

## **OVERVIEW OF 2018/19 DEVELOPER CONTRIBUTIONS**

### **1. Introduction and Background**

- 1.1 Since May 2011 the Strategic Development Committee (SDC) has received annual reports with detailed information on secured, received and spent monies from planning obligations (often referred to as 'Section 106 Agreements'). Annual reports are submitted to the SDC to provide a feedback loop on the effectiveness of planning obligations and mitigation secured via planning applications determined by both of the borough's planning committees.
- 1.2 As the processes and regulations have changed this annual report has evolved to include additional information. Appended to this report is:
- 2018/19 Planning Obligations Annual Monitoring Report (Appendix 1)
  - 2018/19 Community Infrastructure Levy (CIL) Report (Appendix 2)
  - Reviews of London City Airport's 2018 Annual Performance Report with 2019 update (Appendix 3).
- 1.3 This report is typically provided to SDC in the autumn following the reporting year to allow for closedown and auditing of the Council's financial accounts facilitated by OneSource.

### **2. Overview**

#### **2.1 Developer Contributions**

- 2.1.1. The Council has for the first time set out a 'Developer Contributions: Governance and Funding Allocation Strategy'<sup>1</sup> (the Strategy') which clarifies the internal processes associated with the monitoring and management of monies which accrue from the development process and has committed the Council to consult with residents on the expenditure of a portion of the CIL monies collected from 2019/20. This directly responds to the Mayoral pledge to make the planning process more transparent and encourage greater resident input into it and contributes towards the attainment of Corporate Plan 2018/19 Priorities 2 and 6.
- 2.1.2. Building on the work from Strategy in 2019/20 the Local Planning Authority (LPA) has undertaken an update to the Statement of Community Involvement which has recommended to the community the methods of engagement which will be used on planning matters. The responses on the first draft are being assessed with a second draft addressing the initial feedback to be issued in due course – this includes a section related to Developer Contributions.
- 2.1.3. In 2018/19 the government continued consulting on amendments to the CIL Regulations, which concluded with the 'Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019' coming into force on 1 September 2019. There are implications for 2019/20 onwards to how this report will be produced in the future, government guidance on the format of the report has been issued and this is to be supported by digital tools being developed by government. Further details on the strategic implications for the amendments are summarised in Paragraph 3. The

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<sup>1</sup> The Developer Contributions: Governance and Funding Allocation Strategy is available at: [www.newham.gov.uk/cil](http://www.newham.gov.uk/cil)

amendment to the CIL Regulations provided some technical changes to calculations. The government also updated planning practice guidance on CIL, planning obligations and viability.

- 2.1.4. In recognition of some of the changes to the CIL Regulations and as set out in the Local Plan the LPA will be working on a draft Planning Obligations Supplementary Planning Guidance in 2019/20.
- 2.1.5. In response to the Council's declaration of Climate Emergency, the LPA committed to expediting an interim Carbon Offset Fund which was approved by Cabinet in September 2019; a strategic Carbon Offset Fund will be progressed in Spring/Summer 2020 in line with the Council's commitment to addressing the Climate Emergency. Developer Contributions secured in 2018/19 are £2.4m – if these and other secured monies achieve the relevant triggers this will contribute towards this Council and corporate commitment by way of the strategic Carbon Offset Fund and other programmes across the organisation as set out in the Newham Air Quality and Climate Change Strategic Intent Part Two: Addressing Climate Change<sup>2</sup>.

## 2.2 Planning Obligations (Section 106 Agreements)

- 2.2.1. Deeds of planning obligation and Unilateral Undertakings can both be secured under Section 106 of the Town and Country Planning Act 1990 (as amended) as an enforceable contract which binds the development of the site. Typically referred to as 'Section 106 Agreements', they are used alongside planning conditions to make otherwise unacceptable development acceptable in planning terms.
- 2.2.2. The 2018/19 Planning Obligations Annual Report is at Appendix 1 of this report and builds upon the Mayor's transparency pledge - for the first time including the Section 106 monies which have been allocated towards projects.
- 2.2.3. During 2018/19 Section 106 monies:
  - 2.2.3.1. £20,722,375.72 was secured (subject to relevant triggers being realised by developments);
  - 2.2.3.2. £18,954,869.43 was received;
  - 2.2.3.3. £3,080,297.25 was allocated towards projects which may be delivered in the same year or in subsequent years;
  - 2.2.3.4. £4,061,771.38 was spent on the delivery of a range of projects or resource.
- 2.2.4. The use of Affordable Housing Review Mechanisms (AHRMs) has perpetuated in 2018/19 as a way of ensuring that should viability improve, developers contribute up to a policy compliant equivalent level of affordable housing. The realisation of these review mechanisms is dependent upon future market conditions.

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<sup>2</sup> Agreed by September 2018 Cabinet and Council meetings.

### 2.3 Newham's Community Infrastructure Levy (CIL)

- 2.3.1. On 1 January 2014 Newham's CIL Charging Schedule became effective. Pursuant to the Community Infrastructure Levy Regulations 2010 (as amended) the Council is required to produce an annual report of the CIL collected, expended and retained in a reporting year, which is a financial year.
- 2.3.2. The 2018/19 CIL Report is at Appendix 2 of this report. In summary, £11,833,266.58 of CIL was received; total expenditure in this reporting year was £3,003,605.00.
- 2.3.3. A review of the collection of CIL and the associated expenditure is provided within the report. This year's expenditure focused largely on enabling the provision for additional and enhanced infrastructure across the borough with investment in leisure and sports, community neighbourhoods, and in open spaces which help to enhance the health and wellbeing of Newham's residents.

### 2.4 London City Airport's 2018 Annual Performance Report with update for 2019

- 2.4.1. Pursuant to the planning obligation associated with planning permission 13/01228/FUL London City Airport (the 'Airport') is obliged to submit an Annual Performance Report (APR) to the Council by 1<sup>st</sup> June each year.
- 2.4.2. Appendix 3 of this report provides an overview of the Airport's 2018 APR and an update for 2019.
- 2.4.3. A copy of the Airport's 2018 APR should be published on the London City Airport Consultative Committee website ([www.lcacc.org](http://www.lcacc.org)) by 30th June each year. This document is also available to the public on the Airport's website.
- 2.4.4. The Airport's APR focuses on planning controls associated with both the Airport's operations and the ongoing construction of the 'City Airport Development Programme'.

## **3. Amendments to the CIL Regulations and their strategic implications for LBN**

- 3.1 Amendments to the CIL Regulations came into force on 1 September 2019.
- 3.2 The amended Regulations represent a variety of technical changes which are being implemented by the collecting authority and LPA (as there is overlap with Planning Obligations).
- 3.3 The primary change for the Council is the need to publish an annual Infrastructure Funding Statement (IFS) pursuant to Part 10A, Regulation 121A of the CIL Regulations (as amended).
- 3.4 The Authority has a statutory duty to produce the IFS which comprises those matters outlined in Table A.

**Table A: summary of reporting requirements for the Infrastructure Funding Statement**

| Summary of regulatory requirements:  | Investment Team comment:   |
|--|--|
| <p><b>Infrastructure List:</b></p> <p>A statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL</p>  | <p>This should be in accordance with the Infrastructure Delivery Plan which indicates the new infrastructure needed to support growth planned for in the Local Plan.</p> <p>The emerging Capital Strategy could also form part of this.</p> <p>Operational /maintenance costs of extant and new infrastructure could be considered too.</p>  |
| <p><b>CIL Report:</b></p> <p>For the reporting year monies:</p> <ul style="list-style-type: none"> <li>• collected</li> <li>• spent</li> <li>• carried forward at the beginning and end of the year</li> </ul>   | <p>The Investment Team already produce this report as part of the 'Annual Developer Contributions Report' presented to Strategic Development Committee and published on the Council's website.</p>   |
| <p><b>Section 106 Report:</b></p> <p>For the reporting year monies:</p> <ul style="list-style-type: none"> <li>• total secured (a)</li> <li>• total received (b)</li> <li>• total allocated but not spent (e)</li> <li>• details of allocated but not spent (g)</li> <li>• total spent (f)</li> <li>• details of spend (h): <ul style="list-style-type: none"> <li>○ items of infrastructure</li> <li>○ repaying debt to deliver infrastructure</li> <li>○ monitoring fees</li> </ul> </li> <li>• total retained at year end (i)</li> </ul> <p>For previous financial years:</p> <ul style="list-style-type: none"> <li>• unallocated monies (c)</li> </ul> <p>For the reported year (non-financial):</p> <ul style="list-style-type: none"> <li>• <i>the number of education places to be provided (d)(i)</i></li> <li>• <i>the number of affordable housing units secured (incl. estimate of what commuted sums would deliver) (d) (ii)</i></li> </ul> <p>Optional reporting:</p> <ul style="list-style-type: none"> <li>• <i>summary of S278 Highways Agreements – works or monies</i></li> </ul> | <p>The Investment Team already produce most of the information within the report as part of the 'Annual Developer Contributions Report' presented to Strategic Development Committee.</p> <p>Those matters italicised will be first reported for the 2019/20 financial year within this report – they may have previously been reported elsewhere by the Council and in returns to MHCLG or other government bodies.</p> |

- 3.5 The Investment Team already produce most of the information within the report as part of the 'Annual Developer Contributions Report' presented to Strategic Development Committee.
- 3.6 MHCLG have issued guidance on the format of the IFS to enable the Government's Open Data agenda and allow for greater accountability. The Government guidance on the format of the report is to be supported by digital tools currently being developed.
- 3.7 The first reporting year which the Annual IFS applies to is 2019/20.
- 3.8 The Authority is obliged to produce the IFS by the 31 December after the reported year ends; therefore the 2019/20 target is December 2020.

#### **4. Summary**

- 4.1 This regular annual reporting provides the SDC and the public with an overview of what mitigation and community benefits have been secured and delivered in the borough during the preceding financial year.

## **2018/19 Planning Obligations Annual Monitoring Report**

### **1. Introduction and Background**

- 1.1 Planning obligations, also known as Section 106 Agreements or developer contributions, are typically undertakings by developers or agreements between a Local Planning Authority (LPA) and a developer in the context of granting planning permission. Their function is to make development acceptable, which would otherwise be unacceptable in planning terms. This typically involves commitment to provide something in-kind on site in a particular form (e.g. affordable housing) or money for the authority to undertake necessary works to mitigate the impact of the development.
- 1.2 This report deals with the financial contributions secured, received, spent and allocated from Deeds of planning obligations during the 2018/19 financial year.
- 1.3 The introduction of Newham's Community Infrastructure Levy (CIL) provides an alternative mechanism for development to make a contribution to infrastructure in the borough. Newham's CIL became effective on 1 January 2014.
- 1.4 There will be a transition between the planning permissions which are accompanied by significant infrastructure planning obligations (the borough has numerous long-term, multi-phased schemes) and the planning permissions, which will primarily make contributions to infrastructure through CIL.

### **2. Planning Obligations Systems and Processes**

- 2.1 The Developer Contributions: Governance and Funding Allocation Strategy (the 'Strategy') was approved and adopted by the Council in spring 2019 (Cabinet and full Council meetings in March 2019) and sets out the governance of planning obligations monies from receipt through allocation to expenditure. The Strategy confirms the Officers with delegated authority in relation of the allocation of developer contributions. The Strategy must be considered in the process of allocation of planning obligation and CIL.
- 2.2 Planning Obligations and the Community Infrastructure Levy (CIL)
  - 2.2.1. The CIL Regulations were introduced on 6 April 2010 and amended through the years. Newham's CIL Charging Schedule became effective on 1 January 2014.
  - 2.2.2. CIL cannot be used to fund or provide Affordable Housing and other site specific mitigation measures, for example Car Free developments. Therefore, planning obligations continue to play a critical role in facilitating sustainable development.
  - 2.2.3. Newham's CIL rates have remained unchanged since adoption, Newham's CIL Charging Schedule can be found on the Council's website [www.newham.gov.uk/CIL](http://www.newham.gov.uk/CIL).

## Appendix 1: 2018/19 Planning Obligations Annual Monitoring Report

### 3. Secured Planning Obligations

- 3.1 There were 35 Deeds of planning obligation completed between April 2018 and March 2019, of which 8 are Deed of Variations or Modifications to already approved schemes and 3 are Unilateral Undertakings.
- 3.2 Only where a Deed of Variation amends the amount of monies payable will this be reported to avoid double counting. In general most Deeds of Variation result from the issuing of Section 73 planning decision which changes planning condition(s) and results in a 'new' permission being issued typically along with the mitigation already agreed in the original planning permission.

### Secured Financial Planning Obligations

- 3.3 This section of the report considers those monies 'secured' by Section 106 Agreements. This means that a Deed was signed which included a financial contribution which offers some opportunity to mitigate the impacts of the development on the surrounding, existing or planned infrastructure. The monies are not a guaranteed income source and should therefore not be relied upon for forecasting purposes as the payment is contingent upon relevant triggers set out in the Section 106 Agreement.
- 3.4 A total of **£20,722,375.72** in financial contributions were secured from 21 deeds of planning obligation. Further details are provided in Table A: Secured by Purpose which outlines the total monies secured by types of site specific mitigation.

**Table A: Secured by Purpose**

|  |                       |
|--|-----------------------|
| Affordable Housing (off-site Provision)  | £342,000.00           |
| Highways, including Parking (CPZ, Car Club Management, etc)  | £33,289.97            |
| Sustainable Transport (Public Transport)   | £150,000.00           |
| Environmental Improvements (Public Realm)  | £644,000.00           |
| Education (primary and secondary provisions)   | £6,000,000.00         |
| Carbon Offset Contribution   | £2,389,488.50         |
| Economic Regeneration /Workplace (support for local labour, employment and skills programmes for local businesses) | £11,163,597.25        |
| <b>TOTAL SECURED</b>   | <b>£20,722,375.72</b> |

**Secured Non-financial Planning Obligations**

- 3.5 In this reporting year planning obligations have commitments towards a range of mitigation, including:
- Local Labour provisions (18)
  - Car Club (13)
  - Affordable Housing Review Mechanism (10)
  - Nominations Agreement (13)
  - Other (Design (7), Energy Centre(1), TV mitigation measures (1) and Ecology and Biodiversity (1))
  - Restriction on Parking Permits (16)
- 3.6 During the assessment of a planning application where an applicant demonstrates that they are not able to provide a sufficient level of Affordable Housing in their scheme (in line with planning policy) as a LPA LBN take a pragmatic approach to enabling development and seek to secure Affordable Housing Review Mechanisms (AHRM).
- 3.7 Through the use of AHRMs this ensures that should viability improve during the development cycle that this uplift will contribute to the shortfall in previously agreed affordable housing for a particular scheme. This approach is in accordance with the Council's Core Strategy (superseded in December 2018) and Local Plan (adopted in December 2018).
- 3.8 AHRMs are recorded as non-financial obligations in this report as the funding is contingent upon financial viability and the certainty in delivery is not clear; like all planning obligations monies this should not be relied upon as a guaranteed funding source.
- 3.9 Some others fees are included within head of terms, to contribute towards the Council's costs associated with monitoring compliance with the deed of planning obligation, facilitating the delivery of Travel Plans and the administration of parking permit restrictions associated with development; these do not typically constitute planning obligations.

**Summary of Financial and Non-financial Obligations this Reporting Year**

- 3.11 An overview of the Deeds signed this reporting year and what they were secured for in principle is provided within Table B: Overview of Planning Obligations Secured for 2018/19.



**Appendix 1: 2018/19 Planning Obligations Annual Monitoring Report**

**Table B: Overview of Planning Obligations Secured for 2018/19**

| <b>Planning Reference and Site Address</b>                            | <b>Total Secured</b> | <b>Local Labour, Goods and Services</b> | <b>Car Club</b> | <b>Nominations Agreement</b> | <b>Affordable Housing Review Mechanism</b> | <b>Restrictions on Parking Permits</b> | <b>Other Mitigation</b> |
|---|----------------------|---|-----------------|------------------------------|--|--|-------------------------|
| 17/04094/FUL<br>217 High Street North E6 1JG                          | £10,000              |   |                 |                              |  |  |                         |
| 16/01758/FUL<br>269A-279 Barking Road E16                             | £2,650               | v                                       |                 | v                            |  | v                                      |                         |
| 17/02106/FUL<br>Land Corner Of Store Road And Pier Road E16           | £202,419.00          | v                                       | v               | v                            | v  | v                                      | v                       |
| 17/02586/FUL<br>259 Plaistow Road E15 3EU                             | £1,331,800.00        | v                                       | v               |                              | v  | v                                      | v                       |
| 17/04003/FUL<br>Land Former 2 Pier Road E16 2JJ                       | £144,304.50          | v                                       | v               |                              | v  | v                                      | v                       |
| 17/04127/FUL<br>62 Rogers Road E16 1LR                                | £6,639.97            |   |                 |                              |  |  |                         |
| 17/02737/FUL<br>2 -10 Myrtle Road E6 1HU                              | £33,822.00           | v                                       | v               | v                            |  | v                                      | v                       |
| 17/03612/FUL<br>The Shopping Hall Myrtle Road E6 1HY                  | £305,250.00          | v                                       | v               | v                            | v  | v                                      | v                       |
| 17/03501/FUL<br>80 Henniker Road E15 1JZ                              | £16,500.00           |   |                 |                              |  |  |                         |
| 17/03685/FUL<br>Majors Builders Merchants Southend Road E6 2AL        | £11,000.00           |   |                 |                              |  |  |                         |
| 17/04129/FUL<br>103 Woodgrange Road E7 0EP                            | £3,000.00            |   |                 |                              |  |  |                         |
| 17/03018/VAR (to 16/0296/FUL)<br>21-37 Third Avenue E13 8AW           | £7,500.00            |   |                 |                              |  |  |                         |
| 17/03771/FUL<br>Units F6 And G7 Europa Trade Park 1 Cody Road E16 4SP | £54,008.25           | v                                       |                 |                              |  |  |                         |

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|  |                |   |   |   |   |   |   |
|--|----------------|---|---|---|---|---|---|
| 17/01491/NONMAT<br>West Ham United FC<br>Development Site Green Street<br>E13 9AZ  | £139,860.00    |   | v |   |   |   |   |
| 17/01847/OUT<br>Former Parcel Force Depot<br>Stephenson Street E16 4SB   | £17,958,091.00 | v | v | v | v | v | v |
| 16/03448/FUL<br>207 Romford Road E7 9HL  | £300,000.00    | v |   |   |   | v |   |
| 17/02554/FUL<br>Land At Thameside West And<br>Carlsberg Tetley Dock Road<br>E16  | £69,589.00     | v |   |   |   |   |   |
| 18/00307/FUL<br>Baptist Tabernacle West Ham<br>Lane E15 4PT  | £13,482.00     | v |   | v |   | v | v |
| 18/02488/FUL<br>138 Earlham Grove E7 9AS   | £48,120.00     | v | v | v | v | v | v |
| 18/02668/FUL<br>12 - 14 Upton Lane E7 9LN  | £0             |   |   |   |   | v |   |
| 18/01214/FUL<br>11 -13 Upton Lane Forest Gate<br>E7 9PA  | £44,340.00     | v | v | v |   | v | v |
| 17/03875/FUL and<br>17/03755/FUL<br>Unit 5 Crescent Court E16 4TG  | £0             | v |   |   |   |   |   |
| 18/03231/VAR (16/03026/FUL<br>and 16/03025/FUL )<br>Site Grange Road and Site<br>Doherty Road  | £20,000.00     | v | v | v | v | v | v |
| 16/03805/FUL (16/03063/FUL<br>and 16/03023/FUL)<br>Leighton Way E6 1NN   | £0             | v | v | v | v | v | v |
| 18/03232/VAR, 18/03242/VAR,<br>18/03243/VAR<br>Town Hall Annexe, Romford<br>Road, Stacey and Station Road                                      | £0             | v | v | v | v | v | v |
| 17/00951/FUL, 16/03030/FUL,<br>16/03028/FUL, 16/03029/FUL<br>London Road Site, Chargeable<br>Lane (Garage Site), Manor<br>Road and Baxter Road | £0             | v | v | v | v | v | v |
| 18/03319/VAR ( 17/01135/FUL)<br>1 High Street South E6 6EN   | £0             |   |   | v |   |   |   |

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### 4. Received Planning Obligations Financial Contributions

4.1 Financial contributions paid to the Council as the LPA include monies for the Authority to spend on specific infrastructure, some to pass on to third parties (such as Transport for London) and some which can be allocated to other strategic infrastructure requirements. In some instances the Council is also the recipient of monies from the London Legacy Development Corporation's planning area – these monies are also reported in this section.

4.2 All of the monies received by the Council through this part of the planning process are outlined in the Tables C and D.

4.3 The Council received a total of **£18,954,869.43** of planning obligations monies in this reporting period. This is broken down into the various beneficiary Service Areas or themes as outlined in Table C: Received by Purpose.

**Table C: Received by Purpose**

|  |                       |
|--|-----------------------|
| Affordable Housing (off-site provision)  | £7,149,808.04         |
| Highways, including Parking (CPZ, Car Club Management, etc)  | £62,166.69            |
| Sustainable Transport  | £1,960,514.02         |
| Transport for London   | £1,842,609.87         |
| Community Infrastructure   | £37,416.16            |
| Leisure  | £84,955.65            |
| Education  | £17,769.90            |
| Health   | £11,846.60            |
| Environmental Monitoring   | £89,860.99            |
| Carbon Offset Contribution   | £156,573.59           |
| Economic Regeneration /Workplace (support for local labour, employment and skills programmes for local businesses) | £1,006,431.96         |
| Standard Charge  | £6,534,915.95         |
| <b>TOTAL RECEIVED</b>  | <b>£18,954,869.43</b> |

4.4 The 'Standard Charge' referred to in Table C: Received by Purpose is a result of planning permissions granted by the London Thames Gateway Development Corporation (LTGDC). The LTGDC had a tariff based mechanism to pool contributions from developments for strategic infrastructure. Each of the LTGDC

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deeds of planning obligation has a slightly different way that the Standard Charge can be spent.

- 4.5 To demonstrate which developments have made financial contributions this year refer to Table D: Received by Deed.

**Table D: Received by Deed**

| <b>Planning Reference</b> | <b>Site Address</b>   | <b>Total Received</b> |
|---------------------------|---|-----------------------|
| 17/02002/OUT              | Jenkins Lane Phase 2 and Phase 3 E16                        | £28,263.20            |
| 17/04129/FUL              | 103 Woodgrange Road E7 0EP                                  | £3,000.00             |
| 14/02262/VAR              | Hallsville Quarter Phase 2 E16                              | £5,880,000.00         |
| 15/00577/VAR              | Royal Wharf E16   | £6,925,630.28         |
| 13/01228/FUL              | London City Airport Hartmann Road, E16 2P                   | £877,656.19           |
| 09/01612/LTGDC            | Broadway Chambers 2 Broadway, Stratford, London E15         | £2,540,000.00         |
| 17/03685/FUL              | Majors Builders Merchants Southend Road E6                  | £11,000.00            |
| 14/00321/FUL              | Land at 91 to 97 Leytonstone Road E15                       | £109,808.04           |
| 07/00257/LTGDC            | Stephenson Street Bus Garage, Canning Town E16 4SA          | £1,960,514.02         |
| 17/01247/FUL              | East Ham Industrial Estate, 1000 Newham Way East Ham E6 5JN | £234,952.59           |
| 17/04127/FUL              | 62 Rogers Road E16  | £6,639.97             |
| 10/00369/FUL              | Pump Tower (WE8) E16  | £171,550.51           |
| 1090285/FUMODA            | Manhattan Loft Gardens , International Way E20              | £24,467.91            |
| 17/00363/FUL              | Royal Dock Service Station North Woolwich Road E16          | £41,526.72            |
| 17/01491/NONMAT           | West Ham United FC Development Site E13                     | £139,860.00           |
| <b>TOTAL RECEIVED</b>     |   | <b>£18,954,869.43</b> |

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### 5. Spent Financial Contributions

- 5.1 A total of £4,061,771.38 of planning obligations monies was spent by beneficiary Service Areas and relevant external stakeholders in 2018/19. Table E: Spent by Purpose provides an overview of the types of infrastructure and mitigation provided by developer funding in the borough.

**Table E: Spent by Purpose**

|  |                      |
|--|----------------------|
| Highways (including Parking/Public Realm/Traffic and Transportation) | £231,577.28          |
| Leisure (open spaces/parks)  | £12,311.20           |
| Education  | £49,322.00           |
| Health   | £1,487,560.00        |
| Environmental Health   | £73,753.00           |
| Economic Regeneration/Workplace                                      | £1,190,560.50        |
| Transport for London   | £1,016,687.40        |
| <b>TOTAL SPENT</b>   | <b>£4,061,771.38</b> |

- 5.2 Planning obligation monies continue to contribute to vital infrastructure necessary as Newham grows. Table F: Spent by Deed details the projects which have been delivered; funded in part or wholly by financial planning obligations.

**Table F: Spent by Deed**

| Section 106 Reference and Development Site               | Project  | Amount Spent       |
|--|--|--------------------|
| <b>Highways and Public Realm</b>                         |  | <b>£231,577.28</b> |
| 10/02291/FUL<br>2 - 12 High Street,<br>Stratford E15 2PW | Home Zone and Raised Table, Shared Used surface between the carriageway and footway on Cooks Road and carriageway resurfacing on Cooks Road, E15 | £27,971.17         |
| 08/01790/FUL<br>Chargeable Lane E13                      | Final works to the project-improvement works at the junction   | £3,090.40          |

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|  |  |                      |
|--|--|----------------------|
|  | of Chargeable Street   |                      |
| 07/01799/FUL<br>190-200 Plashet<br>Grove, E6 1DA                               | Elizabeth Road Contraflow works                                  | £5,000.00            |
| 11/000347/FUL<br>UEL Stratford Campus,<br>Stratford E15                        | Stratford Gyratory Improvements -<br>Angel Lane / Theatre Square | £16,666.00           |
| 12/00221/FUMODA<br>Land At Great Eastern<br>Road/Angel Lane ,<br>Stratford E15 | Stratford Gyratory Improvements -<br>Angel Lane / Theatre Square | £102,642.00          |
| 08/01042/Out<br>Barrier Park East  | Royal Docks Corridor<br>Improvements                             | £70,162.96           |
| 04/0344 Royal Victoria<br>Dock (former WE5 site)                               | North Woolwich pavilion  | £3,730.00            |
| 09/00311/OUT Excel<br>Phase2   | A13 Underpass transformation-<br>Wharfside Road                  | £2,314.75            |
| <b>Open Space and Leisure</b>  |  | <b>£12,311.20</b>    |
| 06/01852/FUL<br>Chandos Road   | Chandos Road Masterplan  | £5,000.00            |
| 06/02043/OUT<br>Chandos Center And<br>Major Road Works;                        | Design development and feasibility<br>at Channelsea Path         | £2,836.00            |
| 07/02290/FUL 2-4<br>Connaught Rd E16   | Royal Victoria Gardens - Table<br>Tennis                         | £4,475.20            |
| <b>Education</b>   |  | <b>49,322.00</b>     |
| 13/00927/FUL<br>75 Berwick Road E16  | Edith Kerrison Nursery -Building<br>Extensions                   | 49,322.00            |
| <b>Economic Regeneration</b>   |  | <b>£1,190,560.50</b> |
| 06/90011 ODA<br>80-92 High Street E15  | Skills and Employment Training                                   | £84,000.00           |
| 12/01740/FUL<br>Greengate Lodge<br>Cave Road E1                                | Skills Training and Employment                                   | £21,311.00           |
| Royals Site 2.3<br>Dockside Road E16   | Skills Training and Employment                                   | £41,746.00           |
| 12/01910/FUL   | Skills Training and Employment                                   | £103,169.00          |

**Appendix 1: 2018/19 Planning Obligations Annual Monitoring Report**

|   |   |                      |
|---|---|----------------------|
| Royals Business Park, Dockside Road, E16                                    |   |                      |
| 10/90641/EXTODA   | Construction Skills and Training  | £55,938.00           |
| 12/03035/FUL<br>81 Hermit road,<br>Rawalpindi House,<br>Canning Town E16    | Skills Training and Employment  | £27,265.00           |
| 13/00322/FUL/LLDC<br>Angel Lane/Legacy<br>Tower, Great Eastern<br>Road, E15 | Skills Training Programme   | £90,000.00           |
| 12/00221/FUMODA<br>Student Scheme<br>Unite E15                              | Employment Skills and Local<br>Business   | £72,876.00           |
| 10/90285/FUMODA<br>Plot 24 SC Zone 3  | Employment and Training   | £51,205.00           |
| 07/01510/VAR<br>London City Airport   | Training And Education  | £3,050.99            |
| 15/00577/VAR Royal<br>Wharf   | Workplace Employment And Training<br>18/19  | £640,000.00          |
| <b>Environmental Health</b>   |   | <b>£73,753.00</b>    |
| 13/01228/FUL<br>London City Airport   | Air Quality Monitoring Project –<br>Noise, Construction environmental<br>impacts, light and odour pollution | £73,753.00           |
| <b>Health</b>   |   | <b>£1,487,560.00</b> |
| 08/01042/Out Barrier<br>Park East   | Pontoon Dock Health Facility- (at<br>Royal Wharf) Fit Out Costs   | £1,487,560.00        |
| <b>Transport for London</b>   |   | <b>£1,016,687.40</b> |
| Stratford City<br>Development   | London Buses –<br>Sponsored Route Agreement   | £1,016,687.40        |
| <b>TOTAL SPENT</b>  |   | <b>£4,061,771.38</b> |

## Appendix 1: 2018/19 Planning Obligations Annual Monitoring Report

### 6. Allocated Planning Obligations Funding

- 6.1 The Developer Contributions: Governance and Allocation Strategy was approved and adopted by Cabinet and Council in March 2019 with minor amendments to the Strategy to be published in next reporting year (2019/20). The Strategy sets out the governance of developer contributions from receipt through allocation to expenditure and it must be considered in the process of allocation of planning obligations.
- 6.2 An overview of the planning obligation contributions allocated towards projects this reporting year is provided within Table G: Overview of Planning Obligations Funding Requests for 2018/19.

**Table G: Funding Requests**

| Section 106 Reference and Development Site   | Amount Allocated | Project  |
|--|------------------|--|
| 12/01609/FUL<br>64-66 West Ham Lane E15<br>4PT   | £5,000           | Stratford Gyratory – West Ham Lane (Improvements to Pocket Park)   |
| 06/02092/FUL<br>206 Butchers Road, E16   | £26,500          | Freemasons Road Bus Stop Accessibility   |
| 07/02290/FUL<br>2-4 Connaught Rd E16   | £5,000           | Royal Victoria Gardens Bowling Green Renovation Works  |
| 06/00054/LTGDC<br>Shirley Street St Luke's Square E16  | £5,000           | Bus Stop Bus Stop Accessibility Scheme - Shirley St  |
| 04/0279<br>2 - 62 Faraday Rd, Stratford E15  | £5,000           | Bus Stop Bus Stop Accessibility Scheme - Faraday Rd E15  |
| 05/0700<br>14-26 High Street , E15   | £2,000           | Bus Stop Bus Stop Accessibility Scheme -High St E15  |
| 05/0251<br>149-153 High Street North, E6   | £30,000          | Bus Stop Bus Stop Accessibility Scheme - High Street North E6  |
| 12/01892/FUL<br>Plaistow Hospital, Samson Street, Plaistow, E13  | £35,000          | Bus Stop Bus Stop Accessibility Scheme - Samson Street, E13  |
| P/04/0608<br>40 Warton Road, E15<br>07/01799/FUL<br>190-200 Plashet Grove E6<br>08/00625/FUL<br>199 Upton Lane<br>07/02290/FUL<br>2/4 Connaught Road E16 | £511,941.00      | Forest Gate School – Expand school by 2FE  |
| 10/02291/FUL<br>2-12 High Street Stratford E15<br>10/90651/VARODA<br>SC Split Zone 3-6 SV(EV)<br>Triathlon Deed  | £142,400         | Healthcare Facility Fit Out<br>Proposed location: Anchor House, Royal Wharf, North Woolwich Road, Silvertown, E16<br>2HP |



## Appendix 1: 2018/19 Planning Obligations Annual Monitoring Report

|   |                      |  |
|---|----------------------|--|
| 17/01247/FUL<br>East Ham Industrial Estate,<br>1000 Newham Way, East<br>Ham London E6 5JN   | £66,297.25           | Beckton District Park Play Area<br>Improvements  |
| 15/02808/FUL<br>1 Knights Road<br>08/01042/OUT<br>Barrier Park East, North<br>Woolwich Road<br>16/00224/FUL<br>Pontoon Dock North Woolwich<br>Road E16<br>03/2006<br>Silvertown Quays E16 | £748,159.00          | North Woolwich Royal Docks<br>Corridor – Major<br>Project’s Additional funding<br>Request                                  |
| 05/00118/OUT<br>Little Ilford   | £150,000.00          | Froud GP Health Centre<br>(relocation of Sangam Surgery<br>and branch sites)   |
| 05/00118/OUT<br>Little Ilford   | £68,000.00           | Westbury Road Medical<br>Practice-Provision of primary<br>medical care services (GP)<br>to the population of Little Ilford |
| 15/00577/VAR<br>Royal Wharf North Woolwich<br>Road, E16   | £1,280,000           | Workplace Employment, Skills<br>and Training 2018/19 and<br>2019/20  |
| <b>Total Allocated :</b>  | <b>£3,080,297.25</b> |  |

### 7. Summary

- 7.1 Newham continues to secure commensurate mitigation and community benefits through the planning process as set out in the Development Plan and supplemented by national guidance as relevant.
- 7.2 The Developer Contributions: Governance and Funding Allocation Strategy has for the first time set out in a published document the process for managing and allocating monies which accrue from the planning process.
- 7.3 Non-financial obligations continue to ensure that development is acceptable to both existing and new residents in the borough.
- 7.4 Mitigation has been secured, received and expended for community benefit on a range of infrastructure projects across the borough by LBN and other stakeholders; a summary of which is in Table H: Overview of Planning Obligation monies 2018/19

## Appendix 1: 2018/19 Planning Obligations Annual Monitoring Report

**Table H: Overview of Planning Obligation monies 2018/19**

| Status:   | Monies:        |
|-----------|----------------|
| Secured   | £20,722,375.72 |
| Received  | £18,954,869.43 |
| Spent     | £4,061,771.38  |
| Allocated | £3,080,297.25  |

## Appendix 2: 2018/19 Community Infrastructure Levy (CIL) Annual Monitoring Report

### 2018/19 Community Infrastructure Levy (CIL) Annual Monitoring Report

#### 1. Introduction and Background

- 1.1 The London Borough of Newham (LBN) is a CIL charging authority and collecting authority in accordance with the [Planning Act 2008 \(as amended\)](#) and the [Community Infrastructure Levy \(CIL\) Regulations 2010 \(as amended\)](#) ('CIL Regulations'). The legislation enables a charge to be levied on new development in order to fund infrastructure that is needed to support the growth and development of an area.
- 1.2 The [LBN's CIL charging schedule](#) sets out the charge per square metre that will apply to each use class of development that is liable. LBN's CIL charging schedule was adopted by full Council on 30 September 2013 and came into effect on 1 January 2014; which is charged and runs alongside the Mayoral CIL which the Council is obliged to collect on behalf of the Mayor of London.
- 1.3 In accordance with Regulation 62 of the pre-September 2019 amendments to the CIL Regulations a charging authority is required to report on the CIL receipts and expenditure for a reported year. This is a requirement up to and including the financial year 2018/19 and this report satisfies this statutory requirement.
- 1.4 This is the sixth CIL Annual Monitoring Report published by the LBN and summarises the position for the financial year from 1 April 2018 to 31 March 2019. The report facilitates the LBN's approach of being transparent and enables Members and the public to understand what infrastructure has been enabled and delivered following the receipt of CIL monies.
- 1.5 The types of infrastructure which may be funded by the LBN's CIL are outlined in Newham's Infrastructure List or '[Regulation 123 List](#)' which is published on the Council's website, an extract of which is appended at the end of this report (Appendix A).
- 1.6 The LBN charging authority has issued an [instalment policy](#) for the payment of CIL which is published on the on the Council's website.
- 1.7 The September 2019 amendments to the CIL Regulations will require that from the 2019/20 reporting year the format of this report will be amended in order that there is consistency across England to improve transparency and accountability.

#### 2. CIL receipts and expenditure

- 2.1 This report reflects the CIL monies received and expended in the 2018/19 financial year in accordance with financial records.
- 2.2 The total of the LBN CIL receipts in the reported financial year 2018/19 was £11,833,266.58 in contributions from 43 chargeable developments.

## Appendix 2: 2018/19 Community Infrastructure Levy (CIL) Annual Monitoring Report

- 2.3 As in previous years the approach to allocating CIL monies was undertaken annually.
- 2.4 In 2018/19 in accordance with delegated approval £3,003,605 of CIL receipts were allocated towards projects on the Regulation 123 List.
- 2.5 Details of the amounts allocated and expended in 2018/19 are set out in Table A.

**Table A: Overview of Projects to be funded in 2018/19**

| <b>Overview</b>          | <b>Expenditure</b> | <b>R123 list project expenditure</b>  |
|--------------------------|--------------------|---|
| Leisure and Sports       | £ 59,941           | <i>Provision and improvement of community infrastructure:</i> Project management, commissioning and oversight of Tennis facility upgrade scheme, Atherton Leisure Centre fit out, Plashet Park restoration and Leisure Centres Strategic Works Programme  |
| Community Neighbourhood  | £ 1,347,700        | <i>Provision / Operation / Maintenance of Community infrastructure throughout the borough; including Community facilities in the following areas:</i> <ul style="list-style-type: none"> <li>• East Ham</li> <li>• Beckton and Royal Docks</li> <li>• Custom House and Canning Town</li> <li>• Stratford and West Ham</li> <li>• Plaistow</li> <li>• Green Street</li> <li>• Forest Gate</li> <li>• Manor Park</li> </ul> |
| Greenspace               | £ 1,595,964        | <i>Operation / maintenance of community public open space throughout the borough.</i>   |
| <b>TOTAL EXPENDITURE</b> | <b>£ 3,003,605</b> | Provision / improvement / replacement/ operation / maintenance of infrastructure projects (incl. project management)  |

- 2.6 The projects identified above will largely enable the provision of additional and enhanced infrastructure across the borough this includes a range of facilities for the benefit of Newham's residents.
- 2.7 The allocations listed in Table A encompass the Provision / Operation / Maintenance of community infrastructure throughout the borough; the operation and maintenance of community public open space; along with the investment in

## Appendix 2: 2018/19 Community Infrastructure Levy (CIL) Annual Monitoring Report

Newham's leisure centres; all of which help to enhance the health and wellbeing of Newham's residents.

- 2.8 The Table B lists the details required by Regulation 62(4). Monies which could have been applied within the reported year as administrative fees are included within the carried forward balance.

**Table B:** CIL Regulations reporting requirements

| Regulation requirements   | 2018/19                                      |
|---|--|
| (a) total CIL receipts  | £11,833,266.58                               |
| (b) total CIL expenditure   | £3,003,605.00                                |
| (c) summary details of CIL expenditure;   |  |
| (i) the items of infrastructure to which CIL (including land payments) has been applied   | See paragraph 2.5 and Table A of this report |
| (ii) the amount of CIL expenditure on each item   | See paragraph 2.5 and Table A of this report |
| (iii) the amount of CIL applied to repay money borrowed, including any interest, with details of the infrastructure items which that money was used to provide (wholly or in part)              | £NIL   |
| (iv) the amount of CIL applied to administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation | £NIL<br>0%                                   |
| (d) total amount of CIL retained at the end of the reported year:   | £13,122,717.11                               |
| (e) Infrastructure Payments   | Not accepted by the collecting authority.    |

- 2.9 Regulation 59A and 59C requires that the charging authority must allocate at least 15 per cent of CIL (Neighbourhood CIL) on priorities agreed in consultation with the local community but this relates primarily to charging authorities that have a parish, town or community council. LBN does not have a parish, town or community council. Instead, the charging authority's approach up to and including monies collected in 2018/19 was that the entire borough is considered as one single neighbourhood area for the purpose of Neighbourhood CIL. This means that to-date all decisions on Neighbourhood CIL expenditure have been made on a borough-wide basis alongside the allocation of the strategic CIL.

- 2.10 In recognition of the Mayoral Pledges and in fulfilment of the Corporate Plan objectives to be more transparent and inclusive in decision-making, particularly in relation to Planning, the approval of the Developer Contributions:

## **Appendix 2: 2018/19 Community Infrastructure Levy (CIL) Annual Monitoring Report**

Governance and Funding Allocation Strategy confirms that the neighbourhood element of the monies collected from 2019/20-2021/22 will be spent in consultation with the community including through the delivery of the co-designed community plans.

### **3. Summary of CIL**

- 3.1 The LBN total CIL receipts for the financial year 2018/19 amounted to £11,833,266.58. CIL receipts were allocated and spent on facilitating infrastructure across the borough at a cost of £ £3,003,605.00
- 3.2 This annual report is published in accordance with Regulation 62 of the CIL Regulations in force at the time that the monies were collected and expended.

## Appendix 2: 2018/19 Community Infrastructure Levy (CIL) Annual Monitoring Report

### Appendix A

Extract of Newham's Regulation 123 List

**Table 1: London Borough of Newham – Regulation 123 list**

| <b>Infrastructure projects or types that will or may be wholly or partly funded by CIL</b>  |
|---|
| Provision, improvement, replacement, operation or maintenance of infrastructure within or enabling access to Strategic Sites identified in Newham's Core Strategy (with the exception of the infrastructure specified in the section 106 table below), and to meet the strategic objectives of the Council. |
| Provision, improvement, replacement, operation or maintenance of community infrastructure (as defined by Core Strategy Policy INF8) outside Strategic Sites identified in Newham's Core Strategy.   |
| Provision, improvement, replacement, operation or maintenance of public open space outside Strategic Sites identified in Newham's Core Strategy   |
| Provision, improvement, replacement, operation or maintenance of public sports and leisure outside Strategic Sites identified in Newham's Core Strategy.  |
| Provision, improvement, replacement, operation or maintenance of local transport infrastructure outside Strategic Sites identified in Newham's Core Strategy.   |

**Table 2: Indicative list of infrastructure which may be secured through a section 106 agreement for Core Strategy Strategic Sites**

| <b>Infrastructure the Council will seek to be secured by section 106 agreement include:</b>  |
|--|
| Core Strategy Site S10 Abbey Mills - bridge connection over Manor Road to West Ham station   |
| Core Strategy Site S11 Parcellforce – bridge connection over Manor Road to West Ham station  |
| Core Strategy Site S15 Canning Town East - bridge connection over A13 to Barking Road  |
| Core Strategy Site S18 Limmo - bridge connection from Limmo site to Canning Town station and access to station                     |
| Core Strategy Site S22 Minoco Wharf – provision of education facilities to serve developments within the site and hinterland       |
| Core Strategy Site S19 Royal Albert Basin - provision of education facilities to serve developments within the site and hinterland |

## **Review of the London City Airport 2018 Annual Performance Report with 2019 Update**

### **1. Introduction and Background**

- 1.1 On 26th July 2016 the Secretary of State for Communities and the Environment and the Secretary of State for Transport agreed with the Planning Inspector's recommendation that the appeal against refusal of planning permission be allowed and planning permission granted. London City Airport (LCA) are delivering a major redevelopment (the City Airport Development Programme 1 – CADP1). Attached to the planning permission are a number of planning conditions and the development is subject to a S106 Agreement ('the 2016 S106 Agreement') and, which include a comprehensive network of controls covering matters that are potentially harmful to the amenity of local residents, in particular noise and air quality. Also included are a number of measures designed to maximise the economic benefits to the borough and surrounding areas, in particular targets for the employment of local labour and financial contributions towards training for jobs at the Airport.
- 1.2 A minority of the provisions of the 2016 S106 Agreement came into force on the grant of planning permission, with the majority of the remainder effective from 25<sup>th</sup> October 2017, the formal commencement date for CADP1.
- 1.3 The Airport Companies are required by the 2016 S106 Agreement to submit an Annual Performance Report (APR) to the Council by 1st June each year, summarising the performance against planning controls - the Section 106 Agreement and planning conditions – for the preceding calendar year; this obligation was fulfilled for this reporting year. The APR must then be published on the website of LCA and – using 'reasonable endeavours' - the website of the London City Airport Consultative Committee (LCACC) ([www.lcacc.org](http://www.lcacc.org)) by 30th June each year; LCA fulfilled this obligation for this reporting year. The Council must publish the APR on its own website within 14 days of receipt – this is done through a link to the LCA website<sup>3</sup>
- 1.4 As a matter of course the Council is consulted by LCA on the draft of the APR. It should be noted that there is no requirement in the 2016 S106 Agreement for the Council to approve the contents of the APR, but it can comment formally to LCA if considered appropriate following submission.
- 1.5 This report comprises:
  - a brief update on progress on the City Airport Development Programme (CADP1) planning permission;

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<sup>3</sup> LBN website Local Plan page: <https://www.newham.gov.uk/Pages/Services/Local-plan.aspx>



### **Appendix 3: Review of the London City Airport 2018 Annual Performance Report with 2019 Update**

- an update on the Airport Draft Master Plan 2020 - 2035;
- a summary of the main issues covered by the 2018 Annual Performance Report. Updates for 2019 to date have been added for information where this is considered to assist clarity; and
- a list of submissions made by LCA and approvals/acknowledgements made by the Council in compliance with the 2016 S106 Agreement.

#### **2. City Airport Development Programme (CADP1 - 13/01228/FUL) Update**

- 2.1 The CADP1 permission, very briefly, comprises works to demolish some existing buildings and structures and provide additional infrastructure and passenger facilities (including a taxiway extension, four upgraded aircraft stands, seven new aircraft stands, a terminal extension, a new passenger pier and associated facilities). The number of permitted aircraft movements has been reduced to 111,000 in relation to those previously permitted by planning permission 07/01510/VAR.
- 2.2 LCA notified the Council of the formal commencement of CADP on 25th October 2017. Following reassessments of the programme, LCA submitted a number of Approvals of Details to 're-sequence' the development, on 25th September 2019.
- 2.3 A number of applications for non-material changes to permission 13/01228/FUL were made and approved in 2018, as were a number of submissions and resubmissions of Approvals of Details.
- 2.4 Works commenced on site – with some permitted night-time working - in 2017 and have continued to date.

#### **3. London City Airport Draft Master Plan (2020 – 2035) Update**

- 3.1 The current Airport Master Plan, which sets out proposals for the development of the Airport, was published in 2006.
- 3.2 On June 28th 2019, LCA published a Draft Master Plan 2020 – 2035 (DMP) for public consultation. This updates the 2006 Master Plan, including passenger forecasts over the period up to 11 million per annum and how the Airport might respond to that demand. The consequent increase in the number of flights could be from the current permitted 111,000 per annum to 151,000.
- 3.3 It is not considered appropriate to cover this issue in detail in this report; at the time of writing an assessment of the DMP by LBN officers was underway.
- 3.4 Concerns were expressed by the Council acting as Local Planning Authority (LPA), together with Mayor Fiaz, regarding the absence of supporting documentation for the DMP and its effect on the ability of

### **Appendix 3: Review of the London City Airport 2018 Annual Performance Report with 2019 Update**

the Council, the local community and others to fully respond; LCA were requested to publish the documentation and recommence the consultation. In response, LCA published the supporting documentation on 30th August and extended the existing consultation by four weeks to 18th October. The Local Planning Authority and Mayor Fiaz submitted responses to LCA on 18th October.

- 3.5 The Master Plan process is governed by the Aviation Policy Framework, issued by the Department for Transport. LCA have stated that the intention is for the Airport to adopt the Master Plan before the end of 2019, when it will be published together with a consultation report. Airport Master Plans are non- statutory documents, although generally followed by a planning application. LCA has not confirmed if or when this might happen. Some guidance on purpose and content of Master Plans is provided in the DfT's 'Aviation Policy Framework' (2013).

#### **4. London City Airport 2017 Annual Performance Report - Main Issues and Updates**

- 4.1 In summary, overall, there were no reported breaches of planning controls attached to permission 13/01228/FUL during 2018. One breach of planning control was notified to LCA in 2019, assessed by the LPA as 'minor' and subsequently satisfactorily resolved; discussions on this issue continue between the two parties.
- 4.2 The majority of the information in the APR was reported to Council officers throughout 2018 in accordance with the Airport's monitoring and reporting obligations.
- 4.3 The main issues in the 2018 APR, together with updates as appropriate for 2019, are considered to be as follows:

##### Education, Employment and Training – Total On-Site Airport Employment

- 4.4 The 2016 S106 Agreement requires LCA to use 'reasonable endeavours' to ensure that at least 70% of those newly recruited for jobs at the Airport as a whole are residents from the 'Local Area'<sup>1</sup> and that at least 40% are residents of Newham.
- 4.5 On 31st December 2018 there were:
- a total of 2,261 jobs on-site (2,203 in 2017); and
  - 2,032 full time equivalent jobs on-site (1,940 in 2017).

<sup>1</sup> The 2016 S106 Agreement defines the Local Area as 'the administrative areas of the London Boroughs of Newham, Tower Hamlets, Hackney, Waltham Forest, Redbridge, Lewisham, Southwark, Barking and Dagenham, Greenwich, Bexley, Havering and the area of Epping Forest District Council.'

### Appendix 3: Review of the London City Airport 2018 Annual Performance Report with 2019 Update

- 4.6 Of the total new jobs:
- 28% went to Newham residents (from 31% in 2017); and
  - 63% went to Local Area<sup>1</sup> residents (from 67% in 2017).
- 4.7 The 2016 S106 Agreement also requires LCA to use 'reasonable endeavours' to ensure that at least 70% of those newly recruited directly by the Airport are Local Area<sup>1</sup> residents and at least 50% are Newham residents.
- 4.8 On 31st December 2018 there were 663 people employed directly by the Airport (from 649 in 2017).
- 4.9 Of the total direct employment by the Airport jobs:
- 42% were taken by Newham residents (from 27% in 2017); and
  - 68% were taken by Local Area<sup>1</sup> residents (from 66% in 2017).
- 4.10 In terms of positions taken by new recruits from Newham in 2018, the Airport reports that 79% were in front line services including jobs in airside operations: security, customer service and baggage handling (£23,000+), with the remainder spread across Commercial, Customer Service and Health and Safety and Quality. Eight Newham recruits secured senior management positions.
- 4.11 The 2016 S106 Agreement also requires LCA to use 'reasonable endeavours' to ensure that at least 40% of those recruited for CADP construction jobs are Newham residents.
- 4.12 On 31<sup>st</sup> December 2018 there were 853 CADP construction jobs.
- 4.13 Of the total CADP construction jobs:
- 9% were taken by Newham residents.
  - 35% were taken by Local Area<sup>1</sup> residents.
  - However, by 30<sup>th</sup> June 2019, the figure for Newham residents had increased to 31%.

#### Noise

##### Aircraft:

- 4.14 All planning conditions and S106 obligations controlling noise levels from aircraft, both ground and airborne, were complied with in 2018.

##### Sound Insulation Scheme (SIS):

- 4.15 The SIS commenced in 2009, was revised and improved in December 2011 and continued to operate throughout 2018 and 2019. In summary, certain types of properties located within specified areas around the Airport are entitled to specified types of works to be carried out by and at the expense of the Airport. These are primarily

### **Appendix 3: Review of the London City Airport 2018 Annual Performance Report with 2019 Update**

residential, with some community buildings. Treated properties and those eligible for treatment are located in Tower Hamlets and Greenwich as well as Newham. The number of eligible properties varies from year to year in line with the variation of noise contours based on the previous year's aircraft movements. The contours are published annually in the APR.

- 4.16 Progress on the SIS is reported annually in the APR and, from 2018, fortnightly to LBN officers. Following an apparent slowing down in implementation of the SIS in 2015 and 2016, during 2018 backlogs of work were largely cleared and work is progressing on eligible properties identified in the 2017 and 2018 APRs.

#### **Construction Sound Insulation Scheme (CSIS):**

- 4.17 The objective of the Construction Sound Insulation Scheme (CSIS) was to ensure that noise arising from CADP overnight construction works is mitigated in eligible residential properties to the south of the Airport. The noise source is primarily night-time piling work which commenced in June 2018 and is forecast to be substantially complete later in 2019. The CSIS programme was completed in June 2019 (that subject to the provisions of the S106 Agreement in February 2019) and achieved an installation rate of more than 90% for eligible properties, following delays at the start of the project which put a number of properties at risk of the effects of excessive noise. 554 properties were treated in total. Agreements between LBN and LCA as a part of the implementation process included procedures for priority treatment if required.

#### **Air Quality**

- 4.18 The approved Air Quality Monitoring Strategy (AQMS) required by Condition 57 of the 2016 permission includes the continued operation of two automatic air quality monitoring stations and a network of diffusion tubes. In December 2018 a PM<sub>2.5</sub> monitoring station was installed within the LCA perimeter. Information is reported quarterly to the LCACC and its Environmental Sub-Committee and annually in the APR.
- 4.19 In 2018 there were no instances where the statutory air quality objectives, set by the government for nitrogen dioxide and fine particulate matter (PM10), were exceeded.

#### **Environmental Complaints and Enquiries**

- 4.20 LCA is required to record complaints and enquiries that are received in relation to airport operations, together with the response by the Airport. This information is forwarded to the Council fortnightly, reported quarterly to the London City Airport Consultative Committee, and annually in the APR.

### Appendix 3: Review of the London City Airport 2018 Annual Performance Report with 2019 Update

- 4.21 In 2018, 405 complaints were received from 208 complainants relating to LCA operations (from 320 in 2017).
- 4.22 Of these:
- 286 were related to aircraft noise;
  - 50 were related to flight paths;
  - 25 were related to aircraft frequency; and
  - 44 were related to other issues.
- Of the above, 88% were from outside Newham.
- 4.23 The Council also received seven complaints on airport operations directly; these were either responded to directly or acknowledged and passed on to the Airport to respond to. All were related to noise.

#### CADP Construction-Related Complaints

- 4.24 The 2016 permission requires that LCA adopt a means of recording, reporting and dealing with complaints and enquiries relating to CADP construction; this commenced in 2017 having received Council approval. Information is reported to LBN officers weekly, if required, and to the London City Airport Consultative Committee every quarter.
- 4.25 In 2018, LCA received a total of 71 complaints, primarily related to night-time noise, from residents of North Woolwich. During 2019, the number of complaints has reduced.
- 4.26 The Council also received six complaints related to construction; these were either responded to directly or acknowledged and passed on to the Airport to respond to. These primarily related to noise, but light pollution was also reported.

#### London City Airport Consultative Committee (LCACC)

- 4.27 The Airport has certain obligations regarding the efficient functioning of the Committee, although it is independent of LCA. It meets quarterly.
- 4.28 Following the election of a new Council in 2018, Councillors Asser, Brayshaw and Ruiz were nominated as Newham Council representatives on the LCACC, with Councillors Beckles and Wilson as deputies.
- 4.29 The Council's Airport Monitoring Officer (AMO) and Head of Pollution Control also attend these meetings. The AMO issues a quarterly monitoring report that is published on the LCACC website:

<http://lcacc.org/meeting-papers-key-documents/recent-minutes-of-meetings/>

## **Appendix 3: Review of the London City Airport 2018 Annual Performance Report with 2019 Update**

### Neighbouring Authority Agreements

4.30 The 2016 S106 Agreement requires LCA to make 'reasonable endeavours' to enter into 'Neighbouring Authority Agreements' (NAAs) with LB Tower Hamlets and RB Greenwich, both of which are affected by LCA noise levels and therefore include a number of properties that are (and will be in future years) eligible for treatment under the Sound Insulation Scheme. Neither borough yet has yet signed up to the NAAs but efforts by LCA continue. In the absence of NAAs LCA is therefore usually required to seek Newham Council advice on compliance relating to planning controls in the other two boroughs, primarily on the Sound Insulation Scheme, although the other boroughs do have an input into the process.

### **5. 2016 S106 Agreement - Submissions and Approvals/ Acknowledgements in 2018**

#### Aircraft Noise Categorisation

5.1 The Council approved:

- noise flight trials for the Bombardier Challenger 350 Aircraft; *and*
- confirmation of noise categorisation for the following aircraft: Bombardier CS100, Cessna 680A Citation Latitude, Dassault Falcon FA8X and Gulfstream G280.

#### Financial Contributions

5.2 The following sums were received by the Council from the Airport during calendar year 2018:

- Development Management Contribution - £53,255.46;
- Education Contribution - £119,594.50
- Employment Contribution - £681,956.10
- Environmental Health Monitoring Contribution - £76,105.59; and
- Annual Monitoring Payment – £128,895.99

#### Other

- London City Airport 2017 Annual Performance Report.
- Deed of Variation to 2016 S106 Agreement: dated 18<sup>th</sup> December 2018.