

DATED

2020

(1) CAMDEN LIFESTYLE (UK) LTD

and

(2) CASNA LIMITED

and

(3) CAF4 (LUXEMBOURG) SARL

and

**(4) THE MAYOR AND BURGESSES OF
THE LONDON BOROUGH OF CAMDEN**

A G R E E M E N T

relating to land known as

7A, B, C BAYHAM STREET LONDON NW1 0EY

pursuant to

Section 106 of the Town and Country Planning Act 1990 (as amended);

Section 16 of the Greater London Council (General Powers) Act 1974;

Section 111 of the Local Government Act 1972; and

Section 1(1) of the Localism Act 2011

Andrew Maughan
Head of Legal Services
London Borough of Camden
Town Hall
Judd Street
London WC1H 9LP

Tel: 020 7974 5826

CLS/COM/LN/1800.1053

s106 FINAL

THIS AGREEMENT is made the

day of

2020

B E T W E E N:

- A. **CAMDEN LIFESTYLE (UK) LTD** (Co. Regn. No. 10840229) whose registered office is at 21-27 Lamb's Conduit Street, London WC1N 3GS (hereinafter called "the Freeholder") of the first part
- B. **CASNA LIMITED** (Co. Regn. No. 01130951) whose registered office is at 7c Bayham Street, London NW1 0EY (hereinafter called "the Leaseholder") of second part
- C. **CAF4 (LUXEMBOURG) SARL** (incorporated in Luxembourg) of 2, Place de Strasbourg, L-2562 Luxembourg, Grand Duchy de Luxembourg, Luxembourg (hereinafter called "the Mortgagee") of the third part
- D. **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF CAMDEN** of Town Hall, Judd Street, London WC1H 9LP (hereinafter called "the Council") of the fourth part

1. **WHEREAS**

- 1.1 The Freeholder is registered at the Land Registry as the freehold proprietor with Title absolute of the Property under Title Number 244495 subject to a charge to the Mortgagee.
- 1.2 The Freeholder is the freehold owner of and is interested in the Property for the purposes of Section 106 of the Act.
- 1.3 The Leaseholder is registered at the Land Registry as the leasehold proprietor with Title absolute of part of the Property under Title Number NGL918761.
- 1.4 The Leaseholder is the leasehold owner of and is interested in part of the Property for the purposes of Section 106 of the Act.

- 1.5 The Freeholder and the Leaseholder shall hereinafter be jointly referred to as “the Owner”.
- 1.6 The Property is subject to an Occupational Lease which contains restrictions on the Occupational Tenant’s use of the Property. The Owner accepts an obligation that it will not alter any lease or tenancy of the Property existing at the date hereof so as to permit the lessee or tenant to Implement the Planning Permission and will not permit any alterations to the Occupational Lease which will allow the Occupational Tenant to Implement the Planning Permission or dispose of its interest in the Property to the Occupational Tenant without in each case first requiring the lessee, tenant or Occupational Tenant concerned to enter into an agreement with the Council covenanting in identical terms to this Agreement.
- 1.7 A Planning Application for the development of the Property was submitted to the Council and validated on 10 August 2018 and the Council resolved to grant permission conditionally under reference number 2018/3647/P subject to the conclusion of this legal Agreement.
- 1.8 The Council is the local planning authority for the purposes of the Act and is the local authority for the purposes of Section 16 of the Greater London Council (General Powers) Act 1974 Section 111 of the Local Government Act 1972; and Section 1(1) of the Localism Act 2011 for the area in which the Property is situated and considers it expedient in the interests of the proper planning of its area that the development of the Property should be restricted or regulated in accordance with this Agreement.
- 1.9 For that purpose the Owner is willing to enter into this Agreement pursuant to the provisions of Section 106 of the Act.
- 1.10 The Mortgagee as mortgagee under a legal charge registered under Title Number 244495 and dated 5 January 2018 is willing to enter into this Agreement to give its consent to the same.

2. **DEFINITIONS**

In this Agreement the following expressions (arranged in alphabetical order) shall unless the context otherwise requires have the following meanings:-

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| 2.1 | "the Act" | the Town and Country Planning Act 1990 (as amended) |
| 2.2 | "Affordable Housing" | low cost housing that meets the needs of people who cannot afford to occupy homes available in the open market in accordance with the National Planning Policy Framework and successor documents |
| 2.3 | "Affordable Workspace" | the subsidised workspace within the Development comprising 20% of the total workspace memberships (or where the remainder of the Office is let without memberships 20% of the total workspace floorspace to be specified within the Affordable Workspace Plan) to be offered at 50% of market value for comparable space within a half-mile radius of the Property and such workspace will be suitable for Camden Based Enterprises in accordance with the Affordable Workspace Plan and proactively marketed to them in accordance with the Affordable Workspace Marketing Strategy following Occupation |
| 2.4 | "Affordable Workspace Marketing Strategy" | <p>a strategy to be submitted by the Owner and approved by the Council for marketing the Affordable Workspace to ensure that the Affordable Workspace is marketed to small and medium enterprises including (but not limited to):-</p> <p>a) the marketing particulars of the Affordable Workspace and specification of the rents and length of rental term to be offered;</p> <p>b) details of how and where the Affordable Workspace will be marketed;</p> <p>c) measures to ensure that the Affordable Workspace is marketed to Camden Based Enterprises and to include a strategy to promote the Affordable Workspace through local business channels and networks such as Business Improvement Districts in the London Borough of Camden;</p> |

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| | | <p>d) measures to ensure that each time a new Affordable Workspace occupier is sought the Council is provided with a shortlist of the enterprises who are proposing to occupy the Affordable Workspace and proof that these enterprises are Camden Based Enterprises in accordance with clause 2.13</p> <p>e) identifying means of ensuring the provision of information to the Council to monitor the implementation of the Affordable Workspace Marketing Strategy on an annual basis for a period of five (5) years following first Occupation of the Affordable Workspace;</p> |
| 2.5 | "Affordable Workspace Plan" | <p>a plan setting out a package of measures to be submitted by the Owner and approved by the Council for the provision and management of the Affordable Workspace to ensure that the Affordable Workspace remains flexible and affordable so as to be suitable for small and medium enterprises including (but not limited to):-</p> <p>(a) details of any Affordable Workspace Provider (if relevant);</p> <p>(b) measures to ensure the Affordable Workspace will be offered to a range of sizes of business including micro businesses, start ups and scale ups;</p> <p>(c) measures to ensure that the enterprises Occupying the Affordable Workspace have access to the same opportunities and facilities as all other occupiers</p> <p>(d) measures to ensure that the enterprises Occupying the Affordable Workspace will be offered twelve (12) month memberships with flexibility to extend their Occupation after twelve months</p> <p>(e) an approved methodology (to be agreed by the</p> |

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| | | <p>Council and the Owner in writing) for calculating the rental levels and service charges to be proposed to tenants of the Affordable Workspace PROVIDED ALWAYS THAT the rental level of the Affordable Workspace shall be 50% of the market value of comparable space found within a half-mile radius of the site in perpetuity following first Occupation of the Affordable Workspace</p> <p>(f) a mechanism to review rental levels and service charge levels for the Affordable Workspace (or a part thereof) at least every five (5) years following first Occupation of the Affordable Workspace; and</p> <p>(g) identifying means of ensuring the provision of information to the Council to monitor the implementation of the Affordable Workspace Plan on an annual basis for a period of five (5) years following first Occupation of the Affordable Workspace specifying details of the rental levels paid and the individual tenants Occupying the Affordable Workspace</p> |
| 2.6 | "Affordable Workspace Provider" | such company, organisation or management group with experience of operating shared workspaces (including affordable workspaces) for multiple occupation by micro, small and medium sized enterprises which shall be approved by the Council in writing; |
| 2.7 | "the Agreement" | this Planning Obligation made pursuant to Section 106 of the Act |
| 2.8 | "Basement Approval in Principle Application" | an application to the Council's Highways Structural team for an approval in principle of the construction of the basement (forming part of the Development) which is to be assessed by the Council with a view to ensuring that sufficient loadings are maintained at all times at the interaction of the Development site and the Public |

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| | | Highway so as to ensure that the Public Highway is not compromised at any time during the Construction Phase or thereafter |
| 2.9 | "Basement Approval in Principle Contribution" | the sum of £1,800 (one thousand and eight hundred pounds) to be applied by the Council in event of receipt towards the assessment by the Council's Highways Structural team of the Basement Approval in Principle Application |
| 2.10 | "Bona Fide Hotel Sale or Lease" | <p>sale or lease of the Development or the Hotel forming part of the Development (not including lettings of individual hotel rooms) that is certified by a solicitor to be an arm's length third party bona fide transaction and not:-</p> <p>(a) designed to reduce the revenue received from the Development or any parts thereof;</p> <p>(b) involving transactions between the Owner and subsidiary companies of the Owner;</p> <p>(c) involving transactions between the Owner and its employees; or</p> <p>(d) involving transactions including deferred consideration coverage or loans or finance deals from the Owner.</p> |
| 2.11 | "the Burland Category of Damage" | an industry recognised category of structural damage as specified at para 4.29 of Camden Planning Guidance: Basements (as may be amended) and shown in the Second Schedule annexed hereto |
| 2.12 | "Business Parking Bay" | a parking place designated by the Council by an order under the Road Traffic Regulation Act 1984 or other relevant legislation for use by businesses of the locality in which the Development is situated |
| 2.13 | "Business Parking Permit" | a parking permit issued by the Council under section 45(2) of the Road Traffic Regulation Act 1984 allowing a vehicle to park in a Business Parking Bay |

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| 2.14 | "Camden Based Enterprises" | small and medium sized enterprises whose registered company address is in the London Borough of Camden or whose director or owner can prove their primary residence is in the London Borough of Camden |
| 2.15 | "the Certificate of Practical Completion" | the certificate issued by the Owner's contractor architect or project manager certifying that the Development has been completed |
| 2.16 | "CHP Air Quality Assessment" | <p>An assessment undertaken by the Owner which shall include the following information in respect of the energy centre provided as part of the Development:</p> <ul style="list-style-type: none"> (a) technical details of any proposed combined heat and power (CHP) or combined cooling, heat and power (CCHP) system including thermal capacity; (b) maximum rate of fuel consumption in kilograms or cubic metres per hour; (c) efflux velocity of flue gases at working; (d) proposed height of flue above ground level; (e) quantity of emissions released from the exhaust. This shall be expressed as the emission rate for nitrogen oxides, carbon monoxide and particulate matter including confirmation that the plant will comply with Band B of the Mayor's emission standards (as set out in the Mayor's Sustainable Design and Construction SPG) and details of any necessary NO₂ abatement mechanisms; (f) provision of a plans and elevations showing the termination point of all exhaust stacks associated with the energy centre ensuring the exhaust stack shall be located away from open-windows and air inlet vents to minimise the opportunity for NO₂ levels to contaminate air intakes for any site ventilation systems; and |

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| | | (g) modelled data to evidence that NO2 levels at the ventilation inlet are below 40 micrograms per meter cubed. |
| 2.17 | “the Construction Apprentice Default Contribution” | the sum of £28,000 (twenty eight thousand pounds) a sum being £7,000 per apprentice required on site to be paid by the Owner to the Council in lieu of construction apprentice provision |
| 2.18 | “Construction Management Plan” | <p>a plan setting out the measures that the Owner will adopt in undertaking the demolition of the Existing Buildings and the construction of the Development using good site practices in accordance with the Council's Considerate Contractor Manual and in the form of the Council's Pro Forma Construction Management Plan as set out in the First Schedule hereto to ensure the Construction Phase of the Development can be carried out safely and with minimal possible impact on and disturbance to the surrounding environment and highway network including (but not limited to):-</p> <p>(a) a statement to be submitted to Council giving details of the environmental protection highways safety and community liaison measures proposed to be adopted by the Owner in order to mitigate and offset potential or likely effects and impacts arising from the demolition of the Existing Buildings or structures on the Property and the building out of the Development;</p> <p>(b) proposals to ensure there are no adverse effects on the Conservation Area features</p> <p>(c) mitigation and monitoring effects on the health and amenity of local residences site construction workers local businesses and adjoining developments undergoing construction;</p> |

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| | | <p>(d) mitigation and monitoring measures over construction traffic including procedures for notifying the owners and or occupiers of the residences and businesses in the locality in advance of major operations delivery schedules and amendments to normal traffic arrangements (if any);</p> <p>(e) the inclusion of a waste management strategy for handling and disposing of construction waste; and</p> <p>(f) identifying means of ensuring the provision of information to the Council and provision of a mechanism for monitoring and reviewing as required from time to time</p> |
| 2.19 | “the Construction Management Plan Implementation Support Contribution” | the sum of £7,565 (seven thousand five hundred and sixty five pounds) to be paid by the Owner to the Council in accordance with the terms of this Agreement and to be applied by the Council in the event of receipt for the review and approval of the draft Construction Management Plan and verification of the proper operation of the approved Construction Management Plan during the Construction Phase |
| 2.20 | “the Construction Phase” | <p>the whole period between</p> <p>(a) the Implementation Date and</p> <p>(b) the date of issue of the Certificate of Practical Completion</p> <p>and for the avoidance of doubt includes the demolition of the Existing Buildings</p> |
| 2.21 | “the Construction Support Contribution” | the sum of £1,700 (one thousand seven hundred pounds) per apprentice to be paid by the Owner to the Council in accordance with the terms of this Agreement and to be applied by the Council to support the recruitment and |

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| | | training of apprentices |
| 2.22 | "Construction Working Group" | a working group to be convened in accordance with the requirements of the Construction Management Plan the objectives of which shall be to address any requirements in relation to working hours and times of delivery to the Property during the Construction Phase and to hold regular meetings to liaise discuss advise and where appropriate make recommendations to the Owner in respect of matters relating to demolition and construction works associated with the Development in relation to the effect on the surrounding residents and occupants so as to minimise disruption and the effect on the local community arising from the construction of the Development |
| 2.23 | "the Council's Considerate Contractor Manual" | the document produced by the Council from time to time entitled "Guide for Contractors Working in Camden" relating to the good practice for developers engaged in building activities in the London Borough of Camden |
| 2.24 | "Deferred Housing Contribution" | the sum of £1,468,338 (one million four hundred and sixty eight thousand three hundred and thirty eight pounds) to be paid by the Owner to the Council in accordance with the terms of this Agreement to be applied by the Council in the event of receipt towards the provision of Affordable Housing within the London Borough of Camden |
| 2.25 | "Deficit" | a negative figure or figure of zero produced from the Post-Construction Viability Assessment by taking the residual site value of the Development and subtracting the sum of £4,902,000 (four million nine hundred and two thousand pounds) |
| 2.26 | "Detailed Basement Construction Plan" | a plan setting out detailed information relating to the design and construction of the basement forming part of the Development with a view to minimising any or all impacts of the Development on Neighbouring Properties and the water environment and to provide a programme of detailed mitigating measures to be undertaken and put in place by the Owner with the objective of maintaining |

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| | | <p>the structural stability of the Property and Neighbouring Properties as described in the Basement Impact Assessment By TZG Partnership and LBH Wembley Engineering dated February and July 2018 submitted with the Planning Application and to include the following key stages:-</p> <ol style="list-style-type: none">1. the Owner to appoint an independent suitably certified engineer (qualified in the fields of geotechnical and/or structural engineering) from a recognised relevant professional body having relevant experience of sub-ground level construction commensurate with the Development (“the Basement Design Engineer”) AND FOR DETAILS OF THE APPOINTMENT TO BE SUBMITTED TO THE COUNCIL FOR WRITTEN APPROVAL IN ADVANCE (and for the Owner to confirm that any change in Basement Design Engineer during the Construction Phase with the Council in advance of any appointment); and,2. the Basement Design Engineer to formulate the appropriate plan to fulfil the requirements of the Detailed Construction Basement Plan and at all times to ensure the following:-<ol style="list-style-type: none">(a) that the design plans have been undertaken in strict accordance with the terms of this Agreement incorporating proper design and review input into the detailed design phase of the Development and ensuring that appropriately conservative modelling relating to the local ground conditions and local water environment and structural condition of Neighbouring Properties have been incorporated into the final design; and |
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| | | <p>(b) that the result of these appropriately conservative figures ensure that that the Development will be undertaken without any impact on the structural integrity of the Neighbouring Properties beyond “Slight” with reference to the Burland Category of Damage; and</p> <p>(c) that the Basement Design Engineer having confirmed that the design plans have been undertaken in strict accordance with this Agreement and includes a letter of professional certification confirming this and that the detailed measures set out in sub-clauses (i)-(vii) below have been incorporated correctly and appropriately and are sufficient in order to achieve the objectives of the Detailed Basement Construction Plan;</p> <p>(i) reasonable endeavours to access and prepare a detailed structural appraisal and conditions survey of all the Neighbouring Properties to be undertaken by an independent suitably qualified and experienced chartered surveyor (and for details to be offered if this is not undertaken in full or part);</p> <p>(ii) a method statement detailing the proposed method of ensuring the safety and stability of Neighbouring Properties throughout the Construction Phase including temporary works sequence drawings and assumptions with appropriate monitoring control risk assessment contingency</p> |
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| | | <p>measures and any other methodologies associated with the basement and the basement temporary works;</p> <p>(iii) detailed design drawings incorporating conservative modelling relating to the local ground conditions and local water environment and structural condition of Neighbouring Properties prepared by the Basement Design Engineer for all elements of the groundworks and basement authorised by the Planning Permission together with specifications and supporting calculations for both the temporary and permanent basement construction works;</p> <p>(iv) the Basement Design Engineer to be retained at the Property throughout the Construction Phase to inspect approve and undertaking regular monitoring of both permanent and temporary basement construction works throughout their duration and to ensure compliance with the plans and drawings as approved by the building control body;</p> <p>(v) measures to ensure the on-going maintenance and upkeep of the basement forming part of the Development and any and all associated drainage and/or ground water diversion measures order to maintain structural stability of the Property the Neighbouring Properties and the local water environment (surface and groundwater);</p> |
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| | | <p>(vi) measures to ensure ground water monitoring equipment shall be installed prior to Implementation and retained with monitoring continuing during the Construction Phase and not to terminate monitoring until the issue of the Certificate of Practical Completion (or other time agreed by the Council in writing); and,</p> <p>(vii) amelioration and monitoring measures of construction traffic including procedures for co-ordinating vehicular movement with other development taking place in the vicinity and notifying the owners and or occupiers of the residences and businesses in the locality in advance of major operations delivery schedules and amendments to normal traffic arrangements.</p> <p>3. the Owner to appoint a second independent suitably certified engineer (qualified in the fields of geotechnical and/or structural engineering) from a recognised relevant professional body having relevant experience of sub-ground level construction commensurate with the Development (“the Certifying Engineer”) AND FOR DETAILS OF THE APPOINTMENT OF THE CERTIFYING ENGINEER TO BE SUBMITTED TO THE COUNCIL FOR WRITTEN APPROVAL IN ADVANCE; and,</p> <p>4. for the Certifying Engineer to review the design plans and offer a 2 page review report to the Council confirming that the design plans have been formulated in strict accordance with the terms of this Agreement and have appropriately and correctly incorporated the</p> |
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| | | <p>provisions of sub-clauses (i)-(vii) above and are sufficient to achieve the objectives of the Detailed Basement Construction Plan AND should any omissions, errors or discrepancies be raised by the Certifying Engineer then these to be clearly outlined in the report and thereafter be raised directly with the Basement Design Engineer with a view to addressing these matters in the revised design plans.</p> <p>5. Only thereafter shall the Owner submit the agreed finalised version of the Detailed Basement Construction Plan to the Council for its written approval with a letter of professional certification from the Certifying Engineer confirming that the Detailed Basement Construction Plan is an approved form and has been formulated in strict accordance with the terms and clauses of this Agreement.</p> <p>6. The Owner to respond to any further questions and requests for further information about the submitted plan from the Council AND IN THE EVENT that a further technical assessment be required then the Owner agrees to reimburse the Council for any costs expended which requires the instruction of an independent assessment in order to resolve any unresolved issues or technical deficiencies in the Council's consideration of the submitted plan.</p> |
| 2.27 | "the Development" | <p>Demolition of existing office buildings (B1) and erection of 5 storey (plus two storey basement) building comprising mixed office (B1) and hotel (C1) use as shown on drawing numbers:- D_PA_P-0401 PL-03, D-PL-P-0204 P-03, D_PL_E-0203 P-03, D_PL_E-0202 P-04, D-PL-P-0201 PL-03, D_PA_P-0108 PL-03, D_PA_P-0107 PL-03, D_PA_P-0106 PL-03, D_PA_P-0105 PL-03, D_PA_P-0104 PL-03, D_PA_P-0103 PL-05, D_PA_P-0102 PL-04,</p> |

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| | | <p>D_PA_P-0101 PL-03, D-PL-P-5300 P-01, D-PL-P-5200 P-01, D-PL-P-5100 P-01, D-PL-P-0402 P-03, D-PL-P-0302 PL-02, D-PL-P-0301 P-01, PL-E-0401, D-PL-P-5111 Rev P-01, D-PL-P-5112 Rev P-01, D-PL-P-5120 Rev P-01, D-PL-P-5201 Rev P-01, D-PL-P-5202 Rev P-01, D-PL-P-5203 Rev P-01, D-PL-P-5204 Rev P-01, D-PL-P-5205 Rev P-01, D-PL-P-5220 Rev P-01, D-PL-P-5301 Rev P-01, D-PL-P-5302 Rev P-01, D-PL-P-5303 Rev P-01, D-PL-P-5304 Rev P-01, D-PL-P-5305 Rev P-01, D-PL-P-5320 Rev P-01, Ambigram Design and Access Statement parts 1-10 dated July 2018, Ambigram Design and Access Statement Addendum dated 20/05/2019, Campbell Reith BIA audit Rev D1 dated November 2018, Campbell Reith BIA audit Rev F1 dated February 2019, GL Hearn Sequential Assessment dated 15/01/2019, Transport Assessment Rev 11 dated November 2018, GL Hearn Financial Viability Assessment dated 17/08/2018, White Bridge financial feasibility study dated August 2018, GL Hearn cover letter dated 31/07/2018, Ecology Report dated 23/07/2018, Heritage Collective heritage statement and addendum dated July 2018, Sandy Brown noise report dated 26/07/2018, Waste Strategy Report dated 24/07/2018, Statement of Community Involvement dated July 2018, Ensphere Energy Statement dated July 2018, Ensphere Sustainability Statement dated July 2018, GL Hearn Planning Statement dated July 2018, Ensphere Draft Construction Management Plan dated July 2018, Land Stability Assessment dated February 2018, Hydrogeological and Hydrological Assessment dated July 2018, Archaeology Desk Based Assessment dated May 2018, Air Quality Assessment dated 24/07/2018, Point 2 Surveyors Daylight, Sunlight and Overshadowing Report dated July 2018, BPS FVA audit 02/11/2018.</p> |
| 2.28 | "the Employment and Training Plan" | a plan setting out a package of measures to be adopted by the Owner in order to maximise employment opportunities within the Development and for it to satisfy |

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| | | <p>the obligations contained in clause 4.8 of this Agreement through (but not be limited to) the following:-</p> <ol style="list-style-type: none"> 1. ensuring advertising of all construction vacancies exclusively through Kings Cross Construction Centre for a period of no less than one week before promoting more widely; 2. to ensure a Construction Industry Training Board benchmarks for local employment are met or exceeded when recruiting construction-related jobs' 3. to ensure the provision of 4 (four) construction apprentices; 4. make provision during the Construction Phase for no less than 5 (five) work placements for 14-16 years year olds; 5. ensure delivery of a minimum of two supplier capacity building workshops/"Meet the Buyer" events to support small and medium enterprises within the London Borough of Camden to tender for the contracts to include organising, supporting and promoting the event as well as provision of venue and refreshments for the events; 6. ensure delivery of a minimum of three end use apprenticeships 7. commit to following the Local Procurement Code |
| 2.29 | "the Employment and Training Contribution" | the sum of £8,662 (eight thousand six hundred and sixty two pounds) to be paid by the Owner to the Council in |

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| | | accordance with the terms of this Agreement and to be applied by the Council in the event of receipt for the provision of employment and training with the London Borough of Camden |
| 2.30 | “the Energy Efficiency and Renewable Energy Plan” | <p>a strategy setting out a package of measures to be adopted by the Owner in the management of the Development with a view to reducing carbon energy emissions through (but not be limited to) the following:-</p> <p>(a) the incorporation of the measures set out in the submission document entitled Energy Statement and dated November 2018 by Ensphere to achieve a 35% reduction in CO2 emissions beyond the Part L 2013 baseline;</p> <p>(b) further details (including detailed drawings, any necessary surveys and system specifications) of how the Owner will reduce the Development’s carbon emissions from renewable energy technologies located on the Property ensuring the Owner will target a reduction of at least 20% in carbon emissions in relation to the Property using a combination of complementary low and zero carbon technologies;</p> <p>(c) separate metering of all low and zero carbon technologies to enable the monitoring of energy and carbon emissions and savings;</p> <p>(d) a building management system being an electronic system to monitor the Development’s heating cooling and the hours of use of plant;</p> <p>(e) the incorporation of a Combined Heat and Power (CHP) system of a size and specification to be</p> |

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| | | <p>agreed by the Council, including details and method of installation of CHP unit(s) and full energy calculations justifying the size of the CHP and limiting the use of electricity for any heating as reasonable;</p> <p>(f) a CHP Air Quality Assessment;</p> <p>(g) provision of a meter on the CHP unit so the Council can monitor how much energy is being derived from CHP;</p> <p>(h) measures to enable future connection to a local energy network that has been designed in accordance with the “CIBSE heat networks; code of practice for the UK” at the boundary of the Property including:</p> <ul style="list-style-type: none"> - safeguarded space for a future heat exchanger; - provisions made in the building fabric/ design (such as soft-points in the building plant room walls) to allow pipes to be routed through from the outside to a later date; - the provision of domestic hot water isolation valves to facilitate the connection of an interfacing heat exchanger; - provision for external buried pipework routes to be safeguarded to a nearby road or similar where connection to the DHN would be made. - Provision of contact details of the person(s) responsible for the development’s energy provision for the purpose of engagement over future connection to a network. <p>(i) include a pre-Implementation design-stage review by an appropriately qualified and recognised independent professional in respect of the Property</p> |
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| | | <p>including Full Design stage NCM (for non-residential) calculations certifying that the measures incorporated in the Energy Efficiency and Renewable Energy Plan are achievable in the Development and satisfy the aims and objectives of the Council's strategic policies on the reduction of carbon emissions contained within its Development Plan;</p> <p>(j) measures to secure a post construction review of the Development by an appropriately qualified and recognised independent professional in respect of the Property (including but not limited to photographs, installation contracts and full As-Built SAP (for residential) and/or NCM (for non-residential) calculations) certifying that the measures incorporated in the Energy Efficiency and Renewable Energy Plan have been achieved in the Development and will be maintainable in the Development's future management and occupation; and</p> <p>(k) identifying means of ensuring the provision of information to the Council and provision of a mechanism for review and update as required from time to time</p> |
| 2.31 | "the Existing Buildings" | the buildings existing on the Property as at the date of this Agreement |
| 2.32 | "the Highways Contribution" | the sum of £40,557 (forty thousand five hundred and fifty seven pounds) to be paid by the Owner to the Council in accordance with the terms of this Agreement and to be applied by the Council in the event of receipt for the carrying out of works to the public highway and associated measures in the vicinity of the Property and as are required due to the Development ("the Highways Works") these to include costs associated with the following:- |

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| | | <p>(a) repair any construction damage to transport infrastructure or landscaping and reinstate all affected transport network links and road and footway surfaces on Bayham Street; and</p> <p>(b) any other works the Council acting reasonably considers necessary as a direct result of the Development</p> <p>all works will be subject to final measure and any level adjustment required and for the avoidance of doubt the Council in accepting this sum does not undertake any responsibility in connection with any required statutory undertakers works and excludes any statutory undertakers costs</p> |
| 2.33 | “the Hotel” | the use of the Development as a Hotel and the phrase “Hotel Development” shall be constructed accordingly |
| 2.34 | “the Hotel Management Plan” | <p>a plan setting out a package of measures to be adopted by the Owner in the management of the Hotel and which may be reviewed and amended from time to time by the Owner as approved by the Council (acting reasonably) to include (but not be limited to) the following:</p> <p>(a) a code of conduct to be made available to occupiers of the Hotel setting out the standards by which the occupiers of the Hotel are expected to conduct themselves both within the Hotel (including any external areas) and the local area with a view to promote awareness of the need to ensure that both customer and staff behaviour both on and off the Hotel causes minimum impact on or disruption to local residents including signage/ information to promote customer and staff awareness of the need to come and go quietly during night time and early morning;</p> |

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| | | <p>(b) provision of a designated community contact in order that any issues affecting local residents can be dealt with in an efficient manner and creating a tangible point of reference if local residents wish to raise any issues;</p> <p>(c) measures to ensure the Hotel will be staffed 24 hours a day with members of staff to be assigned as duty monitors to ensure adherence to the plan and to act as an on-call contact point for any complaints arising from residents;</p> <p>(d) a mechanism for the dissemination of information to occupiers of the Hotel;</p> <p>(e) details of the use and management (insofar as they are known at the date of submission of the Hotel Management Plan and any revisions of the same) of the extended ancillary areas including any private hire arrangements;</p> <p>(f) a Taxi Management Plan;</p> <p>(g) a requirement to prevent coaches from accessing the site and measures to secure this requirement;</p> <p>(h) incorporation of community safety aspects in relation to managing the locality including CCTV and security to be provided by the Hotel in liaison with the Council's Community Presence Manager.</p> |
| 2.35 | "King's Cross Construction Centre" | the Council's flagship skills construction training centre providing advice and information on finding work in the construction industry |
| 2.36 | "the Level Plans" | plans demonstrating the levels at the interface of the |

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| | | Development the boundary of the Property and the Public Highway |
| 2.37 | "Local Procurement Code" | the code annexed to the Third Schedule hereto |
| 2.38 | "the Implementation Date" | the date of implementation of the Development by the carrying out of a material operation as defined in Section 56 of the Act and references to "Implementation" and "Implement" shall be construed accordingly |
| 2.39 | "Neighbouring Properties" | known as 3,5,7,9 Bayham Street 2-4 King's Terrace and 48-56 Bayham Place |
| 2.40 | "Occupation Date" | the date when any part of the Development is occupied and the phrases "Occupy", "Occupied" and "Occupation" shall be construed accordingly |
| 2.41 | "Occupational Lease" | the lease of part of the Property dated 2 April 2015 for a term of six years from 2 April 2015 between the Owner Janet Hart Benjamin Hart and David Hart and the Occupational Tenant registered by way of a unilateral notice under Title Number 244495 |
| 2.42 | "Occupational Tenant" | the current tenant under the Occupational Lease being Fulwell 73 Limited and its successors and assigns and sub-lessees |
| 2.43 | "the Off-Site Housing Contribution" | the sum of £250,000 (two hundred and fifty thousand pounds) to be paid by the Owner to the Council as a payment in lieu of providing housing within the Development in accordance with the terms of this Agreement and to be applied by the Council in the event of receipt towards the provision of Affordable Housing in the London Borough of Camden |
| 2.44 | "Office" | the part of the Development used as B1 office space and the phrase "Office Development" shall be construed accordingly |
| 2.45 | "the Original Viability Assessment" | the viability assessment titled "7abc Bayham Street – Hotel & Office Revised Viability Appraisal" dated 20 June 2019 by Argus submitted to the Council to support the application for the Planning Permission |
| 2.46 | "the Parties" | mean the Council the Owner and the Mortgagee |

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| 2.47 | "the Pedestrian Cycling and Environmental Contribution" | the sum of £70,000 (seventy thousand pounds) to be paid by the Owner to the Council in accordance with the terms of this Agreement and to be applied by the Council in the event of receipt for the provision of various pedestrian cycle and public realm improvements in the vicinity of the Development |
| 2.48 | "the Planning Application" | a planning application in respect of the development of the Property submitted to the Council and validated on 10 August 2018 for which a resolution to grant permission has been passed conditionally under reference number 2018/3647/P subject to conclusion of this Agreement |
| 2.49 | "Planning Obligations Monitoring Officer" | a planning officer of the Council from time to time allocated to deal with all planning obligations pursuant to S106 of the Act to whom all notices, correspondence, approvals etc must be sent in the manner prescribed at clause 6.1 hereof |
| 2.50 | "the Planning Permission" | a planning permission granted for the Development substantially in the draft form annexed hereto |
| 2.51 | "the Post-Construction Viability Assessment" | <p>an open book assessment to be undertaken by the Owner and submitted to the Council in accordance with the terms of this Agreement such assessment to:-</p> <ul style="list-style-type: none"> (i) generate the residual site value (ii) employ the same method and sequence of calculations and be presented in the same form as the Original Viability Assessment unless otherwise agreed by the Council in writing (iii) employ the Viability Assessment Agreed Assumptions set out in the Fourth Schedule to this Agreement unless otherwise agreed by the Council in writing such assumptions to include: <ul style="list-style-type: none"> (a) a developer's return or profit calculated as 15% of gross development value and (b) finance costs calculated using an interest rate |

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| | | <p>of 6.5% and a development period of 36 months</p> <p>(c) otherwise employ the same numerical and/or percentage values (as the case may be) as the Original Viability Assessment save in relation to evidenced change in construction cost up to the time as such costs may be incurred and evidenced change in development value up to the date of submission of this assessment</p> <p>with a view inter alia to evidence to the Council's reasonable satisfaction the residual site value of the Property such assessment shall include (but not be limited to) the following:-</p> <ul style="list-style-type: none"> (i) a copy of the Owner's Original Viability Assessment (ii) receipted invoices; certified costs; certified copies of sales contracts; evidence of revenue from lettings over one year of full trading including hotel occupancy rates and charges for hotel rooms (where available at the time of the assessment); best estimates of any costs yet to be incurred; and any other evidence reasonably required by the Council to show any revenue and/or costs incurred in relation to the Development (iii) a solicitor's certification confirming that the sales and lettings of the Development of any part thereof (other than lettings of individual hotel rooms) were arm's length third party bona fide transactions and not:- <ul style="list-style-type: none"> (a) designed to reduce the revenue received from the Development or any parts thereof; |
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| | | <p>(b) involving transactions between the Owner and subsidiary companies of the Owner;</p> <p>(c) involving transactions between the Owner and its employees; or</p> <p>(d) involving transactions including deferred consideration coverage or loans or finance deals from the Owner;</p> <p>(iv) payment of £5,000 (five thousand pounds) to cover the Council's costs in verifying the material and information contained within the assessment;</p> <p>(v) details of any grant funding received in relation to the Development;</p> <p>(vi) any further information the Council acting reasonably requires</p> |
| 2.52 | "the Property" | the land known as 7A, B, C Bayham Street London NW1 0EY the same as shown shaded grey on the plan annexed hereto |
| 2.53 | "the Public Highway" | any carriageway footway and/or verge adjoining the Property maintainable at public expense |
| 2.54 | "the Service Management Plan" | <p>a plan setting out a package of measures to be adopted by the Owner and approved by the Council from time to time for the management of the deliveries and servicing to the Development securing the minimisation of conflicts between service vehicle and car and pedestrian movements and the minimisation of damage to amenity from such servicing and deliveries which shall include inter alia the following:-</p> <p>(a) a requirement for delivery vehicles to unload from a specific suitably located area;</p> |

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| | | <ul style="list-style-type: none"> (b) details of the person/s responsible for directing and receiving deliveries to the Property; (c) measures to avoid a number of delivery vehicles arriving at the same time; (d) likely frequency and duration of servicing movements and measures to be taken to avoid any conflicts; (e) likely nature of goods to be delivered; (f) the likely size of the delivery vehicles entering the Property; (g) measures taken to ensure pedestrian management and public safety during servicing including a statement setting out how highway safety will be maintained during servicing movements (h) measures taken to address servicing movements on and around the Property with a view inter alia to combining and/or reducing servicing and minimise the demand for the same (i) provision of swept path drawings to ascertain manoeuvring when entering and exiting the Property in accordance with the drawings submitted and agreed with the Council; (j) details of arrangements for refuse storage and |
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| | | <p>servicing; and</p> <p>(k) identifying means of ensuring the provision of information to the Council and provision of a mechanism for review and update as required from time to time</p> |
| 2.55 | “Surplus” | a positive figure produced from the Post-Construction Viability Assessment by taking the residual site value of the Development and subtracting the sum of £4,902,000 (four million nine hundred and two thousand pounds) |
| 2.56 | “the Sustainability Plan” | <p>a plan including a post construction review securing the incorporation of sustainability measures in the carrying out of the Development in its fabric and in its subsequent management and occupation which shall:-</p> <p>(a) achieve the targets set out in the submission document entitled Ensphere Energy Statement reference 17-E090-003</p> <p>(b) include a design stage Building Research Establishment Environmental Assessment Method (BREEAM) review report completed by a licensed BREEAM assessor in respect of the Property with a target of achieving an Excellent rating and attaining at least 60% of the credits in each of Energy and Water and 40% of the credits in Materials categories;</p> <p>(c) include a pre-Implementation review by an appropriately qualified recognised and independent professional in respect of the Property certifying that the measures incorporated in the Sustainability Plan are achievable in the Development and satisfy the aims and objectives of the Council’s strategic policies on sustainability contained within its Development Plan;</p> |

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| | | <p>(d) details of maintenance and management relative to sustainability measures included in the Sustainability Plan;</p> <p>(e) measures to secure a post construction review of the Development by an appropriately qualified recognised and independent professional in respect of the Property (including a written report, photographs and installation contracts) certifying that the measures incorporated in the Sustainability Plan have been achieved in the Development and will be maintainable in the Development's future management and occupation; and</p> <p>(f) identifying means of ensuring the provision of information to the Council and provision of a mechanism for review and update as required from time to time</p> |
| 2.57 | "the Taxi Management Plan" | a plan setting out the system to be adopted by the Owner for managing taxi access to and from the Development |
| 2.58 | "the Travel Plan" | <p>a plan setting out a package of measures to be adopted by the Owner in the management of the Property with a view to inter alia reducing trips in motor vehicles to and from the Property and promoting the use of environmentally friendly transport incorporating (but not limited to) the following:-</p> <p>(a) the elements set out in the First Schedule hereto;</p> <p>(b) provision for an initial substantial review of the plan within six months of the Occupation Date ensuring the plan is updated upon receipt of results of the review and further approved in writing by the Council;</p> <p>(c) a mechanism for monitoring and reviewing of the</p> |

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| | | <p>plan on the first anniversary of the Occupation Date;</p> <p>(d) measures to ensure subsequent reviews on the third and fifth anniversary of the Occupation Date using the initial survey referred to in (b) for baseline monitoring, ensuring the plan is updated where required upon receipt of results of the review and further approved in writing by the Council</p> <p>(e) provision for the appointment of Travel Plan Co-ordinator prior to the Occupation Date and a mechanism in place to advise the Council of direct contact details and any subsequent changes in the post;</p> <p>(f) identifying means of ensuring the provision of information to the Council and provision of a mechanism for review and update as required from time to time</p> |
| 2.59 | “the Travel Plan Co-ordinator” | an appropriately qualified and/or experienced person appointed by the Owner to deliver the objectives of the Travel Plan and be responsible for the coordination, implementation, reporting and review of the Travel Plan with a view to securing an ongoing process of continuous improvement |
| 2.60 | “the Travel Plan Monitoring Contribution” | the sum of £6,432 (six thousand four hundred and thirty two pounds) to be paid by the Owner to the Council in accordance with the terms of this Agreement and to be applied by the Council in the event of receipt for the review and approve the Owner’s Travel Plan over a six year period from the date of first Occupation of the Development |

3. **NOW THIS DEED WITNESSETH** as follows:-

- 3.1 This Agreement is made in pursuance of Section 106 of the Act, and is a planning obligation for the purposes of Section 106 as aforesaid, and is also made in pursuance of Section 16 of the Greater London Council (General Powers) Act 1974 Section 111 of the Local Government Act 1972; and Section 1(1) of the Localism Act 2011 and shall be enforceable by the Council against the Owner as provided herein and against any person deriving title to any part of the Property from the Owner and insofar as it is not a planning obligation its provisions may be enforceable by the Council under any relevant statutory powers.
- 3.2 Words importing the singular shall include the plural and vice versa and any words denoting actual persons shall include companies, corporations and other artificial persons.
- 3.3 Any reference to a specific statute or statutes include any statutory extension or modification amendment or re-enactment of such statute and any regulation or orders made under such statute.
- 3.4 The clause and paragraph headings do not form part of this Agreement and shall not be taken into account in its construction or interpretation.
- 3.5 It is hereby agreed between the Parties that save for the provisions of clauses 1, 2, 3, 5, 6, 7, 8 and 9 hereof all of which shall come into effect on the date hereof the covenants undertakings and obligations contained within this Agreement shall become binding upon the Owner upon the Implementation Date.
- 3.6 The Council hereby agrees to grant the Planning Permission on the date hereof.
- 3.7 The Parties save where the context states otherwise shall include their successors in title.
- 3.8 The Parties acknowledge that the Development shall be treated as being permanently designated as "car free" in accordance with Clause 4.3.1 and 4.3.2 for all relevant purposes.

4. **OBLIGATIONS OF THE OWNER**

The Owner hereby covenants with the Council as follows:-

4.1 AFFORDABLE WORKSPACE

4.1.1 Prior to the Implementation Date the Owner shall submit the Affordable Workspace Plan and the Affordable Workspace Marketing Plan to the Council for approval.

4.1.2 The Owner shall not Occupy nor permit Occupation of the Development until such time as the Council has approved the Affordable Workspace Plan and the Affordable Workspace Marketing Plan in writing.

4.1.3 The Owner shall not Occupy nor permit Occupation of the Office until such time as the Council has confirmed in writing that the Affordable Workspace has been laid out, constructed and fitted out in accordance with the Affordable Workspace Plan.

4.1.4 The Owner shall not Occupy or permit Occupation of any part of the Development at any time when the Development is not being managed in strict accordance with the Affordable Workspace Plan and the Affordable Workspace Marketing Plan as approved by the Council from time to time and shall not Occupy or permit Occupation of the Development otherwise than in strict accordance with the requirements of the Affordable Workspace Plan and the Affordable Workspace Marketing Plan.

4.2 BASEMENT APPROVAL IN PRINCIPLE

4.2.1 On or prior to the Implementation Date to:-

- (a) submit the Basement Approval in Principle Application; and
- (b) pay to the Council the Basement Approval in Principle Contribution

4.2.2 Not to Implement or permit Implementation of any part of the Development until such time as:

- (a) the Council has approved the Basement Approval in Principle Application as demonstrated by written notice to that effect; and
- (b) the Council has received the Basement Approval in Principle Application Contribution in full.

4.3 CAR FREE

- 4.3.1 To ensure that prior to occupying any part of the Development each new occupant of the Development is informed by the Owner of the Council's policy that they shall not be entitled (unless they are the holder of a disabled persons badge issued pursuant to Section 21 of the Chronically Sick and Disabled Persons Act 1970) to
- (a) be granted a Business Parking Permit to park a vehicle in a Business Parking Bay; and
 - (b) buy a contract to park within any car park owned, controlled or licensed by the Council.
- 4.3.2 Not to Occupy or use (or permit the Occupation or use of) any unit forming part of the Development at any time during which the occupier of the unit holds a Business Parking Permit to park a vehicle in a Business Parking Bay or is permitted to park a vehicle in any car park owned, controlled or licensed by the Council unless the occupier is the holder of a disabled persons badge issued pursuant to Section 21 of the Chronically Sick and Disabled Persons Act 1970).
- 4.3.3 The Owner for itself and its successors in title to the Property hereby acknowledges that the provisions in Clause 4.3.1 and 4.3.2 above will remain permanently.
- 4.3.4 On or prior to the Occupation Date the Owner shall inform the Council's Planning Obligations Monitoring Officer of the official unit numbers of the units forming part of the Development (as issued and agreed by the Council's Street Name and Numbering Department), identifying those units that in the Owner's opinion are affected by the Owner's obligation in Clause 4.3.1 and 4.3.2 of this Agreement.

4.4 CONSTRUCTION MANAGEMENT PLAN

- 4.4.1 On or prior to the Implementation Date to:
- (a) pay to the Council the Construction Management Plan Implementation Support Contribution in full; and
 - (b) submit to the Council for approval a draft Construction Management Plan.
- 4.4.2 Not to Implement nor allow Implementation of the Development until such time as the Council has:

- (a) received the Construction Management Plan Implementation Support Contribution in full; and
- (b) approved the Construction Management Plan as demonstrated by written notice to that effect.

4.4.3 The Owner acknowledges and agrees that the Council will not approve the Construction Management Plan unless it demonstrates to the Council's reasonable satisfaction that the Construction Phase of the Development can be carried out safely and with minimal possible impact on and disturbance to the surrounding environment and highway network.

4.4.4 To ensure that throughout the Construction Phase the Development shall not be carried out otherwise than in strict accordance with the requirements of the Construction Management Plan and not to permit the carrying out of any works comprised in demolition or building out the Development at any time when the requirements of the Construction Management Plan are not being complied with and in the event of non-compliance with this sub-clause the Owner shall forthwith take any steps required to remedy such non-compliance.

4.5 CONSTRUCTION WORKING GROUP

4.5.1 From the date of execution of this Agreement (unless otherwise agreed in writing with the Council) the Owners are to invite the following to become members of the Construction Working Group at their own expense:

- (a) representatives of the local residents, existing residents associations or any other bodies or groups representing the owners and or occupiers and/or businesses in the immediate locality subject to a maximum of five (5) persons
- (b) the appointed project architect for the Development plus one additional representative as may be nominated by the Owner from time to time
- (c) any other person or persons having a direct interest in the management of the Construction Phase as the case may be reasonably nominated by the Council (subject to a maximum of two (2) persons)

- 4.5.2 To
- (a) procure that the project manager for the Development (and any other appropriate professional representatives of the Owners that the Parties agree) shall be a member of the Construction Working Group and shall attend all meetings of the Construction Working Group;
 - (b) appoint a person ("the Liaison Officer") responsible for liaising with the owners and or occupiers of the residents institutions and businesses other interested parties about the operation of the Construction Working Group such person to organise and attend all meetings of the Construction Working Group; and
 - (c) ensure an appropriate venue within easy walking distance of the Property is procured for each meeting of the Construction Working Group.
- 4.5.3 To give a minimum of seven (7) days written notice of the time and place and date of each meeting of the Construction Working Group to all members of such Construction Working Group.
- 4.5.4 To ensure that meetings of the Construction Working Group shall take place prior to submission of the Construction Management Plan and at regular intervals as the Construction Working Group decides during the Construction Phase ALWAYS PROVIDED that any member of the Construction Working Group shall be entitled on reasonable grounds by giving written notice of not less than ten (10) days to the Liaison Officer to convene a meeting of the Construction Working Group and a meeting of the Construction Working Group so convened shall consider matters specified in the notice as requiring discussion.
- 4.5.5 To ensure that accurate written minutes are kept of each meeting of the Construction Working Group recording discussion and any decisions taken by the Construction Working Group (this to be circulated by the Owner or Owner's representative to all members of the group within ten (10) days of each meeting).
- 4.5.6 In the event of the majority of members of the Construction Working Group (having particular regard to the Construction Management Plan) making a recommendation to the Owner in respect of the management of the Construction Phase the Owner agrees to use all reasonable endeavours to give effect to implementing any

reasonable recommendation and in the event of any reasonable recommendation which accords with the approved Construction Management Plan not being adopted by the Owner the Owner shall notify the next meeting of the Construction Working Group of this fact together with written reasons as to why this is the case.

4.5.7 The Owner shall expeditiously take any action reasonably necessary to deal with any such reasonable complaints (and shall give each meeting of the Construction Working Group written information about any such complaints received and action taken in respect of them).

4.6 DEFERRED HOUSING CONTRIBUTION

4.6.1 The Parties agree that notwithstanding the remaining clauses in clause 4.6 of this Agreement the Owner may at any time following Implementation pay the Council the Deferred Housing Contribution in full.

4.6.2 To submit the Post-Construction Viability Assessment to the Council for approval in writing after the date of issue of the Certificate of Practical Completion and as soon as is reasonably possible after either:-

- (a) the Owner has exchanged on a Bona Fide Hotel Sale or Lease; or
- (b) the Hotel Development has traded fully for a period of one year and the Owner provides sufficient information to the Council to evidence the same..

4.6.3 In all circumstances and notwithstanding clause 4.6.2, to submit the Post Construction Viability Assessment to the Council for approval not more than three years after the date of issue of the Certificate of Practical Completion.

4.6.4 Upon the issue of the approval of the Post-Construction Viability Assessment the Council will provide to the Owner the following:-

- (a) a certificate specifying the sum (“the Assessment Certified Sum”) reasonably and properly expended by the Council in assessing the Post-Construction Viability Plan; and
- (b) a certificate specifying the sum (“the Viability Certified Sum”) properly assessed by the Council in accordance with the provisions of Clause 4.6 of this

Agreement as being recoverable from the Deferred Housing Contribution under the terms of this Agreement.

- 4.6.5 If the Assessment Certified Sum exceeds the payment made under clause 2.51 (vii) (Post-Construction Viability Assessment) of this Agreement then the Owner shall within twenty-eight (28) days of the issuing of the said certificate pay to the Council the amount of the excess.
- 4.6.6 In the event the approved Post-Construction Viability Assessment shows a Deficit the Viability Certified Sum shall be zero and the Owner shall have no obligation to pay the Deferred Housing Contribution or any part thereof.
- 4.6.7 In the event the Post-Construction Viability Assessment shows a Surplus that is less than two times the Deferred Housing Contribution the Viability Certified Sum shall be half of the Surplus up to the limit of the Deferred Housing Contribution.
- 4.6.8 In the event the Post-Construction Viability Assessment shows a Surplus that is greater than or equal to two times the Deferred Housing Contribution the Viability Certified Sum shall be the full amount of the Deferred Housing Contribution.
- 4.6.9 The Owner shall within 28 days of receipt of the Viability Certified Sum pay to the Council the sum specified within the Viability Certified Sum.
- 4.6.10 Not to Occupy or permit Occupation of the Development prior to the Certificate of Practical Completion being submitted to the Council.

4.7 **DETAILED BASEMENT CONSTRUCTION PLAN**

- 4.7.1 On or prior to the Implementation Date to provide the Council for approval the Detailed Basement Construction Plan.
- 4.7.2 Not to Implement nor allow Implementation of the Development until such time as the Council has approved the Detailed Basement Construction Plan as demonstrated by written notice to that effect.
- 4.7.3 The Owner acknowledges and agrees that the Council will not approve the Detailed Basement Construction Plan unless it demonstrates by way of certification by the

suitably qualified engineers from recognised relevant professional body to the Council's reasonable satisfaction that the Development can be constructed safely in light of the ground and water conditions and will not cause any structural problems with neighbouring properties nor the Development itself.

- 4.7.4 To ensure that throughout the Construction Phase the Development shall not be carried out otherwise than in strict accordance with the requirements of the Detailed Basement Construction Plan and not to permit the carrying out of any works comprised in building out the Development at any time when the requirements of the Detailed Basement Construction Plan are not being complied with and in the event of non-compliance with this sub-clause the Owner shall upon notice from the Council forthwith take any steps required to remedy such non-compliance.
- 4.7.5 Not to Occupy or permit Occupation of the Development until a satisfactory post-completion review has been submitted to and approved by the Council in writing by way of certification by a suitably qualified engineer from a recognised relevant professional body confirming that the measures incorporated in the Detailed Basement Construction Plan as approved by the Council have been incorporated into the Development.
- 4.7.6 Following the Occupation Date the Owner shall not Occupy or permit Occupation of any part of the Development at any time when the Development is not being managed in strict accordance with the Detailed Basement Construction Plan as approved by the Council and in the event of any breach shall forthwith take any steps required to remedy such non-compliance.

4.8 **EMPLOYMENT AND TRAINING PLAN**

- 4.8.1 Prior to the Implementation Date to submit to the Council for approval the Employment and Training Plan.
- 4.8.2 Not to Implement nor permit Implementation until such time as the Council has approved the Employment and Training Plan as demonstrated by written notice to that effect.

4.8.3 To ensure that throughout the Construction Phase the Development shall not be carried out otherwise than in strict accordance with the requirements of the Employment and Training Plan and not to permit the carrying out of any works comprised in demolition or building out the Development at any time when the requirements of the Employment and Training Plan are not being complied with and in the event of non-compliance with this sub-clause the Owner shall forthwith take any steps required to remedy such non-compliance.

4.8.4 Following the Occupation Date the Owner shall not Occupy or permit Occupation of any part of the Development at any time when the Development is not being managed in strict accordance with the Employment and Training Plan as approved by the Council from time to time and shall not Occupy or permit Occupation of the Development otherwise than in strict accordance with the requirements of the Employment and Training Plan

4.9 **EMPLOYMENT AND TRAINING CONTRIBUTION**

4.9.1 On or prior to the Implementation Date to pay to the Council the Employment and Training Contribution in full.

4.9.2 Not to Implement or to permit Implementation until such time as the Council has received the Employment and Training Contribution in full.

4.10 **ENERGY EFFICIENCY AND RENEWABLE ENERGY PLAN**

4.10.1 On or prior to the Implementation Date to submit to the Council for approval the Energy Efficiency and Renewable Energy Plan.

4.10.1 Not to Implement nor permit Implementation until such time as the Council has approved the Energy Efficiency and Renewable Energy Plan as demonstrated by written notice to that effect.

4.10.2 Not to Occupy or permit Occupation of the Property until a satisfactory post-completion review has been submitted to and approved by the Council in writing confirming that the measures incorporated in the Energy Efficiency and Renewable Energy Plan as approved by the Council have been incorporated into the Property.

4.10.3 Following the Occupation Date the Owner shall not Occupy or permit Occupation of any part of the Development at any time when the Development is not being managed in strict accordance with the Energy Efficiency and Renewable Energy Plan as approved by the Council from time to time and shall not Occupy or permit Occupation of the Development otherwise than in strict accordance with the requirements of the Energy Efficiency and Renewable Energy Plan.

4.11 **HIGHWAYS CONTRIBUTION**

4.11.1 On or prior to the Implementation Date to pay to the Council the Highways Contribution in full.

4.11.2 On or prior to the Implementation Date to submit to the Council the Level Plans for approval.

4.11.3 Not to Implement or to allow Implementation until such time as the Council has received the Highways Contribution in full.

4.11.4 Not to Implement or to allow Implementation until such time as the Council has approved the Level Plans.

4.11.5 For the avoidance of doubt the Owner acknowledges that the Council has the right reserved to it to construct the Public Highway to levels it considers appropriate and does not undertake any responsibility in connection with any required statutory undertakers works and that the Highways Contribution excludes any statutory undertakers costs.

4.11.6 On completion of the Highway Works the Council may provide to the Owner a certificate specifying the sum ("the Certified Sum") expended by the Council in carrying out the Highway Works.

4.11.7 If the Certified Sum exceeds the Highway Contribution then the Owner shall within fourteen days of the issuing of the said certificate pay to the Council the amount of the excess.

4.11.8 If the Certified Sum is less than the Highway Contribution then the Council shall within twenty eight days of the issuing of the said certificate pay to the Owner the amount of the difference between the Certified Sum and the Highway Contribution.

4.12 **HOTEL MANAGEMENT PLAN**

4.12.1 Prior to Occupation of the Development to submit to the Council for approval the Hotel Management Plan.

4.12.2 Not to Occupy or permit Occupation of any part of the Development until such time as the Council has approved the Hotel Management Plan as demonstrated by written notice to that effect.

4.12.3 Not to Occupy or permit Occupation of any part of the Development at any time when the Development is not being managed in strict accordance with the Hotel Management Plan as approved by the Council from time to time and shall not Occupy or permit Occupation of the Development otherwise than in strict accordance with the requirements of the Hotel Management Plan.

4.13 **LOCAL EMPLOYMENT**

4.13.1 The Owner shall work in partnership with (i) the King's Cross Construction Centre; and (ii) take the following specific measures during the Construction Phase to ensure:-

- a) Construction Industry Training Board benchmarks for local employment are met or exceeded when recruiting construction-related jobs;
- b) all contractors and sub-contractors provide information about all vacancies arising as a result of the Construction Phase of the Development to the King's Cross Construction Centre;
- c) the King's Cross Construction Centre is notified of all vacancies, arising from the building contract for the Development for employees, self-employees, contractors and sub-contractors;
- d) that the King's Cross Construction Centre is supplied with a full labour programme for the lifetime of the Development (with six-monthly updates)

demonstrating (i) what skills and employment are needed through the life of the programme, and (ii) measures to ensure that these needs are met as far as possible through the provision of local labour from residents of the London Borough of Camden; and

- e) the Council is provided with a detailed six-monthly labour return for monitoring the employment and self-employment profile of all workers referred by the Kings Cross Construction Centre and employed during the Construction Phase.

4.13.2 The Owner shall ensure that at all times during the Construction Phase no less than four construction apprentices shall be employed at the Development always ensuring each apprentice shall be:-

- (i) recruited through the Kings Cross Construction Centre;
- (ii) employed for a period of not less than 52 weeks;
- (iii) paid at a rate not less than the London living wage as set out at <https://www.london.gov.uk/what-we-do/business-and-economy/london-living-wage>; and
- (iv) the Construction Apprentice Support Contribution (based on the each individual apprentice placement) has been paid in full.

4.13.3 The Owner shall ensure that during the Construction Phase of the Development no less than five work placements and/or work experience opportunities are provided at the Development.

4.13.4 Notwithstanding the provisions in clauses 4.3.2 and 4.3.3 (above) of this Agreement, during the Construction Phase the Owner shall provide training opportunities on site for employees resident within the London Borough of Camden and to provide a six-monthly statement setting out the details of candidates employed to Kings Cross Construction.

4.13.5 On or prior to the Implementation Date to pay the Council the Apprentice Support Contribution in full

4.13.6 Not to Implement or permit Implementation until such time as the Apprentice Support Contribution has been paid to the Council in full.

4.13.7 If the Owner is unable to provide the apprentices in accordance with Clause 4.3.2 of this Agreement for reasons demonstrated to the satisfaction of the Council it shall:

- a) forthwith pay the Council the Construction Apprentice Default Contribution in respect of each individual apprentice placement not provided; and
- b) shall not Occupy or permit Occupation until such time as the Construction Apprentice Default Contribution (based on the each individual apprentice placement) has been paid in full.

4.13.8 Following the Occupation Date of the Development the Owner shall ensure that at all times it will (unless otherwise agreed with the Council at the request of the Owner) have in its employ no less than three end use apprentice always ensuring the apprentice shall be:-

- (a) recruited through the Council's Economic Development Team;
- (b) resident in the London Borough of Camden;
- (c) paid at a rate not less than the London living wage as set out at <https://www.london.gov.uk/what-we-do/business-and-economy/london-living-wage>;
- (d) employed on a fulltime basis for at least 52 weeks;
- (e) provided with appropriate on the job training or day release to enable the apprentice to train for and achieve a Level 2 or Level 3 Apprenticeship standard qualification; and
- (f) supervised by a member of staff within the completed Development

4.14 LOCAL PROCUREMENT

4.14.1 Prior to Implementation to agree a programme during the construction of the Development to provide opportunities for local businesses to bid/tender for the provision of goods and service to the Development in accordance with the Council's Local Procurement Code.

4.14.2 On or prior to Implementation to meet with the Council's Economic Development Local Procurement Team (or any successor department) at least one month before tendering contracts to agree the specific steps that will be taken to give effect to the Local Procurement Code.

4.14.3 To ensure that throughout the construction of the Development shall not be carried out otherwise than in accordance with the requirements of the Local Procurement Code and in the event of non compliance with this sub-clause the Owner shall forthwith take any steps required to remedy such non-compliance.

4.14.4 To provide opportunities for local businesses to bid/tender for the provision of facilities management services and other post construction supply of goods and services.

4.15 OCCUPATIONAL TENANCIES

4.15.1 Not to Implement or permit the Implementation of the Planning Permission until the Occupational Lease has been terminated or otherwise come to an end.

4.15.2 Not to consent to any works pursuant to the Occupational Lease or vary or allow any variation to the Occupational Lease which would allow the Occupational Tenant to Implement the Planning Permission without such Occupational Tenant entering into a Section 106 agreement with the Council covenanting in identical terms to the terms of this Agreement.

4.15.3 Not to vary or allow any variation to any occupational lease or tenancy of the Property existing at the date hereof so as to grant rights to implement the Planning Permission without such lessee or tenant first entering into a section 106 agreement with the Council covenanting in identical terms to the terms of this Agreement.

4.15.4 Not to dispose of its interest in the Property to the Occupational Tenants at the Property without the Occupational Tenants first entering into a Section 106 Agreement with the Council covenanting in identical terms of this Agreement.

4.16 OFF-SITE HOUSING CONTRIBUTION

4.16.1 On or prior to the Implementation Date to pay to the Council the Off-Site Housing Contribution in full.

4.16.2 Not to Implement or to permit Implementation until such time as the Council has received the Off-Site Housing Contribution in full.

4.17 PEDESTRIAN CYCLING AND ENVIRONMENTAL CONTRIBUTION

4.17.1 On or prior to the Implementation Date to pay to the Council the Pedestrian Cycling and Environmental Contribution in full.

4.17.2 Not to Implement or to permit Implementation until such time as the Council has received the Pedestrian Cycling and Environmental Contribution in full.

4.18 SERVICE MANAGEMENT PLAN

4.18.1 On or prior to Occupation to submit to the Council for approval the Service Management Plan.

4.18.2 Not to Occupy or permit Occupation of any part of the Development until such time as the Council has approved the Service Management Plan as demonstrated by written notice to that effect.

4.18.3 After the Occupation Date the Owner shall not Occupy or permit Occupation of any part of the Development at any time when the Development is not being managed in strict accordance with the Service Management Plan as approved by the Council from time to time and shall not Occupy or permit Occupation of the Development otherwise than in strict accordance with the requirements of the Service Management Plan.

4.19 SUSTAINABILITY PLAN

4.19.1 On or prior to the Implementation Date to submit to the Council for approval the Sustainability Plan.

4.19.2 Not to Implement nor permit Implementation until such time as the Council has approved the Sustainability Plan as demonstrated by written notice to that effect.

4.19.3 Not to Occupy or permit Occupation of the Property until a satisfactory post-completion review has been submitted to and approved by the Council in writing confirming that the measures incorporated in Sustainability Plan as approved by the Council have been incorporated into the Property.

4.19.4 Following the Occupation Date the Owner shall not Occupy or permit Occupation of any part of the Development at any time when the Development is not being managed in strict accordance with the Sustainability Plan as approved by the Council from time to time and shall not Occupy or permit Occupation of the Development otherwise than in strict accordance with the requirements of the Sustainability Plan.

4.20 TRAVEL PLAN

4.20.1 On or prior to the Occupation Date to:-

- (a) submit to the Council the Travel Plan for approval; and
- (b) pay to the Council the Travel Plan Monitoring Contribution

4.20.2 Not to Occupy or permit Occupation of any part of the Development until such time as:

- (a) the Council has approved the Travel Plan as demonstrated by written notice to that effect; and
- (b) the Council has received the Travel Plan Monitoring Contribution in full.

4.20.3 The Owner covenants with the Council that after the Occupation Date the Owner shall not Occupy or permit Occupation of any part of the Development at any time when the Development is not being managed in strict accordance with the Travel Plan as approved by the Council from time to time and shall not Occupy or permit Occupation of the Development otherwise than in strict accordance with the requirements of the Travel Plan.

5. NOTICE TO THE COUNCIL/OTHER MATTERS

5.1 The Owner shall give written notice to the Council on or prior to the Implementation Date specifying that Implementation of the Development has taken or is about to take place.

- 5.2 Within seven days following completion of the Development the Owner shall certify in writing to the Planning Obligations Monitoring Officer in the manner outlined at clause 6.1 hereof quoting planning reference 2018/3647/P the date upon which the Development will be ready for Occupation.
- 5.3 The Owner shall act in good faith and shall co-operate with the Council to facilitate the discharge and performance of all obligations contained herein and the Owner shall comply with any reasonable requests of the Council to have access to any part of the Property or any requests to provide documentation within the Owner's possession (at the Owner's expense) for the purposes of monitoring compliance with the obligations contained herein.
- 5.4 The Owner agrees declares and covenants with the Council that it shall observe and perform the conditions restrictions and other matters mentioned herein and shall not make any claim for compensation in respect of any condition restriction or provision imposed by this Agreement and further shall jointly and severally indemnify the Council for any expenses or liability arising to the Council in respect of breach by the Owner of any obligations contained herein save to the extent that any act or omission of the Council its employees or agents has caused or contributed to such expenses or liability.
- 5.5 If satisfied as to the compliance of the Owner in respect of any obligation in this Agreement the Council shall (if requested to do so in writing and subject to payment of a fee of £1,000 in respect of each such obligation) provide through its Head of Legal Services a formal written certification of compliance, partial compliance or ongoing compliance (as and if appropriate) with the provisions of any such obligation.
- 5.6 Submission of any plan for approval by the Council under the terms of this Agreement shall be made by the Owner to the Council sending the full document and any appendices in electronic format (where practicable) to the Planning Obligations Monitoring Officer referring to the names dates and Parties to this Agreement and citing the specific clause of this Agreement to which such plan relates quoting the Planning Permission reference 2018/3647/P.
- 5.7 Payment of all financial contributions pursuant to Clause 4 of this Agreement shall be made by the Owner to the Council sending the full amount via electronic transfer

(where practicable) The owner shall notify the Planning Obligations Monitoring Officer that payment has been made referring to names date and Parties to this Agreement and citing the specific clause of this Agreement to which such contribution relates quoting the planning reference 2018/3647/P. Electronic Transfer be made directly to National Westminster Bank of Hampstead Village, Enfield Customer Service Centre, PO Box 145 Baird Road Middlesex EN1 1FN quoting Sort Code 50-30-03 and London Borough of Camden General Account no. 24299480.

5.8 All consideration given in accordance with the terms of this Agreement shall be exclusive of any value added tax properly payable in respect thereof and all parties other than the Council shall pay and indemnify the Council against any such value added tax properly payable on any sums paid to the Council under this Agreement upon presentation of an appropriate value added tax invoice addressed to the Owner.

5.9 Any sums referred to in this Agreement as payable or to be applied by any party other than the Council under this Agreement shall be paid or applied TOGETHER WITH if such payment or application is made more than three months from the date of this Agreement a further sum ("A") being equal to the original sum payable ("B") multiplied by a figure being a fraction of which the All Items of Retail Prices ("the AIIRP") figure last published by the Office for National Statistics at the date hereof is the denominator ("X") and the last AIIRP figure published before the date such payment or application is made ("Y") less the last published AIIRP figure at the date hereof ("X") is the numerator so that

$$A = B \times \frac{(Y-X)}{X}$$

5.10 All costs and expenses payable to the Council under this Agreement shall bear interest at the rate of 4% above the Base Rate of the National Westminster Bank plc from time to time being charged from the date such payment is due until payment is made.

6. **IT IS HEREBY AGREED AND DECLARED** by the Parties hereto that:-
- 6.1 The provisions of Section 196 of the Law of Property Act 1925 (as amended) shall apply to any notice or approval or agreement to be served under or in connection with this Agreement and any such notice or approval shall be in writing and shall specifically refer to the name, date and Parties to the Agreement and shall cite the clause of the Agreement to which it relates and in the case of notice to the Council shall be addressed to the London Borough of Camden, Planning Obligations Officer, Placeshaping Service, Urban Design and Development Team, 2nd Floor, 5 Pancras Square, London, N1C 4AJ and sent to planning obligations on PlanningObligations@camden.gov.uk quoting the planning reference number 2018/3647/P and in the case of any notice or approval or agreement from the Council this shall be signed by a representative of the Council's Environment Department.
- 6.2 This Agreement shall be registered as a Local Land Charge.
- 6.3 The Owner agrees to pay the Council its proper and reasonable legal costs incurred in preparing this Agreement on or prior to the date of completion of the Agreement.
- 6.4 The Owner hereby covenants with the Council that it will within 28 days from the date hereof apply to the Chief Land Registrar of the Land Registry to register this Agreement in the Charges Register of the title to the Property and will furnish the Council forthwith with official copies of such title to show the entry of this Agreement in the Charges Register of the title to the Property.
- 6.5 Nothing contained or implied in this Agreement shall prejudice or affect the Council's powers to enforce any specific obligation term or condition nor shall anything contained or implied herein prejudice or affect any provisions, rights, powers, duties and obligations of the Council in the exercise of its functions as Local Planning Authority for the purposes of the Act or as a local authority generally and its rights, powers, duties and obligations under all public and private statutes, bye laws and regulations may be as fully and effectually exercised as if the Council were not a party to this Agreement.
- 6.6 Neither the Owner or the Mortgagee nor their successors in title nor any person deriving title from them shall be bound by the obligations in this Agreement in respect

of any period during which it no longer has an interest in the Property but without prejudice to liability for any breach committed prior to the time it disposed of its interest.

6.7 For the avoidance of doubt the provisions of this Agreement (other than those contained in this sub-clause) shall not have any effect until this Agreement has been dated.

6.8 If the Planning Permission is quashed or revoked or otherwise withdrawn or expires before effluxion of time for the commencement of Development this Agreement shall forthwith determine and cease to have effect.

7. **MORTGAGEE EXEMPTION**

7.1 The Mortgagee hereby consents to the completion of this Agreement and agrees to be bound by it and to the same being registered at the Land Registry as provided in Clause 6.4 hereof and for the avoidance of doubt agrees to be bound by the said obligations only in the event that it becomes a mortgagee in possession of the Property.

7.2 The Parties agree that the obligations contained in this Agreement shall not be enforceable against any mortgagee or chargee of the whole or any part of the Property unless it takes possession of the Property in which case it will be bound by the obligations as a person deriving title from the Owner.

8. **JOINT AND SEVERAL LIABILITY**

8.1 All Covenants made by the Owner(s) in this Agreement are made jointly and severally and shall be enforceable as such.

9. **RIGHTS OF THIRD PARTIES**

9.1 The Contracts (Rights of Third Parties) Act 1999 shall not apply to this Agreement

IN WITNESS whereof the Council has caused its Common Seal to be hereunto affixed and the Owner and the Mortgagee have executed this instrument as their Deed the day and year first before written

EXECUTED AS A DEED BY)
CAMDEN LIFESTYLE (UK) LTD)
acting by a director in the presence of)

.....

Director

Witness Signature:

Witness Name:

Witness Address:

.....

Witness Occupation:

EXECUTED AS A DEED BY)
CASNA LIMITED)
acting by a director in the presence of)

.....

Director

Witness Signature:

Witness Name:

Witness Address:

.....

Witness Occupation:

**THIS IS A CONTINUATION OF THE SECTION 106 AGREEMENT IN RELATION TO
7A, B, C BAYHAM STREET LONDON NW1 0EY**

**EXECUTED AS A DEED BY)
CAF4 (LUXEMBOURG) SARL)
a company incorporated in Luxembourg)
by)
and being persons who in accordance)
with the laws of that territory are acting)
under authority of the company)**

.....
Authorised Signatory

.....
Authorised Signatory

**THE COMMON SEAL OF THE MAYOR)
AND BURGESSES OF THE LONDON)
BOROUGH OF CAMDEN was hereunto)
Affixed by Order:-)**

.....
Authorised Signatory

THE FIRST SCHEDULE
Pro Forma
Construction Management Plan

The Council has produced a pro-forma Construction Management Plan that can be used to prepare and submit a Construction Management Plan to meet technical highway and environmental health requirements. This document should be prepared, submitted and receive approval from the Council well in advance of works starting.

The pro-forma Construction Management Plan can be found on the Council's website at:-

<https://www.camden.gov.uk/ccm/content/environment/planning-and-built-environment/two/planning-applications/making-an-application/supporting-documentation/planning-obligations-section-106/>

Please use the Minimum Requirements (also available at the link above) as guidance for what is required in the CMP and then download the Construction Management Plan

It should be noted that any agreed Construction Management Plan does not prejudice further agreement that may be required for things such as road closures or hoarding licences

THE SECOND SCHEDULE
The Burland Category of Damage

| Category of damage | Description of typical damage | Approximate crack width (mm) | Limiting tensile strain ϵ_{lim} (per cent) |
|--------------------|---|--|---|
| 0 Negligible | Hairline cracks of less than about 0.1 mm are classed as negligible | <0.1 | 0.0-0.05 |
| 1 Very slight | Fine cracks that can easily be treated during normal decoration. Perhaps isolated slight fracture in building. Cracks in external brickwork visible on inspection | <1 | 0.05-0.075 |
| 2 Slight | Cracks easily filled. Redecoration probably required. Several slight fractures showing inside of building. Cracks are visible externally and some repointing may be required externally to ensure weathertightness. Doors and windows may stick slightly. | <5 | 0.075-0.15 |
| 3 Moderate | The cracks require some opening up and can be patched by a mason. Recurrent cracks can be masked by suitable lining. Repointing of external brickwork and possibly a small amount of brickwork to be replaced. Doors and windows sticking. Service pipes may fracture. Weathertightness often impaired. | 5-15 or a number of cracks > 3 | 0.15-0.3 |
| 4 Severe | Extensive repair work involving breaking-out and replacing sections of walls, especially over doors and windows. Windows and frames distorted, floor sloping noticeably. Walls leaning or bulging noticeably, some loss of bearing in beams. Service pipes disrupted. | 15-25 but also depends on number of cracks | >0.3 |
| 5 Very severe | This requires a major repair involving partial or complete rebuilding. Beams lose bearings, walls lean badly and require shoring. Windows broken with distortion, Danger of instability. | Usually > 25 but depends on number of cracks | |

Damage Category Chart (CIRIA C580)

Extract from para 4.29 of the Camden Planning Guidance: Basements

THE THIRD SCHEDULE LOCAL PROCUREMENT CODE

1. INTRODUCTION

The use of local procurement agreements is a useful tool in helping the Council to improve economic prosperity and diversity in the local area which is a key aim of the Camden Community Strategy and the Local Development Framework (adopted July 2017). The sourcing of goods and services locally will also help to achieve a more sustainable pattern of land use and reduce the need to travel. The use of section 106 Agreements attached to the grant of planning permission will be used as a mechanism to secure appropriate levels of local procurement of goods and services. A fuller explanation of the policy background and the justification for the use of local procurement agreements and when they will be required is contained within Camden Planning Guidance: Employment Sites and Business Premises (adopted March 2018) which can be viewed on the Council's web site. This document is in line with the objectives of other organizations such as the London Development Agency and Government Office for London.

The purpose of this code is to maximise the opportunities available to Local Businesses in Camden from larger property developments taking place in Camden both during and after the construction phase. The local procurement code describes how the Owner in partnership with Camden Labour Market & Economy Service will ensure that Local Businesses benefit directly from the opportunities arising from both the Construction Phase of the Development and the end use of the Property.

The requirements of the local procurement code apply to the Owner, main contractor and subcontractors appointed by them as well as tenants subsequently occupying the building. The code is designed to support Owner s and contractors in fulfilling their commitments to the planning agreements by clarifying what is required from the outset. Although the wording is emphatic, Camden Labour Market & Economy Service seeks to work in partnership with contractors to assist them in meeting specifications and in finding suitable local companies. They will provide a regularly updated pre-screened directory of local companies in construction, fitting-out and furnishing trades in support of local procurement agreements.

2) MAIN REQUIREMENTS OF THE CODE

A) CONSTRUCTION.

We will request that the Owner meets with London Borough of Camden's Labour Market & Economy Service's Local Procurement Team ("the Local Procurement Team") at least 1 month in advance of tendering contracts to clarify how the local procurement code will work and the co-operation required from the Owner , main contractor and subcontractors.

The Council will seek to ensure that the Owner inserts the following clauses in the tender documentation issued to the main contractor:

2.1 Actions & Responsibilities of Main Contractor

1. The main contractor will provide the Local Procurement Team with information on the estimated timing of their procurement programme and a schedule of works packages to be let ("the Procurement Schedule") and to provide updates of the Procurement Schedule as and when it is updated or revised.
2. The main contractor will work with the Local Procurement Team to: include local companies on their tender lists wherever possible and to aim to achieve the procurement of construction contracts and goods and services from companies and organisations based in Camden towards a target of 10% of the total value of the construction contract.
3. The main contractor is required to provide regular monitoring information to the Local Procurement Team every six to eight weeks during the construction phase, via e-mail, phone, fax or liaison meeting providing details of:

- all local companies which are sent a tender enquiry or a tender invitation detailing the date and the works package or items concerned;
- the outcome of all works packages tendered, where there is a local company on the tender list, stating whether the local company was unsuccessful, successful or declined to tender and the contract value in the case of a contract being awarded to a local company.
- All local wholesalers and building materials suppliers which are asked to provide prices and the value of any purchases of materials and other wholesaler supplies procured.

(The Local Procurement Team can provide a pro forma local procurement log to assist in the monitoring process)

Full contact details of all subcontractors appointed (whether local or from elsewhere)

4. The main contractor should include a written statement in the tender documentation sent out to sub contractors informing them of their s106 requirement obligations as set out in section 2.2 below and ensure cooperation is agreed as a prerequisite to accepting sub contract tenders
5. The main contractor should provide an opportunity for the Local Procurement Team to brief subcontractors on the requirements of the Local Procurement code.
6. The main contractor will identify any actions that are required in order to overcome known barriers to Local Businesses to accessing their supply chain in respect of the Construction Phase.

2.2 Actions And Responsibilities of Sub-Contractors

1. All sub-contractors appointed will be required to work with the Local Procurement Team and to aim to achieve the procurement of construction goods and services from companies and organisations based in Camden towards a target of 10% of the total value of their construction sub-contract. (A regularly updated sub-directory of local suppliers will be supplied to subcontractors by the Local Procurement Team).
2. All subcontractors are required to provide regular monitoring information either to the main contractor or directly to the Local Procurement Team every six to eight weeks during the construction phase, via e-mail, phone, fax or liaison meeting providing details of :
 - All local wholesalers and building materials suppliers which are asked to provide prices and the value of any subsequent purchases of materials and other wholesaler supplies procured.
 - All local companies which are sent a tender enquiry or a tender invitation detailing the date and the works package concerned and the outcome of all sub-contracts tendered.

B. POST CONSTRUCTION: FITTING OUT BY TENANTS AND FACILITIES MANAGEMENT

Fitting out by tenants

Where the tenants of a development are responsible for fitting out the building(s), we will require the Owners to inform them that they also fall under the provisions of this s106 on local procurement and provide guidance in writing to their tenants setting out

the above clauses contained in section 2 above, which will apply to them as the Owner , their main contractor and subcontractors.

Facilities Management

The Owner and their agents shall provide opportunities for local businesses to bid/tender for the provision of facilities management services and other post construction supply of goods and services.

The Council will assist the Owner, occupier and their contractors in identifying suitable local companies to bid for facilities management contracts and to source local goods and services.

**THE FOURTH SCHEDULE
POST CONSTRUCTION VIABILITY ASSESSMENT AGREED ASSUMPTIONS**

| Input to Viability Assessment | Agreed Assumption Value |
|--------------------------------------|---|
| Office yield (net) | 5.5% |
| Professional fees | 10% of Construction Costs |
| Letting Agents Fee | 10% of Office Net Rent at Sale |
| Letting Legal Fees | 5% of Office Net Rent at Sale |
| Sales Agents Fees | 1.0% Gross Development Value |
| Sales Legal Fees | 0.5% of Gross Development Value |
| Developer's Return or Profit | 15% of Gross Development Value |
| Finance Costs | 6.5% Interest Rate |
| Development Period | 36 months total (pre-construction period 6 months, construction period 24 months, sale period 6 months) |

DATED

2020

(1) CAMDEN LIFESTYLE (UK) LTD

and

(2) CASNA LIMITED

and

(3) CAF4 (LUXEMBOURG) SARL

and

**(4) THE MAYOR AND BURGESSES OF
THE LONDON BOROUGH OF CAMDEN**

A G R E E M E N T

relating to land known as

7A, B, C BAYHAM STREET LONDON NW1 0EY

pursuant to

Section 106 of the Town and Country Planning Act 1990 (as amended);

Section 16 of the Greater London Council (General Powers) Act 1974;

Section 111 of the Local Government Act 1972; and

Section 1(1) of the Localism Act 2011

Andrew Maughan
Head of Legal Services
London Borough of Camden
Town Hall
Judd Street
London WC1H 9LP

Tel: 020 7974 5826

CLS/COM/LN/1800.1053
s106 FINAL