

Dated

2022

ETC VENUES LIMITED

- and –

TRIBE AVONMOUTH HOUSE LIMITED

-and -

SANTANDER UK PLC

in favour of

**THE MAYOR AND BURGESSES OF
THE LONDON BOROUGH OF SOUTHWARK**

Deed of Undertaking pursuant to Section 106 of
the Town and Country Planning Act 1990
and other powers in relation to land known as
Avonmouth House 6 Avonmouth Street London SE1 6NX

Doreen Forrester-Brown
Director of Law and Governance
London Borough of Southwark
160 Tooley Street
London SE1 2TZ
Legal Reference: LEG/RP/PL/S106/RR020/361
LPA Reference: 21/AP/4297
Appeal Reference: APP/A5840/W/22/3303205

BETWEEN

- IN FAVOUR OF**

- W H E R E A S:

- 1

- (G) On 15 July 2022, the Developer lodged an Appeal in respect of the Application on the ground of non-determination. Having regard to the provisions of the Development Plan and the planning considerations affecting the Site, the Parties enter into this Undertaking pursuant to the 1990 Act in order to secure the planning obligations contained in this Undertaking conditional upon the grant of the Planning Permission by the Secretary of State.

NOW THIS AGREEMENT WITNESSETH:

1. Definitions and Interpretation

- 1.1 The following words and phrases shall have the following meanings unless the context otherwise requires:

“1990 Act”	means the Town and Country Planning Act 1990;
“AAPs”	means the Council’s area action plans extant at the time of the Implementation Date or any replacement thereof;
“Academic Year”	means the period during which a Higher Education Institution holds classes and examinations from time to time such period being 39 weeks at the date of this Undertaking;
“Acts”	means Sections 111, 120 and 123 of the Local Government Act 1972, Section 16 of the Greater London Council (General Powers) Act 1974, Sections 38/278 of the Highways Act 1980 and Section 1 of the Localism Act 2011 together with all other powers enabling;
“Administration Cost”	means the sum of £5,225.64 (five thousand two hundred and twenty-five pounds and sixty-four pence) Index Linked to be paid by the Owner and/or the Developer to the Council for the reasonable costs incurred by the Council in administering this Undertaking including maintenance of financial records, monitoring the progress of the Development (including receipt of payments made, expended and applied) and monitoring compliance with its terms;

“Affordable Housing”

means affordable housing that is attainable for purchase and/or rent by those households who cannot afford to buy or rent anywhere in the Borough at market housing prices;

“Affordable Housing Contribution”

means an additional financial contribution towards Affordable Housing which may be payable by the Owner and/or the Developer to the Council in accordance with Schedule 2 of this Undertaking which sum shall not exceed £1,702,400 (one million seven hundred and two thousand and four hundred pounds) Index Linked;

“Affordable Student Rent Units”

means the 82 Student Accommodation Units shown coloured yellow and orange on the drawing attached at Annexure 1 and labelled 2nd Floor Plan, 3rd Floor Plan, 4th Floor Plan and 5th Floor Plan to be provided to Students from low income households and who are in need of affordable student accommodation such units to be let at rents (including any service charge) that does not exceed the Affordable Student Rent;

"Affordable Student Rent"

means a rent (including any service charge) payable by a Student occupying an Affordable Student Rent Unit (including where a Student in occupation during the Academic Year extends their stay into the Residual Period) which does not exceed the higher of:

- (a) an amount equal to or below 55% of the maximum income that a new full time student studying in London and living away from home could receive from the Government's maintenance loan for living costs that same academic year; or
- (b) the actual amount for affordable student rent that the Mayor of London sets out in the London Plan Annual Monitoring Report (which for illustration purposes only is £6,245 for the academic year 2018/2019 in the most recent version of the report);

“Affordable Workspace”

means at least 10% of Use Class E workspace which may be delivered as part of the Development pursuant to paragraph 1 of Schedule 8 and if delivered, shall either be:

- (a) leased by the Owner and/or the Developer to an Affordable Workspace Provider pursuant to the Affordable Workspace Lease who shall in turn lease and/or licence the Affordable Workspace to End Users; or
- (b) leased, licensed and/or directly let by the Owner and/or the Developer to End Users pursuant to the Affordable Workspace Lease;

“Affordable Workspace Lease”

means a lease of the Affordable Workspace to be entered into between the Owner and/or the Developer and the Affordable Workspace Provider and/or End Users consistent with the heads of terms set out in Annex 1 of Schedule 8 or such other terms as may be agreed with the Council and/or the Affordable Workspace Provider;

“Affordable Workspace Management and Marketing Strategy”

means a strategy for marketing and managing the Affordable Workspace in accordance with the provisions of Schedule 8;

“Affordable Workspace Provider”

means a provider on the Council’s Workspace Provider list or such other provider as may be approved by the Council in writing;

“Affordable Workspace Rent”

means the rent to be charged for the Affordable Workspace which shall be at rent levels no more than 75% of Open Market Rent in the Borough for comparable workspace;

“Affordable Workspace Specification”

means a detailed design specification of the Affordable Workspace to be submitted by the Owner and/or the Developer to the Council for approval and which shall include but not be limited to a plan that shows the location of the Affordable Workspace, the area (sqm GIA) of Affordable Workspace, detailed scaled plans and drawings, samples of materials to be used and which includes the minimum requirements as may be agreed with the Council;

“Appeal”

means the appeal to the Secretary of State under section 78(2) of the 1990 Act accepted with a start date of 30 August

2022 and given the appeal reference number APP/A5840/W/22/3303205;

“Application”	means the application for planning permission received by the Council on 19 November 2021 to carry out the Development upon the Site (local planning authority reference 21/AP/4297);
“Application Energy Statement”	means the document titled “Energy Strategy” dated 1 July 2022 prepared by JAW Sustainability;
“Archaeology Contribution”	means the sum of £6,778 (six thousand seven hundred and seventy-eight) Index linked to be paid by the Owner and/or the Developer to the Council in accordance with paragraph 1 of Schedule 3 and applied by the Council towards archaeological research, investigation and protection within the vicinity of the Site;
“Base Specification”	<p>means in accordance with the following standards or if different the standards required by Building Regulations for wheelchair housing:</p> <ul style="list-style-type: none">(a) Clear door openings of at least 850mm;(b) Approach space inside the front door: sufficient space for transfer to a second wheelchair 1800mm by 1500mm;(c) All passageways: minimum 1200mm width clear of obstructions;(d) Internal door openings; recommended clear opening 850mm;(e) Turning circle: each room shall have extra space for 1500mm turning circle clear of the door swing;(f) Transfer spaces: 1400mm is required in front of any furniture;(g) Kitchen to allow for space where a moveable counter could be installed;(h) Bathroom should be a wet room (with level access shower) with walls ready to receive grab bars;

- (i) Turning circle: bath and/or shower rooms must each have 1500mm turning circle clear of the basin and WC

“Be Seen Energy Monitoring Guidance” means the document titled “Be Seen Energy Monitoring Guidance” dated September 2021 prepared by the GLA or any replacement document;

“Blue Badge Parking Space” means the car parking space equipped with an active electric vehicle charging point shown for indicative purposes only on the plan attached at Annexure 1 and labelled “Section 38/278 Highway Works”;

“Borough” means the London Borough of Southwark;

“Build Costs” means the build costs comprising construction of the Development supported by evidence of these costs to the Council's reasonable satisfaction including but not limited to:

- (a) details of payments made or agreed to be paid in the relevant building contract;
- (b) receipted invoices;
- (c) costs certified by the Owner and/or Developer's quantity surveyor, costs consultant or agent

but for the avoidance of doubt build costs exclude:

- (i) professional, finance, legal and marketing costs; and
- (ii) all internal costs of the Owner and/or Developer including but not limited to project management costs, overheads and administration expenses;

“Carbon Targets” means the target net CO₂ emissions (equivalent to a 60% reduction in CO₂ emissions for the Student Accommodation and a 40.7% reduction within the Flexible Employment/Community/Education Space over the Building Regulations 2013 Part L baseline) as set out within the Application Energy Statement;

“Carbon Green Fund Contribution” means the sum of £234,504 (two hundred and thirty-four thousand five hundred and four pounds) Index Linked to be paid by the Owner and/or the Developer to the Council in accordance with paragraph 1 of Schedule 3 and applied by

the Council towards carbon mitigation measures within the Borough including but not limited to the installation of photovoltaic panels to existing buildings, insulation, tree planting, LED light bulb exchanges, homeowner grants to replace boilers and community projects;

“Completion”

means:

- (a) in respect of any discrete section (element) of the Development completed separately from the other discrete sections (elements) and which is the subject of a certificate of sectional practical completion, the issue of such certificate of sectional practical completion in respect of that discrete section (element) by the architect duly appointed by the Owner and/or the Developer or other project consultant designated by the Owner and/or the Developer for that purpose; and
- (b) in respect of the Development as a whole, the issue of a certificate of practical completion of the Development by the architect or other project consultant designated by the Owner and/or the Developer for that purpose,

and “Complete”, “Completed” and “Completion Date” shall be construed accordingly.

“Community Space”

means an area of space within the Flexible Employment/Community/Education Space which may be made available for use by local community groups and organisations based within the Borough;

“Community Space Management Plan”

means a plan to be prepared by the Owner and/or the Developer in consultation with ward councillors and the University of London or London South Bank University or such other Higher Education Institution approved by the Council (as applicable) setting out the proposals for the management and operation of the Community Space;

“Connection Notice”	means a written notice served on the Owner and/or the Developer by the Council pursuant to paragraph 2.5 of Schedule 7;
“Construction Industry Apprenticeships”	means apprenticeships operating under a statutory apprenticeship agreement to be provided in construction related trades and occupations on the Site and in the services used in the creation of and supply to the Development, including building, architectural and surveying services, during the period of construction of the Development;
“Construction Industry Employment and Training Report”	means a quarterly report to the Council about the work of the Construction Workplace Co-ordinator including, but not limited to, information about progress toward achievement of the targets outlined in paragraph 1 of Schedule 5, such report to be written in a format approved by the local economy team of the Council or such team as shall be assigned the work of the local economy team from time to time;
“Construction Industry Employment and Training Shortfall Contribution”	means the sum as calculated by the Council in accordance with the formula in paragraph 1.6 of Schedule 5 to be expended by the Council upon supporting Unemployed Borough Residents, including but not limited to, the provision of appropriate training, in order for Unemployed Borough Residents to access Sustained Construction Industry Employment being a maximum sum of £86,100 (eighty-six thousand and one hundred pounds) Index Linked;
"Construction Workplace Co-ordinator"	means a named individual who is either an employee provided by the Owner and/or the Developer or a contractor appointed by the Owner and/or the Developer and who shall be based with the team contracted to construct the Development during the construction phase and whose role shall be to provide such training and support as is necessary to enable Unemployed Borough Residents to access Sustained Construction Industry Employment in accordance with the Skills and Employment Methodology;

“Construction Workplace Co-ordinator Period”	means a period of time from the Implementation Date to be agreed by the Council’s local economy team prior to Implementation;
“Cycle Hire Docking Station”	means a TfL cycle hire docking station within the vicinity of the Site;
“Cycle Hire Contribution”	means the sum of £120,000 (one hundred and twenty thousand pounds) Index Linked to be paid by the Owner and/or the Developer to the Council in accordance with paragraph 1 of Schedule 3 and to be given by the Council to TfL to enable TfL to provide, extend or maintain a Cycle Hire Docking Station;
“Defects Liability Period”	means such period of time following Completion of the Development in which a contractor may remedy defects as may be included in the building contract for the Development;
“Delivery and Service Baseline Figure”	means not more than 5 Delivery and Service Motorised Vehicles per day;
“Delivery and Service Cash Deposit”	means the sum of £12,856 (twelve thousand eight hundred and fifty six pounds) Index Linked to be paid by the Owner and/or the Developer to the Council to secure compliance with the Delivery and Service Monitoring Plan and if retained by the Council pursuant to paragraph 5 of Schedule 6 to be applied by the Council towards public realm improvements, highway infrastructure and/or measures to reduce air pollution within the ward of the Development;
“Delivery and Service Monitoring Fee”	means the sum of £1,600 (one thousand six hundred pounds) Index Linked to be paid in accordance with paragraph 4 of Schedule 6 and to be applied by the Council towards monitoring the terms of the Delivery and Service Plan and administering the Delivery and Service Cash Deposit;

“Delivery and Service Monitoring Period”

means a period of 2 years commencing from 75% Occupation of the Development during which the Owner and/or the Developer shall implement the Delivery and Servicing Monitoring Plan;

“Delivery and Service Monitoring Plan”

means a plan that sets out the method for monitoring and recording the number of Delivery and Service Motorised Vehicles visiting the Development to be submitted by the Owner and/or the Developer to the Council for approval and which includes (but shall not be limited to):

- (a) the name, address, email address and telephone number of the person the Owner and/or the Developer has appointed to monitor the number of Delivery and Service Motorised Vehicles visiting the Development;
- (b) the format and layout of the log book to be used to record the number of Delivery and Service Motorised Vehicles visiting the Development on a daily basis; and
- (c) the methodology to be used to track, monitor and record the number of Delivery and Service Motorised Vehicles visiting the Development on a daily basis.

“Delivery and Service Motorised Vehicle”

means a motorised vehicle making a delivery to or servicing the Development or any part of the Development from either within the Development boundary or otherwise including private deliveries to individual Student Accommodation Units;

“Delivery and Service Plan”

means the document titled “Delivery and Service Management Plan” prepared by Ardent Consulting Engineers dated October 2021 and submitted as part of the Application;

“Demolition”

means the taking down of the existing buildings on the Site or any substantial part thereof but excludes inter alia the removal of doors, flooring, fixtures, services and temporary

structures including room partitions and 'Demolish' shall be construed accordingly;

“Department for Education”

means the government department for education and any successor in statutory function;

“Development”

means the demolition of existing building and structures and erection of a part 2, part 7, part 14, and part 16 storey plus basement development comprising 1,733sqm (GIA) of space for Class E employment use and/or community health hub and/or Class F1(a) education use and 233 purpose-built student residential rooms with associated amenity space and public realm works, car and cycle parking, and ancillary infrastructure;

“Development Plan”

means the Southwark Plan, AAPs and the London Plan;

“Development Viability Information”

means the information required by Formula 1a being:

- (a) Estimated GDV;
- (b) Estimated Build Costs;

and including in each case supporting evidence to the Council's reasonable satisfaction;

“Director of Planning and Growth”

means the Council's Director of Planning and Growth or any other officer or person properly exercising the authority of the Director of Planning and Growth for the time being;

“District Heat Network”

means a strategic combined heat and power network which the Council may implement to serve existing and new developments;

“District Heat Network Strategy”

means a document prepared by the Owner and/or the Developer setting out how the Development shall be constructed in order to facilitate a connection to the District Heat Network and which shall contain at minimum the details set out at paragraph 2.1 of Schedule 7 PROVIDED THAT such strategy may be amended and updated from time to time with the approval of the Council;

“End Users”

means start-ups, independent businesses operating from no more than 3 sites and small businesses with 50 employees or less and which are from a specific sector with

a social, cultural or economic development purpose including:

- (a) charities, voluntary and community organisations or social enterprises;
- (b) public health services;
- (c) creative and artists workspace;
- (d) rehearsal and performance space and makerspace;
- (e) occupiers from disadvantaged groups starting up in any sector;
- (f) occupiers in support of educational outcomes through connections to schools, colleges or higher education;
- (g) small businesses located in the Borough;
- (h) medium business located in the Borough approved by the Council; and
- (i) such other businesses identified by the Affordable Workspace Provider and approved by the Council;

“Energy Centre”

means a site-wide low carbon communal heating system;

“ESCO”

means an energy service company being a supplier of heating and other ancillary services from the District Heat Network;

“Estimated Build Costs”

means the sum of:

(“D” in Formula 1a)

- (a) the estimated Build Costs remaining to be incurred at the Review Date; and
- (b) the actual Build Costs incurred at the Review Date;

“Estimated GDV”

(“A in Formula 1a)

means the estimated aggregate Market Value of all the components of the Development at the Review Date based on detailed comparable market evidence and taking into account Development related income from any other sources to be assessed by the Council (acting reasonably);

“Feasibility Study”

means a study to assess the feasibility and financial viability of the Development connecting to the District Heat Network which may include details and an assessment of the following:

- (a) the capability of the District Heat Network to supply sufficient heating and power to the Development;
- (b) the proposed costs, terms and conditions of the connection and supply agreement being offered by the ESCO and whether they are fair and reasonable by reference to the site heat plant costs and those that can be obtained on the market;
- (c) the costs associated with installing all relevant pipework, plant and other apparatus to the boundary of the Site and that such costs will not be recoverable in whole or in part from occupiers of the Development through the connection agreement any supply agreement or by any other means; and
- (d) the costs of heating and power to be charged to occupiers of the Student Accommodation Units and any units within the Flexible Employment/Community/Education Space and whether they are fair and reasonable by reference to the rates that are charged in the market;

“Flexible Employment/Community/Education Space”

means approximately 1733sqm (GIA) of flexible Use Class E employment use and/or community health hub and/or Use Class F1(a) education use floorspace to be provided as part of the Development and shown for indicative purposes only on the plan labelled Basement Plan, Ground Floor Plan and 1st Floor Plan attached at Annexure 1;

"Formula 1a"

means "Formula 1a" annexed hereto at the Annex to Schedule 2;

“Higher Education Institution”

means an educational institution that provides a designated course approved by the Department for Education for higher education study and which allows the student to apply for government financed student loans;

“Highway Development Manager”	means the Council’s Highway Development Manager or any other officer or person properly exercising the authority of the Highway Development Manager for the time being;
“Highway Improvement Contribution”	<p>means the sum of £20,000 (twenty thousand pounds) Index Linked to be paid by the Owner and/or the Developer in accordance with paragraph 1 of Schedule 3 and applied by the Council towards improvements to the local highway including:</p> <ul style="list-style-type: none"> (a) enhancements to cycle routes in the immediate area surrounding the Site including resurfacing of the adjacent southbound bus lane on Newington Causeway with improved drainage; (b) repairs to the highway around the proximate zebra crossing on Newington Causeway including renewed road surfacing/markings;
“GLA”	means the Greater London Authority or their successor in statutory function;
“GLA Reporting Webform”	<p>means the GLA’s ‘Be Seen’ reporting webform templates located on the GLA’s website at https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/london-plan-guidance-and-spgs/be-seen-energy-monitoring-guidance);</p>
“Implementation Date”	<p>means the date upon which a material operation as defined in section 56(4) of the 1990 Act shall be first carried out in respect of the Development upon the Site PROVIDED ALWAYS that for the purposes of this Undertaking only the operations or works consisting of all or any of the following shall not constitute Implementation:</p> <ul style="list-style-type: none"> (a) Demolition; (b) excavation; (c) archaeological works; (d) site surveys; (e) investigation of ground conditions; (f) site clearance including vegetation; (g) environmental preparatory works; (h) the erection of fencing or hoardings to enclose the Site or any part of it;

- (i) laying or provision of any services or utilities or any diversion of the same
- (j) laying out of roads for construction purposes;
- (k) contamination tests;
- (l) remediation or trial pits;
- (m) works of decontamination and/or remediation;
- (n) storage areas required temporarily in connection with and for the duration of the Development; and
- (o) temporary display of Site notices or advertisements and references to "Implementation" and "Implement" shall be construed accordingly

"Index"

means the RPI all items excluding mortgage interest (RPIX) published by the Office for National Statistics or the BCIS General Building Cost index published by the Royal Institution of Chartered Surveyors (RICS) or in the event such indexes cease to exist such index as may be adopted by the Council for this purpose of calculating planning obligations to be applied in accordance with clause 14;

"Index Linked"

means increased (if applicable) in accordance with clause 14;

"Living Wage Commission"

means a commission drawn from Living Wage accredited employers, trade unions, civil society and independent experts whose objective is to support and promote the goals of the Living Wage as an attainable benchmark for employers;

"London Living Wage"

means the hourly pay rate as calculated annually by the Resolution Foundation and overseen by the Living Wage Commission or any replacement bodies thereof;

"London Plan"

means the London Plan 2021 or any amendment or replacement thereof;

"London South Bank University"

means the London South Bank University of 103 Borough Rd, London SE1 0AA or any successor organisation;

"Market Value"	means the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion;
"NVQ Starts"	means the commencement of a full National Vocational Qualification or equivalent vocational qualification outside of a statutory apprenticeships agreement by a person employed in Sustained Construction Industry Employment;
"Occupation"	means the first date upon which any part of the Site is physically occupied for any purpose but does not include occupation by personnel engaged in construction, fitting out or decoration or occupation for marketing or display or operations in relation to security operations and the phrases "Occupy" and "Occupied" shall be construed accordingly;
"Open Market Rent"	means the estimated amount for which an interest in real property, could be leased or let at the date of valuation based on appropriate detailed comparable local market evidence and assuming a willing landlord and a willing lessee or tenant on an appropriate lease or tenancy terms after proper marketing wherein those parties have acted knowledgeably, prudently and without compulsion to be assessed in accordance with a property's size, location and individual characteristics and the RICS approved valuation methods or intended or established valuation custom;
"Open Market Rent Student Accommodation Units"	means the Student Accommodation Units other than the Affordable Student Rent Units;
"Parking Bay"	means a parking place designated by the Council by an order under the Road Traffic Regulation Act 1984 or other relevant legislation for use in the locality in which the Development is situated;
"Parking Permit"	means a parking permit issued by the Council under section 45(2) of the Road Traffic Regulation Act 1984 allowing a vehicle to park in a Parking Bay;

“Parties”	means the Council the Owner, the Developer and the Lender and “Party” shall refer to any one of them as the context so permits;
“Planning Permission”	means the planning permission granted by the Secretary of State pursuant to the Appeal or any variation thereof;
“Pre-Emption Period”	means a specified pre-emption period expiring on 31 October of the calendar year preceding the relevant academic year;
“Reportable Unit (Energy Centre)”	means either a connection to third-party District Heating Network, a self-contained Energy Centre serving multiple residential/non-residential properties (within the Site) or a self-contained energy system serving multiple residential properties (within a block or building);
“Reportable Unit (Non-Residential)”	means a building with a single occupier/tenant (including block of flats' communal areas) or a building with multiple tenants;
“Reportable Unit (Residential)”	means an individual block or building of five or more flats or a group of five or more houses;
“Residual Period”	means that part of the year falling outside of the Academic Year;
“Review Date”	means the date of Substantial Implementation;
“Secretary of State”	means the Secretary of State for Levelling Up, Housing and Communities (or such other Minister of the Crown to whom the power to hear and determine the Appeal may from time to time be transferred) or any appropriate officer, inspector or body appointed by the Secretary of State for Levelling Up, Housing and Communities having authority to act on his or their behalf;
“Section 38/278 Highway Agreement”	means any agreement between the Owner and/or the Developer and the Council (in its capacity as highway authority) pursuant to sections 38 and 278 of the Highways Act 1980 for securing and authorising the Owner and/or the

Developer to carry out the Section 38/278 Highway Works and (unless otherwise agreed between the Owner and/or the Developer and the Council) the Section 38/278 Highway Agreement will include (without limitation) provisions for:

- (a) the Section 38/278 Highway Works to be secured to the sum of the Section 38/278 Highway Works Bond;
- (b) the security relating to the amount of the Section 38/278 Highway Works to be delivered prior to the commencement of the Section 38/278 Highway Works;
- (c) the Owner and/or the Developer to carry out the Section 38/278 Highway Works in accordance with the approved Section 38/278 Highway Works Specification at its own cost and at no cost to the Council; and
- (d) the maintenance responsibilities for the Pocket Park which shall either be imposed on the Owner and/or the Developer (pursuant to a maintenance agreement) or the Owner and/or the Developer shall pay a commuted sum to the Council (as highway authority) in order for the Council to accept maintenance liability (such sum to be agreed between the Owner and/or the Developer and the Council);

“Section 38/278 Highway Works” means:

- (a) the dedication of slivers of paved land to supplement the footway flanking the Site on Avonmouth Street and Tiverton Street and the re-laying of these footway segments;
- (b) extending the existing raised table fronting the Site and upgrading to current standards;
- (c) repaving the footways including new kerbing and buildouts fronting the Development on Avonmouth Street and Tiverton Street with granite natural stone paving slabs and 300mm wide granite kerbs;
- (d) narrowing and reconstructing to current standards the existing vehicle crossover on Avonmouth Street;

- (e) providing access arrangements such as a dropped kerb construction to accommodate refuse collection;
- (f) promoting a traffic management order to replace single yellow lines with double yellow lines;
- (g) upgrading street lighting fronting the Site to current standards;
- (h) repairing any damage to the highway due to construction activities for the Development including construction work and the movement of construction vehicles;
- (i) providing four street trees including silva cells on Avonmouth Street; and
- (j) the creation of a pocket park subject to approval as a special placemaking opportunity dispensation pursuant to the Southwark Streetscape Design Manual ("Pocket Park");

all of which are to be carried out in accordance with the Southwark Streetscape Design Manual and which are for indication purposes only shown on the drawing attached at Annexure 1 and labelled Section 38/278 Highway Works;

"Section 38/278 Highway Works Bond"

means the deposit, bond, guarantee, surety or similar security relating to the Section 38/278 Highway Works in a sum equivalent to the estimated cost of the Section 38/278 Highway Works plus 10%;

"Section 38/278 Highway Works Specification"

means a detailed design specification of the Section 38/278 Highway Works including (but without limitation) detailed scaled plans and drawings, samples of materials to be used, estimated costs and phasing of delivery to be submitted by the Owner and/or the Developer pursuant to paragraph 1 Schedule 4;

"Short Courses"

means any construction industry approved or accredited training course(s) designed to assist an individual to secure employment or enhance their career prospects once in employment;

"Site"

means the land known as Avonmouth House, 6 Avonmouth Street London SE1 6NX and for the purpose of

identification only shown edged red on the plan attached at Annexure 1 and labelled “Proposed Site Plan;”

“Site and Development Contributions”

means the Archaeology Contribution, the Carbon Green Fund Contribution, the Cycle Hire Contribution, the Delivery and Service Cash Deposit and the Highway Improvement Contribution;

“Skills and Employment Methodology”

means a methodology to secure the appointment of a Construction Workplace Co-ordinator and which specifies the responsibilities of the post as outlined in paragraph 1 of Schedule 5 and the method by which the key outputs of the post will be achieved;

“SME”

means a small to medium enterprise;

“Southwark Education Business Alliance”

means the Council operated school’s careers service by that name or such other successor services as may be nominated by the Council from time to time;

“Southwark Plan”

means the Southwark Plan 2022 or any replacement thereof;

“Southwark Works”

means the employment support service by that name which is commissioned by the Council or such other successor services as may be nominated by the Council from time to time;

“Student(s)”

means a bona fide full time student enrolled at the University of London, London South Bank University, or a member institution of the University of London or London South Bank University or such other Higher Education Institution approved by the Council;

“Student Accommodation”

means that part of the Development identified in the Application for use by Students (including the Student Accommodation Units and any student amenity space);

“Student Accommodation Management Plan”

means the student accommodation management plan attached at Annexure 2 to this Undertaking;

**“Student Accommodation
Nominations Agreement”**

means either:

- Student Accommodation Nominations Agreement A;
- Student Accommodation Nominations Agreement B;
- Student Accommodation Nominations Agreement C; or
- Student Accommodation Nominations Agreement D;

as determined by the Secretary of State in the Appeal decision and/or Planning Permission.

**“Student Accommodation
Nominations Agreement A”**

means an agreement entered into or to be entered into between the Owner and/or the Developer and the University of London or London South Bank University (or such other Higher Education Institution approved by the Council) from time to time with:

- (a) nomination rights in respect of the Affordable Student Accommodation Rent Units; and
- (b) a right of first refusal in favour of the relevant Higher Education Institution during the Pre-Emption Period to nominate Students to occupy the Open Market Rent Student Accommodation Units at an Open Market Rent.

**“Student Accommodation
Nominations Agreement B”**

means an agreement entered into or to be entered into between the Owner and/or the Developer and the University of London or London South Bank University (or such other Higher Education Institution approved by the Council) from time to time with nomination rights in respect of:

- (a) all of the Affordable Student Rent Units; and
- (b) the majority of the Student Accommodation Units;

in accordance with Policy H15 of the London Plan.

**“Student Accommodation
Nominations Agreement C”**

means an agreement entered into or to be entered into between the Owner and/or the Developer and the University of London or London South Bank University or such other Higher Education Institution approved by the Council from time to time with nomination rights in respect of:

- (a) all of the Affordable Student Rent Units; and
- (b) all of the Open Market Rent Student Accommodation Units;

PROVIDED THAT the Open Market Rent Student Accommodation Units shall be let at an Open Market Rent such rent to be determined in the absence of an agreement with Higher Education Institution(s) as if the Student Accommodation Nominations Agreement is not in place.

**“Student Accommodation
Nominations Agreement D”**

means an agreement entered into or to be entered into between the Owner and/or the Developer and the University of London or London South Bank University or such other Higher Education Institution approved by the Council from time to time with nomination rights in respect of all of the Student Accommodation Units.

“Student Accommodation Units”

means the 233 units (16 studio units (including 12 Wheelchair Units) and 217 rooms with en-suite facilities) within the Development for Student occupation only shown for identification purposes only on the plan attached at Annexure 1 and labelled 2nd Floor Plan, 3rd Floor Plan, 4th Floor Plan, 5th Floor Plan, 6th Floor Plan, 7th Floor Plan, 8th Floor Plan, 9th Floor Plan, 10th Floor Plan, 11th Floor Plan, 12th Floor Plan, 13th Floor Plan, 14th Floor Plan, and 15th Floor Plan;

“Substantial Implementation”

means all ground preparation work has been completed, the substructure of the Development has been completed and the core structure of the Development has been completed up to first floor level and reference to “Substantially Implemented” shall be construed accordingly;

"Substantial Implementation Target Date"	means the date 24 months from but excluding the date of the grant of Planning Permission;
"Sustainable Employment Opportunity"	means a contract of employment of not less than 26 weeks;
"Sustained Construction Industry Employment"	means Sustained Employment related to the Development and/or other development in the Borough including but not limited to employment in building and construction on the Site and in the services used in the creation of and supply to the Development including building architectural and surveying services;
"Sustained Employment"	means a period of continuous employment of not less than 26 weeks;
"TfL Administration Cost"	means the sum of £2,000 (two thousand pounds) Index Linked to be paid by the Owner and/or the Developer to the Council and to be applied towards the administration of the Cycle Hire Contribution;
"Undertaking"	means this Deed;
"Unemployed Borough Residents"	means persons residing within the Borough who are neither in employment nor contracted as self-employed workers and have not been so for a period of not less than seven days;
"University of London"	means the University of London of Malet Street, London WC1E 7HU or any successor organisation;
"Valuer"	means an independent valuer approved by the Council;
"Viability Review"	means the upwards only review of the financial viability of the Development using Formula 1a to determine whether an Affordable Housing Contribution is payable;
"Wheelchair Units"	means the 12 Student Accommodation Units (accessible studio units) designed for wheelchair users or Students with

accessibility needs and which are to be constructed to the Base Specification with 1 (one) to be fully fitted (at no cost to the occupier) prior to Occupation of the Development and the remainder to be fully fitted (at no cost to the occupier) in the event of there being demand for the use of such units by those in need of wheelchair/accessible accommodation and which are shown coloured maroon and orange on the drawing attached at Annexure 1 hereto and labelled 2nd Floor Plan, 3rd Floor Plan, 4th Floor Plan, 5th Floor Plan, 6th Floor Plan, 7th Floor Plan, 8th Floor Plan, 9th Floor Plan, 10th Floor Plan, 11th Floor Plan, 12th Floor Plan, and 13th Floor Plan;

"Working Days"

means any Monday, Tuesday, Wednesday, Thursday and Friday except bank or public holidays.

In this Undertaking (except where the context otherwise requires):

- 1.2 Reference to the masculine feminine and neuter genders shall include other genders.
- 1.3 Reference to the singular include the plural and vice versa unless the contrary intention is expressed.
- 1.4 Reference to natural persons are to include corporations and vice versa.
- 1.5 Headings in this Undertaking are for reference purposes only and shall not be taken into account in its construction or interpretation.
- 1.6 A reference to a clause paragraph or schedule is (unless the context otherwise requires) a reference to a clause paragraph or schedule of this Undertaking.
- 1.7 Any reference in this Undertaking to any statute or to any section of a statute includes any statutory re-enactment or modification of it and any reference to any statutory instrument includes any amendment or consolidation of it from time to time and for the time being in force.
- 1.8 The expressions "the Owner" "the Developer" and "the Lender" shall include their successors in title and assigns and the expression "the Council" shall include any successors in statutory function.

- 1.9 Words denoting an obligation on a party to do any act or thing include an obligation to procure that it be done and words placing a party under a restriction include an obligation not to cause permit or suffer any infringement of such restrictions.
- 1.10 Any reference to Implementation or Occupation of the Development include the Implementation and/or Occupation of any part of the Development.
- 1.11 Where in this Undertaking a party includes more than one person any obligation of that party shall be joint and several.
- 1.12 Where in this Undertaking the Council is required to give an approval, consent or agreement the approval, consent or approval shall not be deemed to have been given unless in writing.
- 1.13 Where the agreement, approval, consent, confirmation or an expression of satisfaction is required by the Owner and/or the Developer or the Council under the terms of this Undertaking that agreement, approval, consent, confirmation or satisfaction shall not be unreasonably withheld or delayed.
- 1.14 Any plans required to be submitted pursuant to this Undertaking for approval (which for the avoidance of doubt includes written documents) may be updated or amended where agreed by the Council and any such agreed updated or amended plans shall be capable of being enforced by the Council pursuant to this Undertaking as if it was the original plan.

2. Statutory Provisions

- 2.1 This Undertaking is made pursuant to section 106 of the 1990 Act. To the extent that they fall within the terms of section 106 of the 1990 Act, the obligations contained in this Undertaking are planning obligations for the purposes of section 106 of the 1990 Act and are enforceable by the Council and the restrictive covenants and undertakings herein on the part of the Owner and/or the Developer are entered into with the intent that subject to clause 7 the same shall be enforceable without limit of time not only against the Owner and/or Developer but also against its successors in title and assigns and any person corporate or otherwise claiming through or under the Owner and/or the Developer an interest or estate created hereafter in the Site or any part or parts thereof as if that person had also been an original covenanting party in respect of such of the covenants and undertakings which relate to the interest or estate for the time being held by that person.
- 2.2 To the extent only that any of the obligations contained in this Undertaking are not planning obligations within the meaning of the 1990 Act, they are entered into pursuant to the powers contained in the Acts.

3. Legal Effect

3.1 The Undertaking shall come into effect on the date of this Undertaking save for the obligations contained in the schedules which are conditional upon:

3.1.1 the grant of the Planning Permission by the Secretary of State pursuant to the Appeal; and

3.1.2 Implementation (save for any obligations which are expressed to be performed prior to Implementation).

3.2 In the event that any new planning permission(s) are granted by the Council pursuant to section 73 of the 1990 Act and unless otherwise agreed between the Parties:

3.2.1 the obligations in this Undertaking shall relate to and bind any subsequent planning permission(s) in respect of the Site granted pursuant to section 73 of the 1990 Act in development authorised by the Planning Permission and the Site itself, and

3.2.2 the definitions of Application, Development and Planning Permission in this Undertaking shall be construed to include reference to any application under section 73 of the 1990 Act, the planning permission(s) granted thereunder and the development permitted by such subsequent planning permission(s), and

3.2.3 this Undertaking shall be endorsed with the following words in respect of any future section 73 application:

“The obligations in this Undertaking relate to and bind the Site in respect of which a new planning permission referenced has been granted pursuant to section 73 of the Town and Country Planning Act 1990 (as amended)”

PROVIDED THAT nothing in this clause shall fetter the discretion of the Council in determining any application(s) under section 73 of the 1990 Act or the appropriate nature and / or quantum of section 106 obligations in so far as they are materially different to those contained in this Undertaking and required pursuant to a determination under section 73 of the 1990 Act whether by way of a new agreement or supplemental agreement pursuant to section 106 of the 1990 Act.

3.3 The Owner and/or the Developer shall meet the Council's legal fees in respect of any such endorsement.

4. Secretary of State

- 4.1 In the event, the Secretary of State determines that any obligation (or any part of an obligation) contained within this Undertaking is not:
- 4.1.1 necessary to make the Development acceptable in planning terms and/or directly related to the Development; and/or
 - 4.1.2 fairly and reasonably related in scale and kind to the Development; and/or
 - 4.1.3 compliant in all other aspects of Regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended)

and states in the Appeal decision that no weight should be attached to the obligation then the relevant obligation shall immediately (and without further action from the Parties) cease to have any effect to the extent determined by the Secretary of State in the Appeal decision and the Owner and/or the Developer shall be under no obligation to comply with the relevant obligation, but such decision shall not affect the validity or enforceability of the remaining provisions and obligations contained within this Undertaking which shall remain in full force and effect.

- 4.2 For the avoidance of doubt, none of the planning obligations in this Undertaking will be legally effective and binding on the Parties if either (a) the Secretary of State dismisses the Appeal such that Planning Permission is not granted; or (b) the Secretary of State concludes that none of the planning obligations contained within this Undertaking satisfy the tests for planning obligations set out at Regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended) and states in the Appeal decision that no weight should be attached to the planning obligations in determining the Appeal.
- 4.3 In the event that the Secretary of State imposes a condition upon the Planning Permission as a replacement for one or more of the obligations in this Undertaking and this is specified within the Appeal decision, then the said provisions of this Undertaking shall thereafter have no legal effect to the extent determined by the Secretary of State in the Appeal decision.

5. Obligations of the Owner and the Developer

- 5.1 The Owner and the Developer covenant to observe and perform or cause to be observed and performed the obligations contained in schedules 1 to 9 to this Undertaking at the times and in the manner provided therein.
- 5.2 Without prejudice to any other remedy available to the Council, the Owner and the Developer covenant that no part of the Development shall be Demolished, Implemented, Completed or Occupied (as appropriate) unless and until the obligations contained within the Schedules to this Undertaking that are required to be fulfilled before Demolition, Implementation, Completion or Occupation have been complied with.

- 5.3 The Owner and/or Developer shall contact the S.106 and CIL Team at the Council to arrange payment of the Administration Cost, the TfL Administration Cost and the Site and Development Contributions, or any other financial sum referred to in this Undertaking.

6. Notification

- 6.1 The Owner and the Developer covenant with the Council to notify the Council:

- 6.1.1 as soon as reasonably practicable and in any event within 5 Working Days of the occurrence of any works of Demolition;
- 6.1.2 as soon as reasonably practicable and in any event within 5 Working Days of the occurrence of the Implementation Date by written notice;
- 6.1.3 of their intention to pay the Administration Cost, the TfL Administration Cost, the Site and Development Contributions and any other financial sum referred to within this Undertaking by written notice specifying the intended date of payment, the amount and method of payment and the agreement and property to which the payment relates. Such notification to be given within the 5 Working Days immediately preceding the making of such payment;
- 6.1.5 as soon as reasonably practicable and in any event within 5 Working Days of the occurrence of Substantial Implementation;
- 6.1.6 as soon as reasonably practicable and in any event within 5 Working Days of the occurrence of Completion; and
- 6.1.7 as soon as reasonable practicable and in any event within 5 Working Days of the occurrence of first Occupation by written notice.

7. Enforceability of Obligations

- 7.1 The obligations contained in this Undertaking shall not be binding upon nor enforceable against any statutory undertaker or other person who acquires any part of the Site or interest therein for the purposes of the supply of electricity gas water drainage telecommunication services or public transport services.
- 7.2 No person shall be liable for any breach of the covenants restrictions or obligations contained in this Undertaking occurring after it has parted with the whole of its interest in the Site (or part of the Site to which the breach relates) (but without prejudice to the liability of such person for any breach occurring prior to its parting with such interest).

- 7.3 ETC Venues Limited (company registration number 2717522) shall not be liable for any breach restrictions or obligations contained in this ~~Agreement~~Undertaking if it no longer holds an interest in the Site or the part of the Site to which the breach relates at the date of Implementation.

8. Registration

- 8.1 The covenants on behalf of the Parties hereto to be observed and performed under this Undertaking shall be treated as Local Land Charges and registered by the Council in the Register of Local Land Charges for the purposes of the Local Land Charges Act 1975.

10. Right of Access

- 10.1 Following Implementation and without prejudice to the Council's statutory rights of entry the Owner and/or the Developer shall permit the Council and its authorised employees and agents upon reasonable written notice to enter the Site at all reasonable times for the purpose of verifying only whether or not any obligation arising hereunder has been performed or observed.

11. Waiver

- 11.1 No waiver (whether express or implied) by the Council of any breach or default by the Owner and/or the Developer in performing or observing any of the covenants undertakings obligations or restrictions contained in this Undertaking shall constitute a continuing waiver and no such waiver shall prevent the Council from enforcing any of the said covenants undertakings obligations or restrictions from acting upon any subsequent breach or default in respect thereof by the Owner and/or the Developer.

12. Interest on Late Payment

- 12.1 Without prejudice to any other right remedy or power herein contained or otherwise available to the Council if any payment of any sum referred to herein shall have become due but shall remain unpaid for a period exceeding fourteen days the Owner and/or the Developer shall pay on demand to the Council interest thereon at the interest rate of four per centum per annum above the base lending rate of the National Westminster Bank plc from the date when the same became due until payment thereof.

13. Indexation

- 13.1 Any sum referred to in the Undertaking and required to be paid to the Council shall be increased by an amount equivalent to the increase in the Index from the date hereof until the date on which such sum is payable.

13.2 The Affordable Housing Contribution, the Carbon Green Fund Contribution, the Cycle Hire Contribution and the Highway Improvement Contribution shall be treated as representing construction related costs for the purposes of applying the BCIS index.

13.3 The Administration Cost, the Archaeology Contribution, the Construction Industry Employment and Training Shortfall Contribution, the Delivery and Service Cash Deposit, the Delivery and Service Monitoring Fee and the TfL Administration Cost shall be indexed according to the RPIX index.

14. Enforcement Costs

14.1 Without prejudice to the terms of any other provision herein the Owner and/or the Developer shall pay all properly incurred costs charges and expenses (including without prejudice to the generality thereof legal costs and surveyor's fees) reasonably incurred by the Council for the purpose of or incidental to the enforcement of any right or power of the Council or any obligation of the Owner and the Developer arising hereunder.

15. Administration Cost

15.1 The Owner and/or the Developer covenant to pay the Administration Cost and the TfL Administration Cost ~~prior to~~upon Implementation and separately not to Implement the Development until the Administration Cost and the TfL Administration Cost have been paid to the Council.

16. Council's Legal Fees

16.1 The Developer shall pay on the date of this Undertaking to the Council by way of a BACS or CHAPS transfer the Council's reasonable costs in the preparation and negotiation of this Undertaking.

17. VAT

17.1 All consideration given in accordance with the terms of this Undertaking shall be exclusive of any VAT properly payable in respect thereof.

17.2 The Owner and the Developer acknowledge and agree that if at any time VAT is required to be paid in respect of any financial contribution then to the extent that VAT had not been previously charged in respect of that contribution the Council shall have the right to issue a VAT invoice to the Owner or the Developer (as appropriate) and the VAT shall be paid accordingly.

18. Notices

18.1 Any notice or other communication to be given under or in connection with this Undertaking shall be in writing which for this purpose shall not include e-mail and should be addressed as provided in clause 18.3.

18.2 Any such notice or other communication, if so addressed, shall be deemed to have been received as follows:

18.2.1 if delivered by hand, upon delivery at the relevant address;

18.2.2 if sent by first class post, at 9.00 a.m. on the second Working Day after the date of posting; and

except that where any such notice or other communication is or would otherwise be deemed to be received after 5.30 p.m., such notice or other communication shall be deemed to be received at 9.00 a.m. on the next following Working Day.

18.3 Subject to clause 18.4, the address, relevant addressee and reference for each Party are:

For the Council:

Address: Southwark Council, Development Management, Planning & Transport,
Chief Executive's Department, PO Box 64529 London, SE1P 5LX;
Relevant addressee: The Director of Planning and Growth (for general enquiries);
S.106/CIL Monitoring Officer (for planning obligation enquiries)
Reference: S106/RR020/361 and 21/AP/4297

For the Owner:

Address: To the address specified on page 1 of this Undertaking
Relevant addressee: The Company Secretary
Reference:
Telephone: 020 8175 2655

For the Developer:

Address: To the address specified on page 1 of this Undertaking
Relevant addressee: Nick Lawrence (nlawrence@yourtribe.london)
Reference:
Telephone: 020 8175 2655

For the Lender:

Address: To the address specified on page 1 of this Undertaking
Relevant addressee: The Company Secretary
Reference:

Telephone:

18.4 A party may give notice of a change to its name, address or relevant addressee for the purposes of this clause provided that such notification shall only be effective on:

18.4.1 the date specified in the notification as the date on which the change is to take place; or

18.4.2 if no date is specified or the date specified is less than five clear Working Days after the date on which notice is received or deemed to be received, the fifth Working Day after notice of any such change is given.

19. Contracts (Rights of Third Parties) Act 1999

19.1 A person who is not named in this Undertaking does not have any right to enforce any term of this Undertaking under the Contract (Rights of Third Parties) Act 1999.

20. Miscellaneous

20.1 The construction validity and performance of this Undertaking shall be governed by English law.

20.2 Each clause, sub-clause or schedule shall be separate distinct and severable from each other to the extent only that if any clause, sub-clause or schedule becomes or is invalid because of a change of circumstances or any other unforeseen reasons or if any one or more of such clause, sub-clause or schedule shall be held by the Courts to be void for any reason whatsoever but would be valid if severed or any wording was deleted or any time period reduced or scope of activities or area covered diminished then any modifications necessary to ensure such clause sub-clause schedule or paragraph be valid shall apply without prejudice to any other clause, sub-clause or schedule contained herein.

20.3 In the event of the planning obligations contained in this Undertaking being modified a note or memorandum thereof shall be endorsed upon this Undertaking.

20.4 Nothing in this Undertaking shall prejudice or affect the rights powers duties and obligations of the Council under private or public statutes bye-laws orders and regulations and the same may be as fully effectively exercised as if it were not a party to this Undertaking.

20.5 If the Planning Permission shall expire before the Development has begun within the meaning of Sections 91, 92 or 93 of the 1990 Act or is revoked or is otherwise withdrawn without the consent of the Owner and/or the Developer or its successors in title but without prejudice to the

Council's ability to enforce in respect of any breach occurring prior to such revocation or withdrawal this Undertaking shall have no further effect thereupon.

- 20.6 Nothing in this Undertaking shall be construed as prohibiting or limiting any right to develop the Site or any part of it in accordance with a planning permission (other than the Planning Permission) granted by the Council or by the relevant Secretary of State on appeal or by reference to him after this date.

22. Lender Exemption

- 22.1 The Lender acknowledges and declares that this Undertaking has been entered into by the Owner with its consent and that the Site shall be bound by the obligations contained in this Undertaking and that the security of its charge over the Site shall take effect subject to this Undertaking PROVIDED THAT the Lender shall have no liability under this Undertaking unless it becomes a successor in title or mortgagee in possession of the Site or any part thereof in which case it too will be bound by the obligations as if it were a person deriving title from the Owner.

23. Future mortgagees

- 23.1 A mortgagee with a charge over the Site created after the date of this Undertaking shall have no liability under this Undertaking unless it takes possession of the Site or part thereof or becomes a mortgagee in possession in which case it too will be bound by the obligations as if it were a person deriving title from the Owner and/or the Developer.

SCHEDULE 1

Student Accommodation

The Owner and the Developer covenant with the Council:

1. Restriction as Student Accommodation

- 1.1 Subject to paragraph 1.2 below, not to Occupy the Student Accommodation other than as its authorised purpose as Student Accommodation by Students.
- 1.2 The Student Accommodation may be used during the Residual Period by:
 - 1.2.1 students of a Higher Education Institution other than full time students enrolled at the University of London or London South Bank University or a member institution of the University of London or London South Bank University or such other Higher Education Institution approved by the Council;
 - 1.2.2 persons whose occupation has been arranged for an educational purpose associated with a Higher Education Institution; and
 - 1.2.3 persons whose occupation has been arranged in association with any course, conference, meeting or workshop (whether or not of an educational character) associated with a Higher Education Institution.
- 1.3 To ensure that the Student Accommodation is used at all times as a single planning unit and that no part of the Student Accommodation is rented, sold, let, sub-let, licensed or otherwise disposed of in any form so as to create a separate planning unit.
- 1.4 In the event of a breach of paragraph 1.1 and 1.2, to cease the Occupation of that part of the Student Accommodation in breach of this Undertaking and to remedy the breach immediately.

2. Student Accommodation Nominations Agreements

- 2.1 Not to Occupy the Student Accommodation until one or more a-Student Accommodation Nominations Agreements has-have been entered into with the University of London or London South Bank University or a Higher Education Institution, and such agreement(s) shall be in place for as long as the Development or any part of the Development remains Occupied.
- 2.2 To comply with the terms of the Student Accommodation Nominations Agreement in respect of the letting of the Student Accommodation for the duration that the Development or any part of the Development remains Occupied.

3. Affordable Student Rent Units

- 3.1 To deliver the Affordable Student Rent Units as part of the Development and to ensure that such

units are indistinguishable in terms of size and quality from those Student Accommodation Units not allocated as Affordable Student Rent Units.

- 3.2 Not to permit the Occupation of the Affordable Student Rent Units other than as Affordable Student Rent Units by Students from low income households in need of low cost student accommodation.

4. Student Accommodation Management Plan

- 4.1 Not to Occupy the Development until an addendum to the Student Accommodation Management Plan has been submitted detailing the arrangements to allocate the Affordable Student Rent Units and the marketing of the Wheelchair Units has been submitted to the Council and the Council has approved the addendum.
- 4.2 To comply with the Student Accommodation Management Plan (and the addendum referred to in paragraph 4.1 above) for the duration that the Development or any part of the Development remains Occupied.

5. Wheelchair Units

- 5.1 To construct the Wheelchair Units in accordance with the Base Specification and the Planning Permission.
- 5.2 To provide one Wheelchair Unit fully fitted ready for occupation by a person in need of accessible accommodation (which shall include but not be limited to a level access shower, height adjustable sink, height adjustable table, accessible wardrobes and draws, support rails and height adjustable cooking and storage facilities in the kitchen) on or before first Occupation of the Student Accommodation and to maintain and retain such a unit and fit out for the duration that the Development or any part of the Development remains Occupied.
- 5.3 The remaining Wheelchair Units shall be fully fitted in accordance with the detail set out in paragraph 5.2 above in the event that a wheelchair user or person with a disability and that would benefit from such accessible features enters into an agreement to occupy such a unit. The Owner and/or the Developer shall promote the availability of the Wheelchair Units in accordance with the Student Accommodation Management Plan and its addendum approved by the Council in accordance to paragraph 4.1 and shall not unreasonably withhold the leasing of such accommodation to those in need of wheelchair accommodation.
- 5.4 The Wheelchair Units may, for the avoidance of doubt, be occupied by non-wheelchair users where there is no interest in the units by those in need of such accommodation.

- 5.5 To market the Wheelchair Units in accordance with the Student Accommodation Management Plan and its addendum approved by the Council in accordance to paragraph 4.1 for the duration that the Development or any part of the Development remains Occupied.
- 5.6 To provide the Council with such evidence that it may reasonably require in order to demonstrate compliance with this paragraph 5.

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SCHEDULE 2

Viability Review

The Owner and the Developer covenants with the Council:

1. Viability Review Trigger

- 1.1 Where Substantial Implementation has not occurred on or before the Substantial Implementation Target Date the Owner and/or the Developer shall carry out and submit a Viability Review within 20 Working Days of the date on which Substantial Implementation has occurred in accordance with the provisions of this Schedule.
- 1.2 The Owner and/or the Developer shall notify the Council in writing of Substantial Implementation and such notice shall be accompanied by full documentary evidence on an open book basis to enable the Council to independently assess whether Substantial Implementation has occurred and, if so, when Substantial Implementation occurred.
- 1.3 Following notification of Substantial Implementation pursuant to paragraph 1.2 above, the Owner and/or the Developer shall afford the Council access to the Site to inspect and assess whether or not the work which has been undertaken amounts to Substantial Implementation.
- 1.4 In the event that the Council has not:
 - (a) inspected the Site within 20 Working Days of receiving notice pursuant to paragraph 1.2 above; and
 - (b) provided written confirmation to the Owner and/or the Developer within 10 Working Days of the inspection date as to whether or not the Council considers that the works undertaken amount to Substantial Implementation;it shall be deemed that Substantial Implementation has occurred in accordance with the documentation submitted to the Council pursuant to paragraph 1.2 above.

2. Submission of Development Viability Information

- 2.1 If a Viability Review is triggered pursuant to paragraph 1 above, the Owner and/or the Developer shall submit the Development Viability Information required pursuant to paragraph 1.1 above on an open book basis to the Council within 20 Working Days of the date on which Substantial Implementation has occurred.
- 2.2 The Owner and/or the Developer shall give the Council not less than 20 Working Days advance written notice of the date on which any Development Viability Information is intended to be

submitted and such information shall be subject to the transparency requirements set out in the Council's Development Viability Supplementary Planning Document 2016.

3. Proposals for Affordable Housing Contribution

- 3.1 In the case of a Viability Review the Owner and/or the Developer shall submit to the Council together with any applicable Development Viability Information a written statement that applies the relevant Development Viability Information to Formula 1a and confirming whether in the Developer's view any Affordable Housing Contribution is payable.

4. Assessment of Development Viability Information

- 4.1 In the case of a Viability Review, the Council shall be entitled to rely on its own evidence alongside any submitted Development Viability Information in order to determine whether an Affordable Housing Contribution is payable and in determining inputs into Formula 1a subject to such evidence also being provided to the Owner and/or the Developer; the Owner and/or the Developer shall have an opportunity to comment thereon and the Council shall have regard to those comments but for the avoidance of doubt shall in no way be bound by the Owner's and/or the Developer's comments.
- 4.2 The Council may appoint external consultants to assess any Development Viability Information they receive.
- 4.3 In the event that the Council and/or any external consultant requires further Development Viability Information or supporting evidence of the same then the Owner and/or the Developer shall provide any information reasonably required to the Council or any external consultant (as applicable and with copy to the other parties) within 20 Working Days of receiving the relevant request and this process may be repeated until the Council and/or any external consultant (as applicable) has all the information it reasonably requires.
- 4.4 If the Council determines that an Affordable Housing Contribution is payable the Owner and/or the Developer shall pay the Affordable Housing Contribution no later than 20 Working Days after such determination.
- 4.5 The Owner and/or the Developer shall pay the Council's costs which are reasonably and properly incurred in assessing any Development Viability Information including those of the external consultant within 20 Working Days of receipt of a written request for payment.

- 4.6 Where a Viability Review is required and the Council has determined that an Affordable Housing Contribution is payable, not to Occupy any of the Student Accommodation Units comprised within the Development until the Affordable Housing Contribution as determined by the Council.

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ANNEX TO SCHEDULE 2
Viability Formula

1 FORMULA 1a

A profit surplus ("X") arises if the application of the following formula results in a positive number:

Where:

$$X = ((A - B) - (D - E)) - P$$

A = Estimated GDV (£)

B = $A \div (C + 1)$ Assumed application stage GDV for the Development at the date of Planning Permission (£)

C = Percentage change in the value for the Development from the grant of Planning Permission to the Review Date (HPI) (%)

D = Estimated Build Costs (£)

E = $D \div (F + 1)$ Assumed application stage Build Costs at the date of Planning Permission

F = Percentage change in Build Costs ("BCIS TPI") from grant of Planning Permission to Review Date (using the latest index figures publicly available) (%)

P = $(A - B) * Y$ Owner/Developer profit on change in GDV for the Development

Y = 15.25% being Owner/Developer profit as a percentage of GDV for the Development as determined as part of the review (%)

Formula 1a shall be applied in accordance with the Mayor's Homes for Londoners Affordable Housing and Viability Supplementary Planning Guidance 2017 and incorporate such amendments as may be reasonably required by the Council and agreed by the Owner and/or the Developer or in accordance with clause 19 of this Undertaking in the event of a dispute in order to ensure the formula properly applies to the nature of the Development (student accommodation with commercial space) to which this Undertaking relates.

SCHEDULE 3
Financial Contributions

The Owner and the Developer covenant with the Council:

1. Financial Contributions

- 1.1 To pay the Archaeology Contribution before carrying out any works of Demolition.
- 1.2 Not to carry out any work of Demolition until the Council has received the Archaeology Contribution in full.
- 1.3 To pay the Carbon Green Fund Contribution, the Cycle Hire Contribution, and the Highway Improvements Contribution upon Implementation.
- 1.4 Not to Implement the Development until the Council has received the Carbon Green Fund Contribution, the Cycle Hire Contribution and the Highway Improvements Contribution in full.

SCHEDULE 4

Highway Works, Parking Restrictions, and Blue Badge Parking Space

The Owner and the Developer covenant with the Council:

1. Highway Works

- 1.1 Not to Implement the Development until the Section 38/278 Highway Works Specification has been submitted to the Director of Planning and Growth and the Highway Development Manager and the Director of Planning and Growth and the Highways Development Manager have approved the specification.
- 1.2 Not to commence the Section 38/278 Highway Works until entering into the Section 38/278 Undertaking with the Council (and the Council hereby covenants to also enter into the Section 38/278 Highway Undertaking with the Owner and/or the Developer) for the purpose of authorising the Section 38/278 Highway Works and securing them to the value of the Section 38/278 Highway Works Bond.
- 1.3 Not to Occupy the Development or any part of it until the Section 38/278 Highway Works approved pursuant to paragraph 1.1 above have been completed to the reasonable satisfaction of the Director of Planning and Growth and the Highway Development Manager.

2. Parking Restrictions

- 2.1 To ensure that prior to Occupation each occupier of the Development (including subsequent Occupants) is informed by the Owner and/or the Developer of the Council's policy that they shall not be entitled (unless they are the holder of a disabled person's badge issued pursuant to section 21 of the Chronically Sick and Disabled Persons Act 1970) to a Parking Permit to park a vehicle in a Parking Bay and will not be able to buy a contract to park within any car park owned, controlled or licensed by the Council.

3. Blue Badge Parking Space

- 3.1 To provide the Blue Badge Parking Space in accordance with the Planning Permission and unless otherwise agreed by the Council the Blue Badge Parking Space shall be retained for the duration that the Development or any part of the Development remains Occupied.
- 3.2 To restrict use of the Blue Badge Parking Space to only those Students who are blue badge holders.

- 3.3 To maintain the active electric vehicle charging point to be provided as part of the Blue Badge Parking Space for the duration that the Development or any part of the Development remains Occupied.

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SCHEDULE 5

Employment and Training, Construction Apprenticeships and Local Procurement

The Owner and the Developer covenants with the Council:

1. Employment in Construction

- 1.1 Not to Implement the Development until a Skills and Employment Methodology has been submitted to the Council and the Council has approved the methodology.
- 1.2 The Skills and Employment Methodology shall include but not be limited to the following matters: (i) the method by which a Construction Workplace Co-ordinator shall be appointed and (ii) the responsibilities of the Construction Workplace Co-ordinator which shall include the following:
 - 1.2.1 identifying Sustainable Employment Opportunities to lead to Sustained Construction Industry Employment;
 - 1.2.2 encouraging applications from Unemployed Borough Residents by liaising with Jobcentre Plus services within the Borough, employment service providers including Southwark Works, the voluntary and community sector, training providers and careers service providers including the Southwark Education Business Alliance;
 - 1.2.3 commissioning Short Courses where necessary and identifying financial resources for the delivery of appropriate construction industry training and skills certification;
 - 1.2.4 providing training to selected Unemployed Borough Residents in pre-employment skills, basic construction skills and site safety;
 - 1.2.5 supporting Unemployed Borough Residents and their employers through the transition into Sustained Construction Industry Employment for a minimum of 26 weeks; and
 - 1.2.6 recruiting Borough residents into Construction Industry Apprenticeships.
- 1.3. To appoint and retain a Construction Workplace Co-ordinator throughout the Construction Workplace Co-ordinator Period.
- 1.4 During the Construction Workplace Co-ordinator Period to:
 - 1.4.1 place a minimum of 18 Unemployed Borough Residents into Sustained Construction Industry Employment;

- 1.4.2 train a minimum of 18 Borough residents using Short Courses;
 - 1.4.3 provide a minimum of 4 new Construction Industry Apprenticeships or NVQ Starts;
 - 1.4.4 ensure that their contractors and sub-contractors shall work with the Construction Workplace Co-ordinator and with local employment and skills agencies approved by the Council to recruit Borough residents into Construction Industry Apprenticeships; and
 - 1.4.5 produce the Construction Industry Employment and Training Report.
- 1.5. Following the submission to the Council of the final Construction Industry Employment and Training Report prior to Completion of the Development or such phase(s) of the Development as may be agreed by the Council, the Council will assess if the targets outlined in paragraphs above have been achieved.
- 1.6 In the event that the targets in paragraphs 1.4 above have not been achieved to the satisfaction of the Council, the Council will notify the Owner and/or the Developer in writing of the calculation of the Construction Industry Employment and Training Shortfall Contribution which shall be calculated using the following formula;
- 1.6.1 Shortfall against number of Unemployed Borough Residents in Sustained Construction Industry Employment x £4,300 Index Linked
 - 1.6.2 Shortfall against number of Borough residents trained in Short Courses x £150 Index Linked
 - 1.6.3 Shortfall against number of Construction Industry Apprenticeships or NVQ Starts x £1,500 Index Linked
- 1.7 The Owner and/or the Developer shall pay the Construction Industry Employment and Training Shortfall Contribution to the Council within 28 days of the notice referred to in paragraph 1.6 above.
- 1.8 To use reasonable endeavors to ensure that all those employed on Site (except in relation to volunteers, apprentices and interns) during the construction of the Development are paid not less than the London Living Wage as may be amended by the Living Wage Commission from time to time to.
- 1.9 To use reasonable endeavours to ensure that all commercial occupiers of the Development shall pay not less than the London Living Wage as may be amended by the Living Wage Commission from time to time to all those employed in the Flexible

Employment/Community/Education Space (except in relation to volunteers, apprentices and interns) during the operation of the Development.

2. Local Procurement

- 2.1 To work with the Council's local economy team or a nominee of the Council in the Borough to as far as practicable and in compliance with all applicable laws use reasonable endeavours to achieve the procurement of construction contracts and goods and services from organisations based in the Borough.
- 2.2 To use reasonable endeavours to obtain a total value of contracts procured from organisations based in the Borough of 10% of the total value of the construction contract or the number of contracts procured in relation to this Site.
- 2.3 To:
- 2.3.1 consider applications to tender received from SME's based locally for the provision of goods and services for the running of the Site, pre, during and post construction, and shall liaise with the Council through the Construction Workplace Co-ordinator to increase opportunities for local firms and people and use reasonable endeavours to ensure that any contractors and sub-contractors do the same;
 - 2.3.2 include a written statement in their contracts with any contractors and sub-contractors encouraging them to liaise with the Local Economy Team to discuss, agree and implement the arrangements as set out in this paragraph 2.3 and also in the Southwark Economic Wellbeing Strategy 2012-2022;
 - 2.3.3 brief contractors and sub-contractors on the requirements of this paragraph 2.3 and encourage co-operation with the Council as a pre-requisite to accepting sub-contract tenders;
 - 2.3.4 advertise sub-contracting and tendering opportunities to SME's (whose primary address is in the Borough) through local business networks/associations, business lists provided by the Council or a nominee of the Council (including list of Pre-qualified Firms by the Council's Procurement Team) and the local press;
 - 2.3.5 with its contractors and sub-contractors, resource and deliver, in consultation with the Council or a nominee of the Council, a minimum of three seminars on procurement policy and phasing in relation to the Development at an appropriate time before the Implementation Date and targeted at local firms in order to make them aware of the opportunities, timescales and procedures to be adopted in tendering for available work.

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SCHEDULE 6
Delivery and Service Plan

The Owner and the Developer covenant with the Council:

1. To comply with the Delivery and Service Plan for the duration that the Development or any part of the Development remains Occupied.
2. Not to Occupy the Development until the Delivery and Service Monitoring Plan has been submitted to the Council and the Council has approved the plan.
3. To comply with the Delivery and Servicing Monitoring Plan approved pursuant to paragraph 2 above for the duration of the Delivery and Service Monitoring Period.
4. To pay the Delivery and Service Cash Deposit and the Delivery and Service Monitoring Fee to the Council prior to Occupation and separately not to Occupy the Development until the Delivery and Service Cash Deposit and the Delivery and Service Monitoring Fee has been paid to the Council in full.
5. The Council shall be entitled to retain the Delivery and Service Cash Deposit in full in the event:
 - 5.1 the Owner and/or the Developer fails to submit or agree the Delivery and Service Monitoring Plan before Occupation;
 - 5.2 the Owner and/or the Developer fails to submit any of the monitoring reports required to be submitted to the Council in accordance with the terms agreed as part of the Delivery and Service Monitoring Plan approved by the Council pursuant to paragraph 2 above.
 - 5.3 if at the end of the Delivery and Service Monitoring Period the average daily number of Delivery and Service Motorised Vehicles has exceeded the Delivery and Service Baseline Figure the Council shall be entitled to retain the Delivery and Service Cash Deposit in full.
7. In respect of paragraph 5.3 above, the Council shall be entitled to rely on either data obtained as part of the monitoring reports provided by the Owner and/or the Developer or as part of its own monitoring.

SCHEDULE 7
Energy, District Heat Network and Be Seen Monitoring

The Owner and the Developer covenant with the Council:

1. Energy

- 1.1 To construct and deliver the Development in accordance with the Application Energy Statement in order to achieve the Carbon Targets.
- 1.2 Unless otherwise agreed by the Council, to retain the energy efficiency measures delivered as part of the Development pursuant to paragraph 1.1 for the duration that the Development remains Occupied.
- 1.3 To commission an independent assessment of the energy efficiency of the Development on first Occupation and the first and third anniversary of first Occupation to assess the extent to which the Carbon Targets have been achieved.
- 1.4 To provide a copy of the independent assessment of the energy efficiency of the Development within 4 weeks of the dates referred to in paragraph 1.3 above.
- 1.5 In the event the Carbon Targets have not been met, the Owner and/or the Developer shall submit an addendum to the Application Energy Statement setting out proposals to achieve the Carbon Targets to the Council for approval.
- 1.6 In the event the Council approves the proposals set out in the addendum to the Application Energy Statement, the Owner and/or the Developer shall implement the proposals within 6 months of the date of the approval of the Council to the addendum to the Application Energy Statement.
- 1.7 In the event the Owner and/or the Developer and the Council are unable to agree on the proposals set out in the addendum to the Application Energy Statement, the Council may require the Owner and/or the Developer to pay a further carbon off-set contribution which shall be paid by the Owner and/or the Developer to the Council in full within 28 days of written request for payment to be made.
- 1.8 The carbon off-set contribution referred to in paragraph 1.7 above shall be calculated based on £95 for every tonne of CO₂ omitted per year in excess of the Carbon Targets multiplied by 30 years and Index Linked.
- 1.9 The Carbon Targets shall be achieved against the Development and shall disregard:-

- (a) any system installed by occupiers of the Development and that are not within the direct control of the Owner and/or the Developer; and
- (b) any efficiency improvement/carbon reductions made through a connection to the District Heat Network] referred to in paragraph 2 below.

2. District Heat Network

2.1. Not to Occupy the Development until the DHN Strategy has been submitted to the Council and the Council has approved the strategy. The DHN Strategy shall set out as a minimum:

- 2.1.1 how the Development will be designed and built so that it will be capable of connection from the Site boundary to the District Heat Network;
- 2.1.2 demonstration that the service interface within the Development can accommodate all known or expected and reasonable service entry routes including sleeves, pipework, reasonable access and space necessary for the purpose of connecting the Development to the District Heat Network;
- 2.1.3 confirmation that individual supplies to the Student Accommodation Units and the units within the Flexible Employment/Community/Education Space will be metered;
- 2.1.4 confirmation that the pipework to each Student Accommodation Unit and the units within the Flexible Employment/Community/Education Space will be fitted with isolation valves and a heat meter so that consumption of energy can be monitored (if such technology is available for use at a reasonable cost);
- 2.1.5 confirmation that allowance has been made within the Development for hot water generation by way of heat exchangers connected to localised heating mains;
- 2.1.6 as far as practical, confirmation that the necessary equipment, plants, ducts or routes for pipes, meters, materials and other technology reasonably required (including plate heat exchanger and absorption chiller) are or will be available to facilitate connection to the District Heat Network.

2.4 Following receipt of the Council's written approval to the DHN Strategy the Owner and/or the Developer shall carry out the Development in accordance with the approved DHN Strategy.

- 2.5 In the event a Connection Notice is served by the Council on the Owner and/or the Developer then the Owner and/or the Developer shall within three months of receipt of the Connection Notice submit the Feasibility Study to the Council for approval.
- 2.6 If the Parties (acting reasonably) agree that the Feasibility Study demonstrates that it is feasible and financially viable for the Development to connect into the District Heat Network, then the Owner and/or the Developer shall use all reasonable endeavours to connect the Development to the District Heat Network in accordance with the approved DHN Strategy (unless otherwise agreed) within a reasonable period following the date of the joint decision by the Council and the Owner and/or the Developer that connection is feasible and financially viable.
- 2.7 In the event the District Heat Network is not capable of being connected to the Development within 3 years or such other period of time as may be agreed by the Council or such connection is not feasible, as determined by the Feasibility Study, to use reasonable endeavours to connect to alternative heating networks situated within the vicinity of the Development.

3. “Be Seen” Monitoring

- 3.1 Prior to Occupation of the Development, the Owner and/or the Developer shall provide updated accurate and verified ‘as-built’ design estimates of the ‘Be Seen’ energy performance indicators for each Reportable Unit of the Development, as per the methodology outlined in the ‘As-built stage’ chapter / section of the GLA’s Be Seen Energy Monitoring Guidance. All data and supporting evidence shall be submitted to the GLA using the ‘Be Seen’ as-built stage GLA Reporting Webform. The Owner and/or the Developer shall also confirm that suitable monitoring devices have been installed and maintained for the monitoring of the in-use energy performance indicators, as outlined in the ‘In-use stage’ of the GLA ‘Be Seen’ Energy Monitoring Guidance.
- 3.2 Upon completion of the first year of Occupation of the Development or following the end of the Defects Liability Period (whichever is the later) and at least for the following four years after that date, the Owner and/or the Developer is required to provide accurate and verified annual in-use energy performance data for all relevant indicators under each Reportable Unit of the Development as per the methodology outlined in the ‘In-use stage’ chapter / section of the GLA ‘Be Seen’ Energy Monitoring Guidance. All data and supporting evidence shall be submitted to the GLA using the ‘Be Seen’ in-use stage GLA Reporting Webform. This obligation will be satisfied after the Owner and/or the Developer has reported on all relevant indicators included in the ‘In-use stage’ chapter of the GLA ‘Be Seen’ Energy Monitoring Guidance for at least five years.
- 3.3 In the event that the ‘In-use stage’ evidence submitted under paragraph 3.2 shows that the ‘As-built stage’ performance estimates derived from paragraph 3.1 have not been or are not being

met, the Owner and/or the Developer shall investigate and identify the causes of underperformance and the potential mitigation measures and set these out in the relevant comment box of the 'Be Seen' in-use stage GLA Reporting Webform. An action plan comprising measures identified in paragraph 3.2 shall be submitted by the Owner and/or the Developer to (copy to the Council) and approved in writing by the GLA, identifying measures which would be reasonably practicable to implement and a proposed timescale for implementation. The action plan and measures approved by the GLA shall be implemented by the Owner and/or the Developer as soon as reasonably practicable.

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SCHEDULE 8

Affordable Workspace

The Owner and the Developer covenant with the Council:-

1. Delivery

- 1.1 In the event 500sqm (GIA) or more of Use Class E floorspace is implemented within the Flexible Employment/Community/Education Space pursuant to the Planning Permission the Owner and/or the Developer shall:
 - 1.1.1 deliver the Affordable Workspace in accordance with the provisions of this Schedule; and
 - 1.1.2 notify the Council as soon as reasonably practicable and in any event within 5 Working Days of such implementation.

2. Provision

- 2.1 No later than 12 months following Implementation of the Development to submit the Affordable Workspace Specification to the Council for approval.
- 2.2 To construct the Affordable Workspace as part of the Development in accordance with the Affordable Workspace Specification approved pursuant to paragraph 2.1 above and to the reasonable satisfaction of the Council.
- 2.3 Not to Occupy more than 50% (fifty per cent) of the Flexible Employment/Community/Education Space until the Affordable Workspace has been Completed and is ready for Occupation in accordance with the Affordable Workspace Specification approved pursuant to paragraph 2.1 above and to the reasonable satisfaction of the Council.
- 2.4 To retain the Affordable Workspace for a period of 30 years from first Occupation of the Affordable Workspace.

3. Affordable Workspace Management and Marketing Strategy

- 3.1 No later than three months prior to Completion of the Affordable Workspace the Owner and/or the Developer shall submit to the Council for its approval in writing an Affordable Workspace Management and Marketing Strategy to include:
 - 3.1.1 the hours of operation of the Affordable Workspace;
 - 3.1.2 the number of cycle storage spaces to be allocated to the End Users of the Affordable Workspace;
 - 3.1.3 details of how End Users will be supported;

- 3.1.4 how potential End Users of the Affordable Workspace will be identified and prioritised PROVIDED ALWAYS THAT priority is given to residents of the Borough or owner(s) of a business primarily based within the Borough;
 - 3.1.5 the facilities to be made available to End Users which shall include but not be limited to kitchen, toilet and printing facilities, charging points and high speed internet, loading and unloading facilities;
 - 3.1.6 the terms on which the End Users of the Affordable Workspace will occupy the space (e.g. leases and licences);
 - 3.1.7 how the Affordable Workspace will continue to be marketed following first Occupation to ensure that the Affordable Workspace remain occupied; and
 - 3.1.8 such other matters as the Council and the Owner and/or the Developer may reasonably agree should be included in the Affordable Workspace Management and Marketing Strategy.
- 3.2 To implement and comply with the approved Affordable Workspace Management and Marketing Strategy (as may be amended with the written agreement of the Council) for the duration that the Affordable Workspace is retained.
 - 3.3 To procure that reasonable monitoring information is maintained to show compliance with the obligation in paragraph 3.2 above and such monitoring information is made available to the Council when requested PROVIDED THAT the Council may not request such information more than once in any six-month period.
 - 3.4 To compile a list of those persons who have registered their interest in the Affordable Workspace and to provide the Council with a copy of this information if requested.

4. Open Market Rent

- 4.1 The Open Market Rent of the Affordable Workspace shall be determined as follows:
 - 4.1.1 the Owner and/or the Developer shall commission a Valuer to provide a full written assessment of the Open Market Rent of the Affordable Workspace (as at the anticipated date that such space will be available for first Occupation) and the conclusions in the assessment will be clearly supported by comparable evidence; and
 - 4.1.2 an assessment produced by the Valuer shall be submitted to the Council for its approval and, if accepted in writing this figure shall be deemed to be the Open Market Rent.

- 4.2 In the event that the Council does not accept the figure provided in accordance with paragraph 4.1, the Council may commission another Valuer to provide a full written assessment of the Open Market Rent of the Affordable Workspace (as at the anticipated date that such space will be available for first Occupation). The Owner and/or the Developer shall pay the reasonable and proper costs of the Valuer in respect of the operation of this paragraph 4.2.
- 4.3 If the two figures produced under paragraphs 4.1 and 4.2 are:
- 4.3.1 no more than 10% apart, then the average of those two figures shall be deemed to be the Open Market Rent; or
- 4.3.2 more than 10% apart, then the Owner and/or the Developer and the Council may (unless otherwise agreed) jointly commission a third Valuer to provide a written assessment of the Open Market Rent of the Affordable Workspace (as at the anticipated date that such space will be available for first Occupation) and the average of the three figures produced under paragraphs 4.1 and 4.2 and this sub-paragraph shall be deemed to be the Open Market Rent of the Affordable Workspace Areas.
- 4.4 The rent payable in respect of the Affordable Workspace shall not be more than the Affordable Workspace Rent.

ANNEX 1 TO SCHEDULE 8
Affordable Workspace Lease Heads of Terms

Parties	[TBA]
Demise	The floorspace to be provided as part of the Development as Affordable Workspace and shown hatched [X] on the [X] plan.
Lease	Internal repairing lease for a terms of up to 30 years to commence no earlier than Occupation of the Affordable Workspace Areas. The lease to exclude the security of tenure and compensation provisions of the Landlord and Tenant Act 1954 (as amended).
Use	Class E Workspace
Rent	Rent levels which are no more than 75% of Open Market Rent (including any insurance, rates, utilities and service charges)
Specification	As agreed under paragraph 2.1 of Schedule 8 of this Undertaking with any additional fit-out to be undertaken by lessee
Rent Review	Five yearly upward only, RPI linked.
Rent Free Period	6 months unless the Landlord provides a benefit of equivalent or better value to the tenant as approved by the Council
Alienation	Not permitted without Landlord's consent. Not to assign, underlet or part with possession or occupation of the whole or part except that the lessee may grant licences to the users of the premises provided that no relationship of Landlord and Tenant is created and there will be no statutory right of renewal
Insurance	Lessee to insure their own fixtures and fittings and to provide third party liability insurance.
Utilities	The Premises will be served by electricity, water, drainage and heating with usage at the tenant's cost.
Compliance	The lessee to be responsible for compliance with legislation and regulations and where appropriate both parties to co-operate. The lessee, and those occupying and using the demise, must behave in a manner which is appropriate having regard to the other occupiers and nature of the Development.

Rights granted	<p>The lessee to be granted rights of access including emergency escape rights.</p> <ul style="list-style-type: none"> • Rights of access and use of the loading facilities. • Rights of access and use to refuse facilities. • Rights to connect to District Heating Network (if applicable) to be separately metered and charged accordingly. • Use of lift; • Use of cycle spaces and other end of journey facilities.
Alterations	The lessee may not carry out structural alterations unless approved under a licence to alter.
Reinstatement	Unless otherwise agreed by the Landlord, the lessee will be required to offer up the premises in the condition in which they were let, clean and tidy, decorated condition free of the lessee's possessions but the lessee will not be required to undertake any structural works.
Break clause	The lessee will be entitled to operate a break after 5, 10 and 20 years on giving six months' notice.
Legal costs	Each party to bear its own.
1954 Act	The lease will have no statutory right of renewal (and will be "contracted out")

SCHEDULE 9

Community Space

The Owner and the Developer covenant with the Council:-

1. Unless otherwise agreed in writing by the Council, not to Occupy the Development until the Community Space Management Plan has been submitted to the Council for approval and the Council has approved the plan in writing.
2. The Community Space Management Plan shall include (but not be limited to):
 - 2.1 the location of the Community Space;
 - 2.2 the details of the facilities available to users of the Community Space (including but not limited to kitchen, toilet and printing facilities, charging points and high-speed internet);
 - 2.3 the minimum operational requirements of the Community Space including:
 - (a) the hours of operation and access;
 - (b) a booking system and any other methods through which the Community Space may be reserved by potential users;
 - (c) details of cleaning and maintenance of facilities;
 - (d) the security measures and provision of access;
 - (e) the cost to hire the Community Space (which shall be at a reduced rate ensuring that any charge shall be affordable to local community groups and organisations);
 - 2.4 provide details of the proposed marketing and promotion of the Community Space to local community groups and organisations including but not limited to advertisements in the local press, websites, social media and other platforms including those operated by the Council, in which the marketing will take place and details of the frequency and duration of such marketing;
 - 2.5 a draft community use agreement in relation to the Community Space which may be entered into by local community groups and organisations; and
 - 2.6 such other matters or variations to the above as the Council and the Developer and/or the Owner may reasonably agree from time to time should be included in the Community Space Management Plan.
3. To implement and comply with the Community Space Management Plan approved in accordance with paragraph 1 of this Schedule for the duration that the Development is Occupied.
4. The Owner and/or the Developer shall maintain records of all Community Space bookings including:
 - (a) details of users;
 - (b) the date and time of the booking; and
 - (c) details of the event held.

5. The Owner shall make available the records specified in paragraph 4 above within 28 days of any reasonable request of the Council such request to ensure compliance by both parties with any requirement pursuant to the General Data Protection Regulation.

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ANNEXURE 1
Drawings and Plans

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ANNEXURE 2
Student Accommodation Management Plan

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IN WITNESS HEREOF the Parties have executed this Deed the day and year first before written.

EXECUTED as a deed by **ETC**
VENUES LIMITED

acting by a director in the presence of

Director

Witness

Name of witness (in BLOCK
CAPITALS):

Address of witness:

EXECUTED as a deed by **TRIBE**)
AVONMOUTH HOUSE LIMITED)
acting by a director in the presence of)

Director

Witness

Name of witness (in BLOCK
CAPITALS):

Address of witness:

EXECUTED as a deed by **SANTANDER**)
UK PLC)
acting by a director in the presence of)

.....
Director

.....
Witness

Name of witness (in BLOCK
CAPITALS):

Address of witness:

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