraph 5.3.2 of the Section 106 Agreement, or by agreement in writing with SC in consultation with the GLA.

## 3. LENDLEASE COMMITMENTS TO AFFORDABLE HOUSING

This section sets out Lendlease's commitments for the provision of Affordable Housing in the Development in accordance with the Outline Planning Permission and the Section 106 Agreement.

### 3.1. Quantum and Type of Affordable Housing

3.1.1. The completed Development shall provide 25% Affordable Housing (calculated on the basis of Habitable Rooms) and no more than 50% of the said Affordable Housing shall comprise Shared Ownership Units (Section 106, Schedule 3, Para. 5.7)

3.1.2. Habitable rooms are defined in the Section 106 as a room with at least one window within a Dwelling which is:

- (a) capable of use for sleeping, living or dining; and
- (b) a kitchen with an overall floor area of not less than 11 sqm, but excluding in all cases toilets, bathrooms, landings, halls and lobbies

PROVIDED ALWAYS that any room in excess of 27.5 sqm will be treated as two Habitable Rooms in the determination of the quantum of Affordable Housing provision

3.1.3. In addition, the Section 106 sets out that for every Affordable Housing Unit which is secured as Wheelchair Accessible Affordable Housing one less Habitable Room will be required in calculating the remaining Affordable Housing to be provided as part of the Development.

3.1.4. Lendlease will construct or procure the construction of the Affordable Housing in accordance with the quantum and tenure set out in the Affordable Housing Framework as part of the Development upon the Site and in accordance with the unit size and design requirements of the Southwark Residential Design Standards (2011) and Southwark's Interim Planning Policy Guidance: Technical Housing Standards (October 2015) or the most up to date supplementary planning document for residential design and the Southwark Affordable Housing SPD extant on the Implementation of the relevant phase where feasible (Section 106, Schedule 3, Para. 5.1).

3.1.5. Within the Affordable Housing Framework (included as Appendix C of this document) the following principles will also apply (subject to other Section 106 clauses that may allow for amendments):

- Social Rent levels for 3 and 4 bedroom homes, in line with borough housing priorities;
- Affordable Rents on 1 and 2 bedroom homes at 50% of market rent, which is;
  - A lower level than is set by the GLA 2015-18 Affordable Housing Programme; and
  - A lower level than is being forecast in a number of London boroughs
- 50% of Shared Ownership Units (based on habitable rooms) are to be provided to residents on incomes at or below the Southwark Shared Ownership Affordability Threshold;
- 50% of the Shared Ownership Units (based on Habitable Rooms) are to be made available to households at or below the GLA Affordability Threshold;
- Registered Providers shall ensure that initial share of the Shared Ownership Unit must be a minimum of 25% and a maximum of 75% of the Shared Ownership Unit
- Registered Providers shall set rents for Shared Ownership Units at no more than 2.75% of the value of the unsold equity at the point of initial sale

3.1.6 The Section 106 Affordable Housing Framework establishes cumulative delivery milestones for the affordable housing on the following basis:

- Minimum 20% by completion of 400 units;



- Minimum 20% by completion of 800 units;
- Minimum 25% by completion of 1200 units;
- Minimum 25% by completion of 1600 units;
- Minimum 25% by completion of 2000 units; and
- 25% by completion of the last unit (percentages are cumulative and based on Habitable Rooms)

### 3.2. Unit Mix and Size

3.2.1. As required by the Section 106, the design and unit sizes of the Affordable Housing within the Development will comply with, and exceed where possible, the following minimum dwelling sizes set by Southwark Council within the Southwark Residential Design Standards Supplementary Planning Document (October 2011) or the most up to date supplementary planning document for residential design, the Southwark Affordable Housing SPD and the Mayor's Housing Design Guide (now replaced by the 2016 Housing SPG) extant on the Implementation of the relevant Phase. The current standards are set out in Table 2 below:

Table 2 - Southwark Council minimum dwelling sizes (as of October 2015)

Development Type	Dwelling type (bedroom/persons)	Essential GIA (sqm)
<b>Flats</b>	Studios	39 (37)
	1b2p	50
	2b3p	61
	2b4p	70
	2b average	66
	3b4p	74
	3b5p	86
	3b6p	95
	3b average	85
	4b5p	90
	4b6p	99
	4b7p	108
	4b8p	117
	4b average	104
	<b>2 storey house</b>	2b4p
3b4p		84
3b5p		93
3b6p		102
3b average		93
4b5p		97
4b6p		106
4b7p		115

	4b8p	124
	4b average	111
<b>3 storey house</b>	3b5p	99
	4b5p	103
	4b6p	112
	4b average	108

3.2.2. As well as complying with the above space standards the proposed Affordable Housing will meet or exceed the following specific standards:

- Code for Sustainable Homes level 4;
- Lifetime Homes equivalent;
- Secured by Design;
- Building for Life;
- Housing Quality Indicators for affordable homes; and
- NHBC compliance.

### 3.3. Affordable Housing and Design and Location

3.3.1. In line with the approved Design Strategy Document the affordable housing provision within Elephant Park will be 'tenure blind' when viewed from the street, meaning that there will be no outward differential between units provided as affordable or private market housing. Furthermore, to increase social integration and enhance the community infrastructure the affordable units will be distributed throughout the phases and will not be concentrated in a particular area of the plot.

## 4.DETAILS OF MP5 H7 AFFORDABLE HOUSING PROVISION

This section sets out Lendlease's emerging proposals for Affordable Housing to be included within MP5 H7. Please note that the final proposals for Affordable Housing within MP5 H7 will be contained within the relevant Reserved Matters Applications.

### 4.1. MP5 H7 (Masterplan Fifth Phase)

4.1.1. SC approved the Detailed Phasing Plan for Elephant Park in October 2013 pursuant to condition 3 of the Outline Planning Permission and Section 106 Agreement requirements. An updated phasing plan was submitted to the Council on 18th April 2016 pursuant to condition 5 and was determined on 17th April 2017. The approved and updated Detailed Phasing Plans in Appendix D outlines that MP5 would come forward comprising Plots H1 and H7. This strategy relates to Plot H7.

4.1.2. The proposed MP5 H7 application boundary is indicatively defined by Figure 4 below.



Figure 4 - Indicative application boundary MP5 H7



## 4.2. MP5 H7 Programme

- 4.2.1. Lendlease is currently evolving the detailed design for MP5 H7 and associated public realm and commenced public consultation and engagement with local groups in November 2018. Lendlease anticipates submitting the Reserved Matters Applications to Southwark Council for approval in early 2019.
- 4.2.2. Once approved, Lendlease anticipates constructing MP5 H7 between 2020 and 2024.

## 4.3. MP5 H7 Emerging Affordable Housing Provision

- 4.3.1. As set out above, Lendlease is currently evolving the detailed designs for MP5 H7 and anticipates submitting Reserved Matters Applications in early 2019. For the purpose of this Updated Affordable Housing Strategy Lendlease's emerging mix for the provision of Affordable Housing in MP5 H7 is set out below. It is important to note that the emerging mix is currently being tested through the detailed design of the MP5 H7 proposals, in consultation with SC and the public, and will be subject to change. The final details of the Affordable Housing proposals within MP5 H7 will be contained within the actual MP5 H7 Reserved Matters Application.
- 4.3.2. The emerging mix for MP5 H7 includes 22% Affordable Housing (calculated on the basis of Habitable Rooms). The anticipated site-wide provision with the emerging mix for MP5 H7 is 25% Affordable Housing, in accordance with the Section 106 agreement as described below in Section 5.
- 4.3.3. The following table sets out the proposed distribution of the emerging Affordable Housing proposals in MP5 H7 (based on emerging mix).
- 4.3.4. It is proposed that the design and unit sizes of the Affordable Housing within MP5 H7 will comply with, and exceed where possible, the minimum dwelling sizes stipulated by the Southwark Residential Design Standards Supplementary Planning Document (September 2011) the Mayor's Housing Standards Policy Transition Statement (2015), which are set out in Section 3 of this document. Full details of design and unit sizes will be included with the Reserved Matters Applications for MP5 H7.

*Table 3 - Emerging Mix for MP5 Affordable Housing Proposals*

MP5 H7	
Residential Units	424
Private Units	352
Rented Units (1&2 beds)	20
Social Rents Units (3+ beds)	15
Shared Ownership Units	37
Wheelchair Accessible Affordable Housing Units	11
Wheelchair Accessible Market Housing Units	20

- 4.3.5. It is proposed that the design and unit sizes of the Affordable Housing within MP5 H7 will comply with, and exceed where possible, the minimum dwelling sizes stipulated by the Southwark Residential Design Standards Supplementary Planning Document (September 2011) the Mayor's Housing Standards Policy Transition Statement (2015), which are set out in Section 3 of this document. Full details of design and unit sizes will be included with the Reserved Matters Applications for MP5 H7.

## 5.DETAILS OF ANTICIPATED SITE-WIDE AFFORDABLE HOUSING DELIVERY

This section sets out Lendlease's anticipated proposals for the delivery of Affordable Housing across Elephant Park in line with the commitments in the Outline Planning Permission, the Section 106 Agreement, and throughout the phases of the Development. The proposals are subject to the detailed design of MP5 H7 which will be contained in the Reserved Matters Applications for the plot.

### 5.1. Detailed Phasing Plan

5.1.1. As stated in Section 4, the Detailed Phasing Plans in Appendix 4 sets out the proposed construction sequence for the Elephant Park development. The phasing is explained below:

*Table 4 - Summary of Detailed Phasing Plan and Indicative Cumulative Residential Completions*

	Phase MP1	Phase MP2	Phase MP3	Phase MP4	Phase MP5
<b>Plots</b>	Plot H6 Plot H10 Plot H12 Plot H13	Plot H2 Plot H3	Plot H4 Plot H5	Plot H11a Plot H11b	Plot H1 Plot H7
<b>Anticipated Construction Timescales</b>	Q1 2015 – Q3 2018	Q1 2016 – Q2 2019	Q4 2017 – Q4 2022	2019 – 2023	2020 –2025
<b>Cumulative Residential Completions (based on approvals and emerging proposals for MP5)</b>	360 units	955 units	1,784 units	2,265 units	2,689 units (Indicative)

5.1.2. The Section 106 Affordable Housing Framework establishes cumulative delivery milestone for the delivery of Affordable Housing in Elephant Park linked to the completion of units. The relationship of these milestones to the Detailed Phasing Plan is set out below:

*Table 5 - Affordable Housing Cumulative Delivery Milestones*

Cumulative Milestone	Proportion of Affordable Housing Required by the Section 106	Relevant Phases (or parts of Phases)	Cumulative Unit Completions based on Approved Mix for MP1, MP2, MP3, MP4 and Emerging Proposals for MP5
400 units	Min 20%	MP1 MP2 (H3 only)	588
800 units	Min 20%	MP2 (H2 only)	955
1,200 units	Min 25%	MP3 (H4 only)	1,400
1,600 units	Min 25%	MP3 (H5 only)	1,784
2,000 units	Min 25%	MP4	2,265
Completion of Last Unit	Target 25% aggregate	MP5	Completion of last unit

NB. Percentages relate to the proportion of Affordable Housing to be provided by Habitable Rooms on completion of each cumulative milestone.

## 5.2. Anticipated phased affordable housing delivery

5.2.1. The Section 106 Affordable Housing Framework requires the provision of 25% Affordable Housing across the Development (calculated on the basis of Habitable Rooms), 50% of which shall be Rented and 50% Shared Ownership. Based on the Detailed Phasing Plan, Lendlease anticipates delivering the required quantum of Affordable Housing as indicated in the tables below (Table 6 is based on Habitable Rooms and Table 7 is based on indicative unit numbers). The tables include the approved mix for MP1, MP2, MP3 and MP4, and the emerging proposal for MP5.

5.2.2. For the avoidance of doubt, the emerging mix for MP5 H7 is subject to change and will only be confirmed in the submitted RMAs.

*Table 6 - Anticipated Delivery of Affordable Housing per Masterplan Phase – BASED ON HABITABLE ROOMS*

	MP1 – Approved Mix	MP2 - Approved Mix	MP3-H4 – Approved Mix	MP3-H5 – Approved Mix	MP4 – Approved Mix	MP5 – Emerging Mix	TOTAL - Anticipated
<b>Residential Habitable Rooms</b>	1,187	1,897	1,327	1,182	1,337	1,203	8,133
Private	895	1,426	982	889	998	955	6,145
Rented (1 & 2 beds)	16	136	84	118	139	50	543
Social Rented (3+ beds)	86	130	85	45	40	75	461
Shared Ownership	190	205	176	130	160	123	984
Wheelchair Accessible Affordable Housing	38	124	81	52	120	52	467
Wheelchair Accessible Market Housing	57	70	64	61	48	88	388

NB. The emerging Habitable Room figures for MP5-H7 are based on an emerging scheme which is being discussed with the Council at pre-application stage. When the MP5-H7 RMA is submitted it is intended that the detailed design will be in accordance with the Affordable Housing Framework.

*Table 7 - Anticipated Delivery of Affordable Housing per Masterplan Phase – BASED ON NUMBER OF UNITS*

	MP1 – Approved Mix	MP2 - Approved Mix	MP3-H4 – Approved Mix	MP3-H5 - Approved Mix	MP4 – Approved Mix	MP5 – Emerging Mix	TOTAL – Anticipated
<b>Residential Units</b>	360	595*	445	384	481	424	2,689
Private Units	284	472	354	309	377	352	2,148
Rented Units (1 & 2 beds)	4	39	26	32	46	20	167
Social Rented Units (3+ beds)	17	26	17	9	8	15	92



Shared Ownership Units	55	58	48	34	50	37	282
Wheelchair Affordable Housing Units	8	28	18	13	28	11	106
Wheelchair Accessible Market Housing Units	27	22	16	18	16	20	119

\*595 units for MP2 includes the penthouse split as approved by 17/AP/1718

### 5.3. Cumulative affordable housing delivery milestones and mix

5.3.1. The Affordable Housing Framework in the Section 106 sets out a series of cumulative delivery milestones relating to the completion of residential units in the Development and the delivery of Affordable Housing. These are set out in Table 5.

5.3.2. Based on Lendlease's anticipated delivery of Affordable Housing set out above, Table 8 below illustrates how the requirements of the Affordable Housing Framework could be met in relation to the cumulative delivery milestones.

Table 8 - Affordable Housing Cumulative Delivery Milestones (Indicative)

Cumulative Milestone	Measure	Proportion of Affordable Housing	Tenure Mix to be provided		Min and Max provision of 3+ bed units at Social Rented Levels
			Rented	Shared Ownership	
400 units	Section 106 Requirement	Min 20%	Min 25%	Max 75%	Min 20% Max 35%
MP1 MP2 (H3 only)	<b>Anticipated Delivery (Approved)</b>	<b>27%</b>	<b>34%</b>	<b>66%</b>	<b>22%</b>
800 units	Section 106 Requirement	Min 20%	Min 25%	Max 75%	Min 20% Max 35%
MP2 (H2 only)	<b>Anticipated Delivery (Approved)</b>	<b>24%</b>	<b>47%</b>	<b>53%</b>	<b>26%</b>
1,200 units	Section 106 Requirement	Min 25%	Min 35%	Max 65%	Min 20% Max 30%
MP3 (H4 only)	<b>Anticipated Delivery (Approved)</b>	<b>25%</b>	<b>49%</b>	<b>51%</b>	<b>26.5%</b>
1,600 units	Section 106 Requirement	Min 25%	Min 40%	Max 60%	Min 18% Max 21%
MP3 (H5 only)	<b>Anticipated Delivery (Approved)</b>	<b>25%</b>	<b>49%</b>	<b>51%</b>	<b>20.5%</b>
2,000 units	Section 106 Requirement	Min 25%	Min 40%	Max 60%	Min 15% Max 21%
MP4	<b>Anticipated Delivery (Approved)</b>	<b>25%</b>	<b>49.5%</b>	<b>50.5%</b>	<b>18.5%</b>
Completion of Last Unit	Section 106 Requirement	Target 25% aggregate	50%	50%	Max 18%
MP5	<b>Anticipated Delivery (Indicative)</b>	<b>25.8%</b>	<b>50.5%</b>	<b>49.5%</b>	<b>23%</b>

- Percentages relate to the proportion of Affordable Housing that has been achieved by Habitable Rooms on completion of each cumulative milestone at the time of submitting this Strategy. Phase MP5 H7 is subject to change when the detailed RMAs are submitted.
- Percentages account for 'credits' in Affordable Housing Habitable Rooms built through the provision of Wheelchair Accessible Affordable Housing across the scheme (as stipulated by SC planning policy).
- The Habitable Room calculations for Phases MP1, MP2, MP3 and MP4 are based on actual Habitable Room counts. The number of Habitable Rooms in MP5 H7 is based on an emerging scheme and will be confirmed when the RMA applications are submitted.
- The assumptions for the overall distribution of Wheelchair Accessible Housing Units across the Development are that there will be a 10% aggregate provision based on habitable rooms in accordance with the provisions of the Section 106 Agreement.

5.3.3. Table 8 illustrates that Lendlease anticipate delivering 25.8% affordable housing taking into account the emerging detailed design for MP5 H7, of which 50.5% will be rented and 49.5% will be shared ownership. 23% of the affordable housing units are anticipated to be 3-bed units at Social Rented Levels.

5.3.4. The figures provided above and in particular at Table 8 are informed by the emerging detailed design of the reserved matters for Plot MP5 H7. The tenure split that is anticipated upon completion of the final unit results from the detailed floorplans and layouts of the emerging reserved matters design for Plot MP5 H7. The provision of rented units is 0.5% above the 50% stipulated in the Section 106 Affordable Housing Framework, but the provision could only be exactly 50% by providing mixed-tenure floors and this is not considered to be acceptable by the relevant Registered Provider.

## 6. NEXT STEPS

- 6.1 This updated Affordable Housing Strategy is submitted to SC pursuant to Schedule 3, Paragraph 5.3.2 of the Section 106 associated with the Outline and Demolition Planning Permissions for Elephant Park (formally referred to as “the Heygate Masterplan”) (ref: 12/AP/1092 and 12/AP/3203). This version of the Strategy updates the previous version (January 2018), which contained emerging details of MP4, and was approved by SC pursuant to the Section 106, Schedule 3, Paragraph 5.3.1.
- 6.2 This updated Affordable Housing Strategy sets out how the Affordable Housing is expected to be delivered within MP5 H7 as part of the Development in accordance with the provisions of the Outline Planning Permission.
- 6.3 The Affordable Housing Strategy needs to take a strategic overview of the whole development, setting out key principles and a framework for the design, monitoring, and delivery of the individual Phases and Plots. The relevant detailed design, specifications, and programme for these individual elements of Elephant Park will be brought forward through the following stages:
- 6.4 The detailed design and specifications for the individual phases and plots will be brought forward for approval via Reserved Matters Applications. These detailed submissions will include the final quantum, design, and distribution of the Affordable Housing for that phase or plot. These will also include a Reconciliation Statement showing how the detailed proposals could impact on the anticipated delivery of the wider Elephant Park proposals;
- 6.5 An updated version of the Affordable Housing Strategy will be submitted to SC for approval not less than two months prior to the submission of each Reserved Matters Application which includes dwellings. These will further update this document to reflect the detailed designs of the plot(s) in question, as well as any that have already been approved;
- 6.6 Detailed Phase Delivery Programmes will be submitted prior to the implementation of each phase to set a programme and the approximate duration for delivering the plots, including the affordable housing; and
- 6.7 The Developer shall not implement the relevant Reserved Matters Approval for a plot unless and until the Affordable Housing Strategy for that plot has been approved in writing by the Council.
- 6.8 Lendlease shall comply with the approved Affordable Housing Strategy (and any updated as necessary) in carrying out and completing the Elephant Park development. This will include ensuring that Reserved Matters Applications effectively contribute to the objectives of the Site Wide Affordable Housing Strategy. Lendlease must update the approved strategy with each Reserved Matters Application via clause 5.3.2 of the Section 106 Agreement, or from time to time if otherwise agreed in writing with SC and the GLA.



# APPENDIX 1 – SUMMARY OF THE RELEVANT DEFINITIONS AND PARAGRAPHS IN THE SECTION 106

The following definitions and paragraphs in the Section 106 are relevant in respect of the delivery of Affordable Housing in the Development.

- Definitions:
- “Affordable Housing”
- “Affordable Housing Framework”
- “Affordable Housing Service Charge”
- “Affordable Housing Strategy”
- “Affordable Housing Unit”
- “Affordable Rented Levels”
- “Affordable Rent Rebase”
- “Affordable Rent Units”
- “Further Affordable Housing”
- “Further Affordable Housing Proposal”
- “GLA Affordability Threshold”
- “Habitable Rooms”
- “Public Funds”
- “Registered Provider”
- “Registered Provider Mortgagees Duty”
- “Rented”
- “Shared Ownership”
- “Shared Ownership Terms”
- “Social Rented Housing”
- “Social Rented Units”
- “Southwark Shared Ownership Affordability Threshold”
- “Staircasing”
- “Viability Report”

The following are additional Section 106 Paragraphs which are relevant to the provision of Affordable Housing:

- Schedule 3, Paragraph 5.1 – Construction and Procurement of Affordable Housing in accordance with the Affordable Housing Framework;
- Schedule 3, Paragraph 5.2 – Wheelchair Accessible Affordable Housing;
- Schedule 3, Paragraph 5.5 – Notification of Registered Providers;
- Schedule 3, Paragraphs 5.6 – 5.8 – Compliance with the Affordable Housing Strategy and Affordable Housing Framework;
- Schedule 3, Paragraph 5.9 – Provision of Affordable Housing, Occupational Triggers, and Service Charges;
- Schedule 3, Paragraphs 6.1 – 6.2 – Affordable Rent Levels;
- Schedule 3, Paragraphs 7.1 – 7.7 – Evidence of Commencement and Viability Report;
- Schedule 3, Paragraphs 7.8 – 7.9 – Review of Viability Report and Further Affordable Housing Proposal;
- Schedule 3, Paragraph 7.10 - 7.11 - Expiry of Viability Report
- Schedule 3, Paragraph 7.12 - 7.13 - Referral to the Specialist
- Schedule 3, Paragraph 7.14 – Further Affordable Housing Provision;
- Schedule 3, Paragraph 8.1 –Public Funds;

- Schedule 3, Paragraph 8.2 – Submission of a Proposal for Improvements to the Affordability of Affordable Housing and an Updated Affordable Housing Strategy; and
- Schedule 3, Paragraphs 8.3 – 8.5 – Increases in the Amount of Affordable Housing.

## APPENDIX 2 – EXTRACTS FROM SECTION 106

The definitions and paragraphs from the Section 106 that are relevant to the Affordable Housing Strategy are set out below:

### Definitions

#### **"Affordable Housing"**

Subsidised housing calculated on the basis of Habitable Rooms that will be available in perpetuity to persons who cannot afford to rent or buy homes locally on the open market and which shall comprise:

- (a) Rented;
- (b) Shared Ownership.

In accordance with the Affordable Housing Framework and paragraph 5 of Schedule 3

#### **"Affordable Housing Framework"**

The framework contained at Appendix 4 which provides for 25% Affordable Housing across the Development 50% of which shall be Rented and 50% Shared Ownership

#### **"Affordable Housing Service Charge"**

The service charge to be charged to residents of the Affordable Housing Units

#### **"Affordable Housing Strategy"**

The strategy document which shall set out how the Affordable Housing is to be delivered as part of the Development and which shall be submitted by the Developer to the Council for approval in accordance with sub-paragraph 5.3 of Schedule 3

#### **"Affordable Housing Unit"**

A Dwelling which is used for Affordable Housing and references to Affordable Housing Units shall be construed accordingly

#### **"Affordable Rented Levels"**

Affordable Housing let by local authorities or private Registered Providers of social housing to households who are eligible for social rented housing and which is subject to rent controls that require a rent of no more than 50% of the market rent (including service charges, where applicable) calculated in accordance with The Regulatory Framework for Social Housing in England from April 2012: Annex A - The Rent Standard Guidance March 2012 or such guidance that may replace it or supersede it where the maximum annual rental increase of a dwelling let at Affordable Rented Levels is calculated in accordance with the Retail Price Index, recorded for the ninth month of the preceding year + 0.5%

#### **"Affordable Rent Rebase"**

The rebase of Affordable Rented Levels triggered upon the issue or renewal of an Affordable Rent Unit tenancy to the maximum value of 50% of the Market Rent (inclusive of service charges) and in accordance with the maximum Local Housing Allowance limit for the respective Affordable Rent Unit or such allowance that may replace it or supersede it

#### **"Affordable Rent Units"**

The units of Affordable Housing that are provided at Affordable Rented Levels

**"Further Affordable Housing"**

Following a viability review under sub-paragraph 7.2 of Schedule 3 any Affordable Housing to be provided by the Developer on the Site as part of the Development over and above the 25% Affordable Housing to be provided in accordance with the Affordable Housing Strategy, PROVIDED THAT the total aggregate provision of Affordable Housing and Further Affordable Housing (including any additional Affordable Housing under paragraph 8 of Schedule 3) shall not exceed 35% of the Habitable Rooms comprised in the Development

**"Further Affordable Housing Proposal"**

A proposal which shall be prepared by the Developer and submitted to the Council for approval specifying any Further Affordable Housing to be provided as part of the Development following a Viability Report under paragraph 7 of Schedule 3

**"GLA Affordability Threshold"**

The income threshold for intermediate housing as contained within the London Plan and as updated on an annual basis in the London Plan Annual Monitoring Report

**"Habitable Rooms"**

A room with at least one window within a Dwelling which room is:

- (a) capable of use for sleeping, living or dining; and
- (b) a kitchen with an overall floor area of not less than 11 m<sup>2</sup>, but excluding in all cases toilets, bathrooms, landings, halls and lobbies

PROVIDED ALWAYS that any room in excess of 27.5 m<sup>2</sup> will be treated as 2 Habitable Rooms in the determination of the quantum of Affordable Housing provision

**"Public Funds"**

Public funds that may from time to time become available in order to enhance the provision of the Affordable Housing in the Development in accordance with paragraph 8 in Schedule 3

**"Registered Provider"**

A registered provider within the meaning of the Housing Regeneration Act 2008 (and any amendment re-enactment or successor provision), either:

- (a) drawn from the list of registered social landlords set out in Appendix 3 of the Affordable Housing Supplementary Planning Document (September 2008) (as updated) attached hereto as Schedule 9 and not removed from the register pursuant to Section 4 of that Act, or
- (b) approved for the purposes of this Deed in writing by the Director of Planning

**"Registered Provider Mortgagees Duty"**

The obligations on the Registered Provider's mortgagee as contained in Schedule 10

**"Rented"**

Affordable Housing Units to be made available as Social Rented Housing for 3 and 4 bedroom Dwellings or Affordable Rent Levels for 1 and 2 bedroom Dwellings and "Rented Units" shall be construed accordingly

**"Shared Ownership"**

Affordable Housing Units to be made available on Shared Ownership Terms and "Shared Ownership Units" shall be construed accordingly



**"Shared Ownership Terms"**

Affordable Housing provided to households:

- a) on incomes at or below the Southwark Shared Ownership Affordability Threshold; or
- b) on incomes at or below the GLA Affordability Threshold

**"Social Rented Housing"**

The Affordable Housing owned by local authorities or Registered Providers for which guideline target rents are determined through the national rent regime (meaning the rent regime under which the social rents of tenants of social housing are set by The Regulatory Framework for Social Housing in England from April 2012: Annex A - Rent Standard Guidance March 2012) as changed or updated from time to time and at assured tenancies under the Housing Act 1988 with all the statutory rights as enjoyed by assured tenants under the Housing Act 1988

**"Social Rented Units"**

The Affordable Housing Units which shall be provided in accordance with the Affordable Housing Framework and which shall be provided as Social Rented Housing

**"Southwark Shared Ownership Affordability Threshold"**

The threshold set out in the Southwark Affordable Housing SPD extant at the time of submission of the Affordable Housing Strategy for the Plot (currently set at thresholds where the average total gross household annual income does not exceed £31,881, in respect of all 1 bed dwellings, £37,670 in respect of all 2 bed dwellings, £43,729 in respect of all 3 bed dwellings or £49,592 in respect of all 4 bed dwellings). In all cases a household's total annual expenditure upon rent, mortgage, and service charges shall not exceed 40% of net household income or such other percentage which replaces or supersedes the 40% figure as may be published by the Council from time to time. All income thresholds are to rise annually from the date of this Deed in accordance with such annual reviews of those corresponding figures as are published by the Mayor of London to reflect changes in local income/house-price ratios and PROVIDED THAT in default of such figures being so published on an annual basis such sums may rise from time to time by agreement in writing between the Council and the Registered Provider having regard to changes in income levels and house prices in the Borough

**"Staircasing"**

The purchase by the owner of a Shared Ownership Unit of additional equity in the Shared Ownership Unit in accordance with arrangements as agreed by the Registered Provider with the Developer

**"Viability Report"**

A viability report to be submitted by the Developer to the Council pursuant to sub-paragraph 7.2 of Schedule 3 which indicates whether Further Affordable Housing should be provided by the Developer as part of the Development

**Schedule 3 - Paragraph 5 Affordable Housing****CONSTRUCTION AND PROCUREMENT OF AFFORDABLE HOUSING IN ACCORDANCE WITH THE AFFORDABLE HOUSING FRAMEWORK****Paragraph 5.1**

- 5.1 The Developer covenants to construct or procure the construction of the Affordable Housing in accordance with the Affordable Housing Framework as part of the Development upon the Site in accordance with the requirements of the Southwark Residential Design Standards Supplementary Planning Document (September 2.011) or the most up to date supplementary planning document for residential design, the Southwark Affordable Housing SPD and the Mayor's Housing Design Guide (2.010) extant on the Implementation of the relevant Phase.

## **WHEELCHAIR ACCESSIBLE AFFORDABLE HOUSING**

### Paragraph 5.2

- 5.2 Unless otherwise agreed in writing by the Council and subject to paragraph 29 of Schedule 3 the proportion of the Affordable Housing to be constructed as Wheelchair Accessible Affordable Housing shall be constructed in accordance with the Southwark Residential Design Standards Supplementary Planning Document (September 2011) or the most up to date supplementary planning document for residential design and the South East London Housing Partnership Wheelchair Housing Design Guidelines extant on the Implementation of the relevant Phase.

## **SUBMISSION, APPROVAL, AND UPDATING OF AFFORDABLE HOUSING STRATEGY**

### Paragraph 5.3

- 5.3. The Developer further covenants:

- 5.3.1 not less than two months prior to the submission of the first Reserved Matters Application to submit for the written approval of the Council in consultation with the GLA the Affordable Housing Strategy in relation to the Development; and
- 5.3.2. not less than two months prior to the submission of each Reserved Matters Application thereafter which includes Dwellings to submit for the written approval of the Council in consultation with the GLA an updated Affordable Housing Strategy in relation to the Development; and
- 5.3.3 not to Implement the relevant Reserved Matters Approval for a Plot unless and until the Affordable Housing Strategy for that Plot has been approved in writing by the Council.

## **CONTENT OF AFFORDABLE HOUSING STRATEGY**

### Paragraph 5.4

- 5.4 The Affordable Housing Strategy shall include:

- 5.4.1 the Developer's proposals for the provision of Affordable Housing in the Development in accordance with the Affordable Housing Framework; and
- 5.4.2 details of the Affordable Housing to be provided for each Plot and include the distribution, tenure mix, units sizes and Wheelchair Accessible Affordable Housing to be provided in each Plot and an indication of the overall provision of Affordable Housing comprised in the Development.

## **NOTIFICATION OF REGISTERED PROVIDER**

### Paragraph 5.5

- 5.5 Within three months of the Implementation of a Plot which contains Affordable Housing the Developer shall notify in writing the Director of Planning with the name of the chosen Registered Provider for that Plot and in the event that the Developer proposes a Registered Provider which is not included in Schedule 9 nor appears on the Council's approved list at the relevant time then the Developer must obtain the written approval of the Director of Planning of such Registered Provider.

## **COMPLIANCE WITH THE AFFORDABLE HOUSING STRATEGY AND AFFORDABLE HOUSING FRAMEWORK**

### Paragraphs 5.6 -5.8

- 5.6 Subject to the provisions of clause 12 the Developer covenants that the Affordable Housing shall not be used for purposes other than providing housing accommodation to households in

need of Affordable Housing in accordance with the Affordable Housing Strategy and the Affordable Housing Framework.

- 5.7 The Developer covenants that the completed Development shall provide 25% Affordable Housing and that no more than 50% of the said Affordable Housing shall comprise Shared Ownership Units.
- 5.8 For the avoidance of doubt it is agreed by the parties that for every Affordable Housing Unit which is secured as Wheelchair Accessible Affordable Housing one less Habitable Room will be required in calculating the remaining Affordable Housing to be provided as part of the Development.

## **PROVISION OF AFFORDABLE HOUSING, OCCUPATIONAL TRIGGERS, AND SERVICE CHARGES**

### Paragraph 5.9

- 5.9 The Developer covenants that the Affordable Housing shall only be provided in accordance with Affordable Housing Framework and the approved Affordable Housing Strategy and be available for residential Occupation no later than the Market Units in any Plot and shall be handed over to the Registered Provider upon completion to a standard fit for residential Occupation and the Developer further covenants that:
- 5.9.1 it shall not Occupy nor permit the Occupation of more than 40% of the Market Units within a Plot which contains Affordable Housing until the Developer has entered into a contract with a Registered Provider for the lease or purchase of all of the Affordable Housing within that Plot;
- 5.9.2 where a Plot contains Affordable Housing the Developer shall not Occupy (or permit Occupation) of more than 65% of the Market Units in that Plot unless and until:
- 5.9.2.1 the Affordable Housing in that Plot has been handed over to the Registered Provider upon completion; and
- 5.9.2.2 the Developer has entered into a long lease or leases for a term of at least one hundred and twenty five years (125 years) of the Affordable Housing to the Registered Provider and evidence of such agreement has been provided to the Council;
- UNLESS otherwise agreed in writing with the Council and is in accordance with the Affordable Housing Strategy and a Deed of Variation entered into by the parties to reflect the changes;
- 5.9.3 the Affordable Housing Service Charge shall be affordable and a fair and reasonable proportion of the actual costs incurred or anticipated in relation to any Affordable Housing and the Developers shall work together with the Registered Provider to take all reasonable steps (including in the design and construction of the Affordable Housing) to establish and maintain the Affordable Housing Service Charge at a fair and reasonable level PROVIDED THAT at no time shall the Market Units subsidise the services provided to the Affordable Housing.

### **Schedule 3 - Paragraph 6 Affordable Rent Level**

#### Paragraphs 6.1 – 6.2

- 6.1 The Developer covenants that the Affordable Rent Units are to be let to households eligible for social rented housing such that the total cost of rent, including service charges, shall not exceed 50% of Market Rent for each one or two bed dwelling and which for the avoidance of doubt shall be rebased in accordance with the Affordable Rent Rebase on the occasion of the issue of each new tenancy or re-letting

6.2 The Developer covenants to provide the Council with an annual report of the rent rebases carried out in the previous 12 month period and the details of the revised rent levels for each related Affordable Rent Unit.

### Schedule 3 - Paragraph 7 Viability

#### EVIDENCE OF COMMENCEMENT AND VIABILITY REPORT

##### Paragraphs 7.1 – 7.2

- 7.1 Upon the occurrence of Substantial Commencement within two years of approval of the first Reserved Matters Application the Developer shall submit to the Council written evidence of the events which amount to Substantial Commencement including the Construction Contract for the first Building within the first Phase of the Development and an Unconditional Obligation Certificate and shall allow the Council (and its agents) access to the Site at all reasonable times for the purposes of inspecting the Site and verifying Substantial Commencement.
- 7.2 If within two years of approval of the first Reserved Matters Application the Developer has not Substantially Commenced the first Building in the Phase of the Development then the Developer shall not Implement (or otherwise cause or permit Implementation of) the first Phase of the Development until it has submitted and the Council has confirmed receipt of a valid Viability Report and accompanying documents in accordance with paragraph 7.3 below in respect of the first Building in the first Phase of the Development.

#### REVIEW OF VIABILITY REPORT AND FURTHER AFFORDABLE HOUSING PROPOSAL

##### Paragraphs 7.8 – 7.9

- 7.8 For a period not exceeding two (2) calendar months commencing on the date the Council receives the Viability Report and any further information provided under sub-paragraph 7.4 (or receipt of the Developer's explanation under subparagraph 7.5) (or unless otherwise agreed by the Developer and the Council in writing) the Developer and the Council (or its surveyor) both acting reasonably and in good faith may review:
- 7.8.1 the Viability Report; and
- 7.8.2 the Further Affordable Housing Proposal (if relevant).
- 7.9 At the expiry of the two (2) month period referred to in sub-paragraph 7.8 the Council shall confirm in writing that:
- 7.9.1 it rejects (with reasons) the conclusions of the Viability Report (as submitted) ("Non-Acceptance Notice"), or
- 7.9.2 it accepts the conclusions of the Viability Report as submitted or as reviewed by the Parties and confirms that no Further Affordable Housing is required; or
- 7.9.3 it accepts the conclusions of the Viability Report as submitted or as reviewed by the Parties, and confirms that the Further Affordable Housing Proposal has been agreed ("Acceptance Notice"), and if the Parties shall agree the Viability Report and (if relevant) the Further Affordable Housing Proposal and if Further Affordable Housing is to be provided (whether by the provision of Affordable Housing by the Developer and/or by the Developer making a payment to the Council) the Council shall make an appropriate entry on the public planning register to that effect.

#### FURTHER AFFORDABLE HOUSING PROVISION

##### Paragraph 7.14

- 7.14 If the Council has approved the Further Affordable Housing Proposal pursuant to paragraph 7 or the Specialist determines that the Developer can provide Further Affordable Housing pursuant to sub-paragraph 7.13 shall provide the Further Affordable Housing on the Site as part of the Development in accordance with the approved/determined Further Affordable Housing Proposal.

### Schedule 3 - Paragraph 8 Public Sector Funding

#### CONFIRMATION IF PUBLIC FUNDS ARE SECURED

##### Paragraph 8.1

- 8.1 In the event that the Developer secures Public Funds, the Developer shall confirm to the Council in writing at the same time as submitting an application for Reserved Matters the availability of such Public Funds that are to be used in the Plots that are subject to that Reserved Matters application for the purposes of improving the affordability criteria of the Affordable Housing so as to increase the affordability of the Affordable Housing on the following basis and where possible in the following sequence:
- 8.1.1 Reducing the Affordable Rent Levels for 1 and 2 bedroom Dwellings; and then
  - 8.1.2 Increasing the proportion of Shared Ownership at Southwark Shared Ownership Affordability Thresholds.

#### SUBMISSION OF A PROPOSAL FOR IMPROVEMENTS TO THE AFFORDABILITY OF AFFORDABLE HOUSING AND UPDATED AFFORDABLE HOUSING STRATEGY

##### Paragraph 8.2

- 8.2 Where the Developer has provided written notice to the Council of the availability of Public Funds to enhance the provision of Affordable Housing in the Development under sub-paragraph 8.1 then the Developer shall submit to the Council for written approval a proposal which shall demonstrate how the affordability of Affordable Housing may be improved in those Plots that are subject to that Reserved Matters application AND following the receipt of such approval and Public Funds the Developer shall update the Affordable Housing Strategy to reflect the changes in the Affordable Housing provision and the Development shall proceed in accordance with the updated Affordable Housing Strategy.

#### INCREASES IN THE AMOUNT OF AFFORDABLE HOUSING

##### Paragraphs 8.3 – 8.5

- 8.3 Where the increase in affordability of the Affordable Housing as set out in subparagraphs 8.1.1 and 8.1.2 has been achieved or in the event that Public Funds cannot be used for the purpose of increasing the affordability of the Affordable Housing and in the event that the Developer has secured further Public Funds then such funds shall be used by the Developer for the purpose of increasing the amount of Affordable Housing to be provided in the remaining part of the Development PROVIDED THAT the total aggregate amount of Affordable Housing to be provided in the Development shall not exceed 35% of the Dwellings (calculated by reference to Habitable Rooms) and PROVIDED FURTHER THAT all such additional Affordable Housing shall only be provided prior to the Implementation of the last Phase in the Development AND PROVIDED FURTHER THAT the gross development value of the Development shall not be reduced as a consequence of having to convert Market Units into additional Affordable Housing in respect of the obligations contained in subparagraph 8.3.



- 8.4 On submission of each Reserved Matters application the Developer shall submit to the Council for approval its proposal for providing the additional Affordable Housing in accordance with sub-paragraph 8.3.
- 8.5 Where the Developer has provided written notice to the Council of the availability of further Public Funds to provide additional Affordable Housing in the Development under Sub-paragraph 8.3 then the Developer shall submit to the Council for written approval a proposal which shall demonstrate how the additional Affordable Housing may be Implemented in those Plots that are subject to that Reserved Matters application AND following the receipt of such approval and further Public Funds the Developer shall update the Affordable Housing Strategy to reflect the changes in the Affordable Housing provision and the Development shall proceed in accordance with the updated Affordable Housing Strategy.

# APPENDIX 3 – AFFORDABLE HOUSING FRAMEWORK (SECTION 106 APPENDIX 4)

## APPENDIX 4

### Affordable Housing Framework

#### 1. CUMULATIVE DELIVERY MILESTONES AND MIX

Milestones (total number of units completed, including private and affordable)	Proportion of Affordable Housing to be provided by <u>Habitable Rooms</u> on completion of each cumulative milestone	Tenure Mix to be provided within the total provision of Affordable Housing by <u>Habitable Rooms</u> on completion of each cumulative milestone		Min and Max provision of 3 + bed Units at Social Rent Levels within the total provision of Affordable housing by <u>Habitable Rooms</u> on completion of each cumulative milestone
		RENTED	SHARED OWNERSHIP	
		RENTED	SHARED OWNERSHIP	RENTED 3 + BED
400	Min 20%	Min 25%	Max 75%	Min 20% Max 35%
800	Min 20%	Min 25%	Max 75%	Min 20% Max 35%
1,200	Min 25%	Min 35%	Max 65%	Min 20% Max 30%
1,600	Min 25%	Min 40%	Max 60%	Min 18% Max 21%
2,000	Min 25%	Min 40%	Max 60%	Min 15% Max 21%
<b>Milestone</b>	Proportion of Affordable Housing to be provided by <u>Habitable Rooms</u> on completion of the Development	Tenure Mix to be provided within the total provision of Affordable Housing by <u>Habitable Rooms</u>		Max provision of 3 + bed Units at Social Rent levels within the total provision of Affordable Housing by <u>Habitable Rooms</u>
On completion of the last unit	Target aggregate 25%	50%	50%	Max 18%

**2. AFFORDABLE HOUSING PROVISION – MINIMUM LEVELS (2,300 units)**

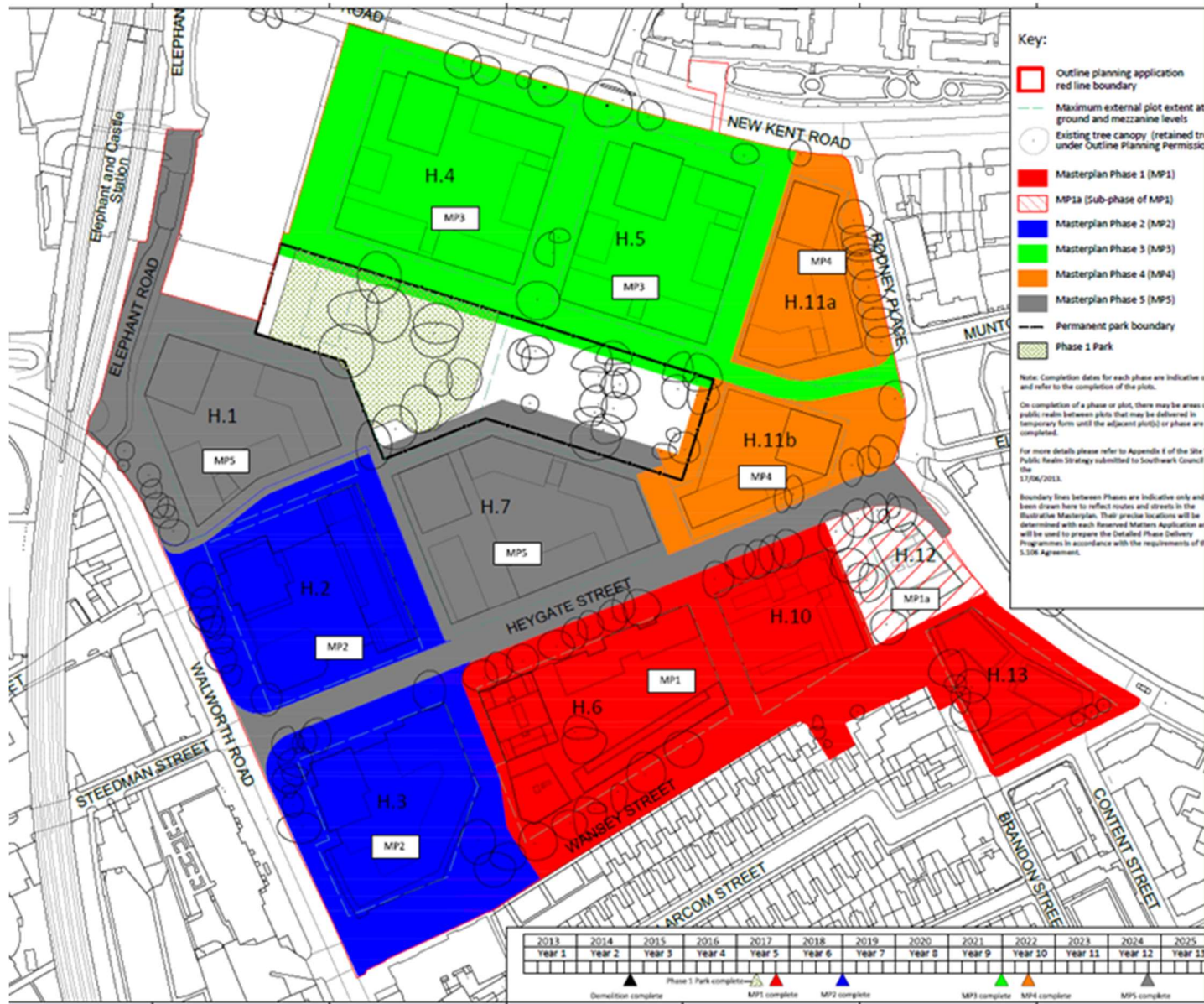
		1 bed	2 bed	3 + bed	TOTALS
MIN Development (based on 2,3000 units)	<u>Rented</u>				
	Habitable Rooms [assuming no unit in the Development has a room larger than 27.5 m <sup>2</sup>	No less than 501		No less than 286	Total no less than 787
	Units	[194]*		[71]*	[265]*
	<u>Shared ownership</u>	1+ bed			
	Habitable Rooms [assuming no unit in the Development has a room larger than 27.5 m <sup>2</sup>	No less than 787			Total no less than 787
	Units	[268]*			[268]*

[numbers]\* = Illustrative position on unit numbers assuming no Habitable Room in the whole Development exceeds 27.5 m<sup>2</sup>

Within the Affordable Housing Framework the following principles will also apply:

1. 50% of Shared Ownership Units (based on habitable rooms) are to be provided to residents on incomes at or below the Southwark Shared Ownership Affordability Threshold;
2. 50% of the Shared Ownership Units (based on Habitable Rooms) are to be made available to households at or below the GLA Affordability Threshold;
3. Registered Providers shall ensure that initial share of the Shared Ownership Unit must be a minimum of 25% and a maximum of 75% of the Shared Ownership Unit.
4. Registered Providers shall set rents for Shared Ownership Units at no more than 2.75% of the value of the unsold equity at the point of initial sale.

## APPENDIX 4 – DETAILED PHASING PLAN



Elephant Park – MP5 H7 Reserved Matters Application







**FREE!  
CHILDREN'S  
WORKSHOPS**

Little Elephant  
Grow & Cook  
1:00, 2:00, 3:00, 4:00-30mins each  
Southwark Playhouse  
Pop up Theatre  
2:00-2:45  
Wicker Elephant Art  
1:00-5:00  
Newington Library  
Story Time  
1:30 & 2:30  
Face Painting  
1:00-4:30

**ELEPHANT  
STAGE**

FREE PERFORMANCES

11:15-1:30 DJ David Murray  
1:30-2:00 Supper's Academy  
(GUITAR AND MUSIC)  
2:00-2:30 Thea Band  
(RETROCLASSIC GUITAR DUO)  
2:45-3:30 China Bowls  
(BEST BOUL, PRESER & WORLD MUSIC)  
3:30-5:00 Carmel Del Pueblo  
(LATIN MUSIC / DANCE)  
5:10-6:20 Uncle Aug  
(AFRICAN MUSIC / DANCE)  
6:20-7:00 DJ David Murray