

**London Borough of Barking and  
Dagenham**

***Draft* Planning Advice Note 10**

**Section 106/Planning Obligation**

**October 2014**

# 1 Introduction

## Background

- 1.1 Barking and Dagenham has the most untapped potential for growth in the capital, has excellent accessibility and is London's next big growth story after Docklands and Stratford. Barking and Dagenham will deliver 17,000 new and 10,000 new jobs in the borough over the next 20 years, which will in turn create high-value opportunities in the manufacturing, green tech, bio tech, creative industries, health and social care, retail and leisure sectors. The Council is committed to growth, to playing its role in London and delivering for its community. The ambition and aspiration is to become a destination of choice, where people stay and feel welcome.
- 1.2 New development plays an important role in the borough in meeting current and future needs in, for example, the provision of new homes, employment or recreational facilities. However, in order to achieve sustainable growth and maximise the quality and contribution of new development and the benefit that it brings to existing and new communities, developer contributions towards community benefits will be sought wherever appropriate.
- 1.3 The Council will seek to ensure that new development contributes to a safer, healthier and more prosperous borough by ensuring that it incorporates high quality design, mitigates any adverse impact it may cause, and contributes to the needs of the local community.

## Purpose of this document

- 1.4 The main aims of this document are:
  - to set out the circumstances where planning obligations or Section 106 will be sought following the adoption of the Council's Community Infrastructure Levy (CIL) charging schedule
  - improve transparency in the calculation of planning obligations
  - provide applicants with greater certainty on when planning obligations will be sought.
- 1.5 The Community Infrastructure Levy (CIL) is a new system of developer contributions which can be spent on providing new facilities and infrastructure (such as schools and transport improvements) to support new development. CIL is set locally and will become a standard charge per square metre applied to all qualifying developments with the exception of social housing and buildings used by charities. The charge will be imposed at the time planning permission is granted and normally be paid at the commencement of development.
- 1.6 When introduced, this new CIL charge will replace many section 106 agreements as the CIL Regulations 2010 limit their use. However some S106

agreements will still be used for the specific impacts of a development (such as a new access road) and for affordable housing.

- 1.7 This document will assist prospective developers by identifying the planning obligations that will be sought by the council, through the grant of planning permission for development, where such development generates a need for new infrastructure. Acknowledgement and preparation for the required planning obligations should be integral to negotiation of land transactions, and the formulation of development proposals. The Council will expect developers to enter into discussions on planning obligation requirements at the pre-application stage. The Council's aim is to agree in principle the Heads of Terms of any planning agreement before applications are submitted.
- 1.8 This guidance aims to set out:
- the types of developments that would be subject to planning obligations; and
  - the range of likely contributions that may be sought.

## **2. Addressing the impacts of development**

- 2.1 There are five main mechanisms available to the Council to ensure that development addresses any adverse impacts as well as contributes to local infrastructure and the environment. These are:

### **Planning Conditions**

- 2.2 Where a development proposal does not meet the standards required of local planning policy, for example providing high quality design, securing planning permission may prove difficult. Developers are encouraged to engage in pre-application discussions with the Council to determine what aspects of a proposal may need to be improved to secure planning permission.
- 2.3 The Council will often grant planning permission subject to conditions. Planning conditions are usually to ensure that the proposal will be implemented in a manner consistent with the approved planning application, but they may also be used as a mechanism for the provision of essential on-site design requirements. While they mainly relate to the development and site proposed, they can also be used to secure off-site provision in some circumstances. In line with the Council's desire to speed up the delivery of development it will only impose those conditions which are absolutely necessary. Therefore the Council encourages developers to provide the necessary detail in their planning application to limit the number of conditions that are imposed.

## **Planning Obligations**

- 2.4 Planning obligations enter the developer into a legal commitment to undertake specific works, provision of land/facilities, or providing a financial contribution towards the provision of a service or piece of infrastructure. They are set out in Section 106 (S106) of the Town and Country Planning Act 1990 and are intended to secure the necessary site specific requirements to make an individual proposal 'acceptable'.
- 2.5 Planning obligations can range from the on-site drainage solutions through to provision of a road to connect a site to the local highway network. It is also the mechanism by which affordable housing is secured.
- 2.6 However, the application of S106 has not always been consistent and has created uncertainty for developers. The burden of S106 tends to fall more on larger proposals even through smaller proposals, collectively, may have more of an impact.

## **Section 278 Agreements – Highway Improvements**

- 2.7 As a Local Highway Authority, the council can also use Section 278 of the Highways Act 1980 to secure works to the local highway network where necessary to serve the proposed development. Transport for London (TfL), which is the highway authority for the 'TfL Route Network' may also require such an obligation. Examples of work covered by this type of agreement could include road safety improvements, such as traffic calming, street lighting, improved facilities for pedestrians and cyclists, roundabouts, signalised junctions, priority junctions, new accesses to development sites, and footway and carriageway resurfacing.

## **Unilateral Undertakings**

- 2.8 A unilateral undertaking is a form of Section 106 agreement where the developer submits proposals for a Section 106 planning obligation without prior agreement with the local planning authority. The undertaking is submitted unilaterally, alongside the planning application, or with planning appeal submissions. Although not generally encouraged, unilateral undertakings may be acceptable for straight forward or smaller schemes.

## **Community Infrastructure Levy (CIL)**

- 2.9 As part of the changes introduced under the Planning Act 2008, a new mechanism called the Community Infrastructure Levy was introduced to provide greater consistency in the charging of planning obligations.
- 2.10 The main concept behind CIL is to provide a standard charge, or set of charges, that can be levied on all development. It can be spent on new or improved infrastructure deemed necessary to deliver the local plan.

- 2.11 A separate CIL is charged by the Mayor of London to help pay for Crossrail, and this has been chargeable from 1<sup>st</sup> April 2012.
- 2.12 The Council's CIL becomes effective on 5<sup>th</sup> January 2015. The London Borough of Barking and Dagenham's CIL Charging Schedule can be found on the borough's website via the following link:
- <http://www.lbdb.gov.uk/Environment/PlanningPolicy/Pages/CommunityInfrastructureLevy.aspx>
- 2.13 A list of projects which may be funded by CIL is set out in the Regulation 123 list. This is published on the Council website (via above link). The 123 list will be updated from time to time, as necessary.
- 2.14 To help communities to accommodate the impact of new development and to strengthen the role and financial autonomy of neighbourhoods, at least 15% of the funds collected by the charging authority will be spent following engagement with communities where development has taken place and agree with them how best to spend the neighbourhood funding. This will be achieved through consultation with existing community groups wherever possible.

### **3. Policy Context**

- 3.1 The relevant policies for this document are as follows:
- National Planning Policy Framework (March 2012)
  - Community Infrastructure Levy Regulations 2010 (as amended)
  - The London Plan (2011) - Policy 8.2 on planning obligations
  - London Borough of Barking and Dagenham Core Strategy – Policy CC3: achieving Benefits Through Developer Contributions

#### **National Planning Policy Framework (NPPF) (March 2012)**

- 3.2 The NPPF, in paragraph 173, states:
- 'Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.'
- 3.3 Paragraphs 203 to 206 of the NPPF are all that remains of Circular 05/2005. Three of the five key policy tests outlined in previous Government guidance remain. These are now enshrined in the Community Infrastructure

Regulations 2010 as amended. Planning obligations should only be sought where they meet all of the following tests:

- necessary to make the development acceptable in planning terms;
- directly related to the development; and
- fairly and reasonably related in scale and kind to the development.

3.4 Paragraph 205 of the NPPF states, “Where obligations are being sought or revised, local planning authorities should take account of changes in market conditions over time and, wherever appropriate, be sufficiently flexible to prevent planned development being stalled”

#### **CIL Regulations 2010 (as amended) – pooling of S106 contributions**

3.5 Regulations 122 and 123 of the CIL Regulations 2010 (and subsequent amendments) place limitations on the use of Section 106 agreements. Regulation 122 limits the planning obligation tests to the three outlined above, while Regulation 123 only allows the pooling of contributions from up to five separate planning obligations for a particular item if it is not locally intended to be funded by the levy. The regulations state that the latter will apply from 6 April 2015 or when a charging authority’s charging schedule takes effect (if sooner). This will date back to 6 April 2010, therefore if five or more S106s have been pooled during this five year period for a particular project or type of infrastructure, no further S106s can be entered into for the same item. Instead, CIL should be used.

#### **The London Plan July 2011**

3.6 The London Plan Policy 8.2 sets out the Mayor’s strategic priorities for planning obligations, which are:

- Affordable housing;
- Supporting the funding of Crossrail\* where appropriate; and
- Other public transport improvements.

3.7 Importance should also be given to tackling climate change, learning and skills, health facilities and services, childcare provisions and the provision of small shops.

3.8 Crossrail S106 will be payable on office and retail development within 1km of a crossrail station (£31 per sqm for office and £16 for retail). In all cases, contributions should be calculated in respect of developments exceeding 500sqm with a net increase in floor area of the relevant use. For mixed use developments, contributions will be sought on any increase in floorspace for any of the uses (subject to 500sqm threshold).

## **London Borough of Barking and Dagenham Core Strategy (July 2010)**

- 3.9 Policy CC3 (Achieving Community Benefits through Developer Contributions) outlines the Council's planning obligations policy. This sets out why developer contributions may be sought and what they may be used for. This policy will need to be updated through the Local Plan review when the Council adopts its CIL Charging schedule.

### **4. Negotiating Planning Obligations**

- 4.1 The Council offers a pre-application advice service to assist potential applicants in drawing up their proposals and to encourage detailed discussion before a formal planning application is submitted.
- 4.2 During these pre-application discussions, the planning officers will, where necessary, identify the issues relevant to the development to be considered in respect of planning obligations. The scope of these obligations will be informed by comments from formal consultees, local, regional and national planning policy, and the location and characteristics of the site concerned.
- 4.3 We will negotiate draft S106 Agreement 'Heads of Terms' during this pre-application stage. The Heads of Terms should clarify what items the S106 will include and their value.
- 4.4 A fee for pre-application advice is payable for certain types of applications. There is no charge for pre-application advice for householder applications, or other minor developments such as small changes of use, shop fronts or small commercial floorspace extensions.
- 4.5 Please refer to the guidance note, 'Charging for pre-application advice', for further details. This can be found on the council's website via the link below:

<http://www.lbbd.gov.uk/Environment/planning/Pages/Pre-applicationadviceandcharging.aspx>

### **5. The Scope of Planning Obligations**

- 5.1 The broad categories for developer contributions outlined in Core Strategy policy CC3. However an updated list is provided in the Council's Regulation 123 list:
- Affordable housing
  - Local labour and local supplier contracts
  - New bus connections or services and cycle/pedestrian routes and connections through the development
  - Local junction / highways improvements and access into the site
  - On-site greenspace and public realm improvements
  - On-site drainage and flooding solutions
  - On site sustainable energy requirements

- 5.2 There may be cases where the development proposed results in a specific need for infrastructure that is not currently available, and has not been identified for investment through CIL or wider investment programmes. For example, a major junction improvement may be required to 'unlock' a site. In such circumstances, the Council would normally expect this to be addressed as part of the proposal at the time planning permission was sought. Their delivery will often be secured by a S106 agreement or other mechanisms such as Section 278 of the Transport Act.
- 5.3 S106 will continue to be used for local infrastructure requirements on development sites, such as local access or connection to services. Some of these requirements may be physically off site but, will be secured under S106 where they are clearly linked to the development site and needed to make that particular site acceptable in planning terms.
- 5.4 S106 will also be used for affordable housing provision where viable.
- 5.5 Many developments will be required to pay both CIL and enter into a S106 agreement, but a development cannot be charged twice for the same items of infrastructure through both S106 and CIL.
- 5.6 There may be cases where infrastructure provision necessary to make a development acceptable cannot be delivered on-site, in which case the Council will expect off-site contributions, whether as alternative provision or a commuted sum.

### **Affordable Housing**

- 5.7 Affordable housing will continue to be provided through S106 as there is no provision for this to be paid from CIL.
- 5.8 The Council does not have an affordable housing policy so instead defers to policies contained within the London Plan (3.8 to 3.14). Therefore, for developments of 10 or more homes, we seek to negotiate the maximum reasonable amount of affordable housing based on the viability of the scheme. The basis for viability appraisals is the 'Three Dragons model' developed and updated by the Greater London Authority or similar.
- 5.9 It is recognised that some sites within the borough will not be able to provide affordable housing. However, it will be the responsibility of the developer to provide viability evidence to justify this.
- 5.10 The NPPF definition for affordable housing includes social rented, affordable rented (up to 80% of market rent) and intermediate housing, provided to eligible households whose needs are not met by the market.
- 5.11 The London Plan tenure split of 60% social rent and 40% intermediate will be applied.



## Transport Infrastructure

- 5.12 A modern and efficient transport network is essential to growth in Barking and Dagenham. New development will place increased pressure on the existing transport system so must be delivered in parallel with improvements to transport and movement in the borough, attracting new employers and residents, as well as providing the existing population with improved access to employment opportunities within the borough and further afield.
- 5.13 From 1<sup>st</sup> April 2012, the Mayor of London's CIL came into operation. The purpose of this levy is to contribute to the funding of Crossrail, which will increase capacity across the tube network by around 10%, benefiting all of London. In Barking and Dagenham the levy is £20 per square metre and will be charged in addition to the Barking and Dagenham CIL.
- 5.14 Funding for transport infrastructure required as a result of incremental growth, in particular public transport improvements, will normally be provided through the Council as part of the standard CIL charge and other mainstream funding programmes.
- 5.15 Where development is required to make specific contributions toward improvements, amendments or additions to public transport services, not identified or expected to be met by CIL, these contributions will be secured by a legal agreement. The Council's Transport Section/Transport for London, or Network Rail, will advise on the requirements for individual applications, which may cover the following range of improvements:
- New bus connections or services through the development
  - Cycle/pedestrian routes and connections through the development
  - Local junction / highways improvements and access into the site
  - siting of bus stops
  - Access and other improvements to rail and underground stations
  - Facilities to assist interchange between modes
  - Associated street furniture
  - Associated carriageway and pavement measures
  - Associated pedestrian and cycle links
  - Cycle parking
  - Motor cycle parking
  - Car club provision
- 5.16 Where development is expected to result in severe adverse traffic impacts on the wider highway network, measures will be secured to reduce, minimise or eliminate the impacts, which may not be met by the CIL charge. Alterations or improvements to the local highway network, necessary to promote a safe, efficient or sustainable relationship between development and the public highway, may be secured through planning and/or highway legal agreements.
- 5.17 Where development exceeds the thresholds for a travel plan set out in the Local Plan a travel plan will be secured with the objective of reducing adverse

transport impacts and will include measures required to successfully implement the plan. In addition, strategic level travel plans are required for larger scale developments that are referred to the Mayor.

- 5.18 Borough-wide Development Policies Development Plan Document policies BR10 (Sustainable Transport) and BR11 (Walking and Cycling) provide the main policy background relating to achieving a sustainable relationship between development and transport.
- 5.19 Barking and Dagenham's Local Implementation Plan highlights transport investment proposals and priorities for the borough.

### **Public Facilities – Education, Community and Health**

- 5.20 Providing education, health and community facilities is a fundamental part of the borough's growth agenda and is essential in spreading benefits to the local population.
- 5.21 The 2011 census revealed that in Barking and Dagenham there has been almost a 50% rise in 0-4 year olds between 2001 and 2011. This is the highest growth for this age group of any local authority in England and Wales. In addition, the borough has the highest population percentage of 0-19 year olds in the country at 31%. This means that there is enormous pressure on schools within the borough.
- 5.22 Where an assessment of current and future community facilities capacity shows that a major residential development scheme establishes a site-specific need for additional community facilities, accessibility to such services is required to be demonstrated as part of the planning proposal. This will also apply where land, or the provision of a new facility, is required within or nearby the proposed development site.
- 5.23 On-site provision will not forgo the need for developments to contribute to CIL.
- 5.24 In large, mixed-use developments, there may be a S106 requirement to retain a building to be used for a public facility. In some high density, high rise developments this may not be possible. The Council will accept off-site provision through a S106 in exceptional circumstances.

### **Employment, Skills and Training**

- 5.25 Development increases opportunities for local employment, particularly those facing barriers to employment. Maximising local labour also reduces the need to travel which can help to ensure that development is more sustainable.
- 5.26 The Council therefore requires that opportunities for the employment, training and support of local labour are provided throughout the construction phase of a development and for the end use of non-residential development.

- 5.27 Local supply of goods and services to development supports the maintenance of a sustainable local economy which in turn provides further employment opportunity for local labour as local contractors and suppliers are more likely to employ local labour.
- 5.28 The Council will work with developers and employers to ensure that employment, training and business opportunities are tailored to the development proposed.
- 5.29 See Planning Advice Note 2: Local Labour and Local Business Agreements.  
<http://www.lbbd.gov.uk/Environment/PlanningPolicy/Pages/Planningadvicenotes.aspx>

### **Open Space**

- 5.30 Open space in this section refers to the provision of green infrastructure, public open space, outdoor sports, playing fields, recreational land for biodiversity purposes and play space.
- 5.31 Where the development would cause a localised requirement for additional open space this is expected to be provided on-site as part of the development proposal. In exceptional circumstances open space may be provided off-site, or through payment of a commuted sum via a Section 106 agreement.
- 5.32 Play space will be required in accordance with the Mayor's Supplementary Guidance: Shaping Neighbourhoods: Play and Informal Recreation SPG.

### **Public Realm**

- 5.33 As Barking and Dagenham's population continues to grow, it is important to ensure that the spaces and places between buildings function well and are attractive and enjoyable. New development has a key role in making sure it contributes to this continued improvement in the public realm and, in doing so, support economic growth in the borough by attracting new investment, employers and residents to the area.
- 5.34 All development schemes that have a significant impact on the public realm will be assessed for appropriate public realm improvements in the vicinity of the scheme, or the adjoining area.
- 5.35 Where necessary, planning obligations will be sought for public realm works on or immediately adjacent to a development site. This will exclude more general public realm improvements that will be funded using CIL.
- 5.36 Public realm works will either be undertaken by the developer, or made through financial contributions to the Council, who will organise or undertake works directly.
- 5.37 These may include:

- New or improved footways and/or hard or soft landscaping improvements
- Replacing paving or landscape material on existing public realm including carriageways and footways
- Improvement of pedestrian and cycle links to local facilities and public transport
- Traffic management measures and initiatives
- Street Lighting
- Tree planting and biodiversity improvements
- Community safety initiatives
- Appropriate new street furniture and signage
- CCTV or other community safety measures
- Removal of street clutter

### **Historic Environment**

- 5.38 Barking and Dagenham has a rich local history, but compared to other borough's has relatively few protected historical environment assets such as listed buildings and conservation areas. With this in mind, the Council will take particular care to protect and, wherever possible, enhance the historic environment. Policies CP2 (Protecting and promoting our historic environment), BP2 (Conservation Areas and Listed Buildings) and BP3 (Archaeology) outline the Council's requirements in relation to management of the historic environment.
- 5.39 The Council will generally use conditions to ensure our policies on historic environment are adhered to but there may be circumstances where a S106 agreement may be required, for:
- Repair, restoration or maintenance of a heritage asset and its setting;
  - Increased public access and improved signage to and from heritage assets;
  - Measures for preservation or investigation and recovery of archaeological remains and sites;
  - Display of archaeological sites.

### **Sustainable Design and Construction**

- 5.40 There are a number of different policies and regulations which influence the standards of sustainability in new developments and this in an area of policy which is constantly evolving.
- 5.41 The Building Regulations Part L set out national standards for CO2 emissions in new buildings, with an aim to reach 'zero carbon' standards by 2016. The preference is for CO2 emissions to be minimised as far as possible on-site. As standards become more stringent, it will be more difficult to meet targets through building design and on-site low carbon/renewable energy alone. Beyond the on-site carbon-compliance standards, the Government is

developing an approach to 'allowable solutions' which will allow developers to support off-site carbon reduction measures, such as district heating schemes, and retro-fitting insulation in existing buildings, where it is not technically feasible or commercially viable to abate all carbon emissions through on-site means.

- 5.42 Alongside the policies of the London Plan, the sustainability standards the Council expects from development are set out in Core Strategy Policy CR1 (Climate Change and Environmental Management, and Borough Wide Policies Development Plan Document policies BR1 (Environmental Building Standards) and BR2 (Energy and on-site renewables). These provide detail on the appropriate standards for different types of development including BREAM and Code for Sustainable Homes, as well as standards relating to energy efficiency, decentralised energy networks and renewable energy. For major developments the Council will require developers to pay for independent assessment of their sustainability information and reports to ensure compliance with the Council's policies. Meeting the requirements for sustainable design and construction is often achieved in the detailed design or construction phases. Normally requirements for sustainable design will be dealt with using conditions, but in some circumstances, a S106 agreement may be required to secure the highest environmental standards of development.
- 5.43 The following features may be specified through further details required to be submitted as part of a S106 agreement if they cannot be implemented through the approved design or satisfactorily secured through conditions:
- energy efficient design measures;
  - renewable energy facilities;
  - waste and recycling storage facilities;
  - water retention and recycling facilities;
  - heating or cooling systems;
  - caps on internal water consumption levels; and
  - the proportion of materials used from sustainable sources.

### **Decentralised Energy Networks**

- 5.44 In line with the London Plan, the Council is working with partners to maximise the opportunity to provide new networks supplied by decentralised energy. Developments near to a planned or potential future network should make provision for a connection to the network should one be established.
- 5.45 Where appropriate, S106 agreements will be used in relation to securing the installation of Combined Heat and Power (CHP)/Combined Cooling Heat and Power (CCHP) and the generation and use of energy.

## **Flood Risk**

- 5.46 A number of areas within the borough are at risk of flooding. This risk comes from a variety of sources including the tide, rivers, runoff, groundwater and sewers.
- 5.47 Provision of flood risk measures such as Sustainable Drainage Systems (SUDS) are expected to be provided on-site and secured through conditions or S106 agreement. Developers should refer to Council policy CR4 (Flood Management).
- 5.48 As part of the Council's requirements as contained within the Flood and Water Management Act 2010, it is anticipated that the Council will be identifying surface water flood alleviation schemes which may require contributions. Subject to negotiation and where appropriate, a planning obligation in the form of a commuted sum will be secured for off site flood risk mitigation work where a flood alleviation project directly mitigates flood risk on-site. Any such contributions will be subject to the limitations set out in Sections 122 and 123 of the CIL Regulations.

## **Biodiversity Habitats**

- 5.49 Planning obligations may be used to require developers to carry out works to secure or reinstate existing habitat features, enhance existing features, create new features or to undertake habitat creation schemes. In those very exceptional circumstances where a developer cannot protect an ecological habitat adjacent to or within the boundaries of the site and in other respects the development is acceptable, they will be required to provide an alternative compensatory measure of equal or greater value in the locality. These measures could be land off-site on which the Council or other responsible agency can carry out works and recover the reasonable costs from the developer, or assistance in enlarging or enhancing existing nature conservation assets and habitats in the locality, and make provision for maintenance of the site.

## **Air Quality**

- 5.50 Where a development is likely to have a significant negative impact on air quality, the Council will request the submission of an air quality impact assessment, in line with Borough Wide Development Policies Development Plan Document policy BR14 (Air Quality). Where necessary, a commuted sum will be sought to be used towards specific monitoring and control of air quality emissions.

## **6. Viability**

- 6.1 Developers should take potential planning obligations, and any identifiable exception site development costs, into account when acquiring land for development. If during identification of the Heads of Terms it is claimed that

the economic cost of fulfilling certain planning obligations would prevent development from occurring, it is expected that developers will also submit detailed 'open book' information about the scheme's economics to the council prior to the formal submission of a planning application. Before reviewing the nature of the planning obligations sought, the council may seek valuation advice from an independent third party. All costs incurred by the council in validating claims will have to be met by the developer.

## **7. Review of Section 106 Agreements**

- 7.1 In the event of a stalled development, the applicant/developer may wish to come back to the council seeking to review previous agreements with a view to possible deferred payment of contributions, changes to design and/or flexibility of uses. The Council will consider such a scenario on its merits and in accordance with the Viability section above.

## **8. Monitoring**

- 8.1 It is imperative that the Council has robust monitoring processes in place to ensure that S106 obligations are delivered as planned, that all monies received are accounted for and spent as intended. To resource this the Council applies a 4% monitoring charge to S106 obligations.

## **9. Indexation**

- 9.1 S106 contributions are index linked. The amount shall be increased by the percentage by which the All Items (Series CHAW) Index of Retail Prices published by the Office for National Statistics has been increased from the last published figure prior to the grant of the Planning Permission to the figure last published prior to the Implementation of the Development and subject to the following formula:

$C/B \times A = D$  where:

A = the contribution amount specified in this Deed in pounds sterling;

B = the last figure published in the All Items (Series CHAW) Index of Retail Prices prior to the grant of Planning Permission;

C = the last figure published in the All Items (Series CHAW) Index of Retail Prices prior to Implementation of Development;

D = the recalculated contribution amount in pounds sterling applying under this Deed;