



Agreement

The Greater London Authority

and

The Mayor and Burgesses of the London Borough of Hackney

and

The Mayor and Burgesses of the London Borough of Tower Hamlets

and

Network Rail Infrastructure Limited

and

Transport for London

and

Bishopsgate Goodsydard Regeneration Limited

and

Ballymore Properties Limited

and

Hammerson UK Properties Plc

pursuant to Section 106 of the Town and Country Planning Act 1990 and other powers in relation to land known as Bishopsgate Goodsydard, Shoreditch, London E1

2022

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BETWEEN

- (1) **THE GREATER LONDON AUTHORITY** of City Hall, Kamal Churchie Way, London, E16 1ZE (the "**GLA**"); and
- (2) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF HACKNEY** of Town Hall, Mare Street, London E8 1EA ("**LB Hackney**"); and
- (3) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF TOWER HAMLETS** of Town Hall, Mulberry Place, 5 Clove Crescent, London E14 2BG ("**LB Tower Hamlets**"); and
- (4) **NETWORK RAIL INFRASTRUCTURE LIMITED** (No. 02904587) of 1 Eversholt Street, London NW1 2DN ("**Network Rail**"); and
- (5) **TRANSPORT FOR LONDON** (a statutory body established under the Greater London Authority Act 1999) of 5 Endeavour Square, Stratford, London, E20 1JN ("**TfL**"); and
- (6) **BISHOPSGATE GOODSYARD REGENERATION LIMITED** (No. 04488906) of Kings Place, 90 York Way, London N1 9GE (the "**Developer**"); and
- (7) **BALLYMORE PROPERTIES LIMITED** (No. 02260505) of 4th Floor, 161 Marsh Wall, London E14 9SJ ("**Ballymore**"); and
- (8) **HAMMERSON UK PROPERTIES PLC** (No. 00298351) of Kings Place, 90 York Way, London N1 9GE (the "**Hammerson**").

RECITALS:

- (A) The Developer wishes to construct the Development upon the Site in accordance with the Planning Permissions and the obligations contained herein.
- (B) Network Rail is the freehold owner of that part of the Site registered with Title Absolute under Title Number EGL527333 at the Land Registry.
- (C) The Developer is the freehold owner of that part of the Site as is registered with Title Absolute under Title Numbers AGL248047, EGL512363 and LN104921 at the Land Registry and also has an option to purchase from Network Rail part of its freehold interest in the Site and be granted a long leasehold interest in the remainder of the Site.
- (D) Arriva Rail London Limited ("**Arriva**") is registered at the Land Registry as proprietor of that part of the Site registered under leasehold Title Number AGL461975. Arriva will not be carrying out the Development under the Planning Permission and it has been agreed between the Parties that the Arriva is not required to be a party to this Deed in its capacity as a landowner.
- (E) Boxpark Ltd ("**Boxpark**") is registered at the Land Registry as proprietor of that part of the Site registered under leasehold Title Number AGL516863. Boxpark will not be carrying out the Development under the Planning Permission and it has been agreed between the Parties that the Boxpark is not required to be a party to this Deed in its capacity as a landowner.
- (F) The Developer has submitted the Applications. By a letter under section 2A of the 1990 Act and dated 23 September 2015 the Mayor of London directed that he will act as the local planning authority for the purposes of determining the Applications.
- (G) LB Hackney remains the local planning authority for the purposes of the LBH Planning Permission and the local highway authority for the purposes of the 1980 Act for the area in

which the LBH Site is located and will be responsible with the GLA for monitoring the discharge and enforcement of the obligations expressly given for the benefit of LB Hackney.

- (H) LB Tower Hamlets remains the local planning authority for the purposes of the LBTH Planning Permission and the local highway authority for the purposes of the 1980 Act for the area in which the LBTH Site is located and will be responsible with the GLA for monitoring the discharge and enforcement of the obligations expressly given for the benefit of LB Tower Hamlets.
- (I) The GLA is a body established by the Greater London Authority Act 1999 and references to the GLA shall include its statutory successors in function. The GLA is entering into this Deed on behalf of the Mayor of London.
- (J) TfL has the power under the Greater London Authority Act 1999 to facilitate the discharge by the GLA of its duty to promote and encourage safe, integrated, efficient and economic transport facilities and services to, from and within Greater London and, in respect of GLA roads (as defined in the 1980 Act), is the highway authority.
- (K) The Guarantors have agreed to guarantee the performance of the Developer's obligations under this Deed.
- (L) The GLA notes that subject to the provisions of this Deed the approval of details pursuant to the conditions imposed on the LBH Planning Permission will be submitted to, and determined by, LB Hackney and also agrees that LB Hackney is responsible for the enforcement of the conditions attached to the LBH Planning Permission.
- (M) The GLA notes that subject to the provisions of this Deed the approval of details pursuant to the conditions imposed on the LBTH Planning Permission will be submitted to, and determined by, LB Tower Hamlets and also agrees that LB Tower Hamlets is responsible for the enforcement of the conditions attached to the LBTH Planning Permission.
- (N) Certain obligations under this Deed apply to both the LBH Site and the LBTH Site. This Deed sets out a protocol whereby LB Hackney and LB Tower Hamlets will cooperate in respect of the discharge and enforcement of such obligations. The GLA retains ultimate responsibility for the discharge and enforcement of the obligations in this Deed in circumstances where the Councils are unable to agree an approach or where the GLA considers that the Councils are acting unreasonably in carrying out their responsibilities under this Deed.
- (O) Having regard to the provisions of the Development Plan and the planning considerations affecting the Site, the Mayor of London considers that in the interests of the proper planning of his area the Development of the Site ought only be permitted subject to the terms of this Deed and for that purpose the Parties are willing to enter into this Deed.
- (P) As the strategic highway authority for the area within which the Site is located TfL considers the obligations given for the benefit of TfL are appropriate and will be for the public benefit.
- (Q) The Parties acknowledge and agree that the terms of this Deed are particular to the Development and are not intended to set a precedent in respect of any other planning obligation entered into by any of the Parties.
- (R) As parties to this Deed, the Councils confirm that the GLA have consulted with them as to the terms of this Deed in accordance with section 2E of the 1990 Act.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

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

"1980 Act" means the Highways Act 1980;

"1990 Act" means the Town and Country Planning Act 1990;

"8 Tracking Box" means the area for the construction and operation of additional rail tracks into Liverpool Street Station and identified indicatively by blue hatching on Plan 24 and labelled "Proposed 8 Track Tunnel (1m construction depth assumed)";

"Acts" means section 27 of the Greater London Council (General Powers) Act 1969, Section 1 of the Localism Act 2011, section 2 of the Local Government Act 2000, section 16 of the Greater London Council (General Power) Act 1974, the Greater London Authority Act 1999, sections 111, 120 and 123 of the Local Government Act 1972, section 2E of the 1990 Act and sections 8, 38 and 278 of the 1980 Act and in each case any statutory amendment, variation, substitution or re-enactment thereof together with all other powers enabling;

"Applications" means both the LBTH Application and the LBH Application;

"Approval" means any notice, approval, consent, certificate, direction, authority, agreement, action, expression of satisfaction required to be given or reached or taken by any party or any response requested pursuant to this Deed and **"Approve"** and other cognate expressions shall be construed accordingly;

"Approval Panel" means a panel established pursuant to clause 25 and in accordance with the terms of reference attached to this Deed at appendix 2, comprising one representative from LB Hackney and one representative from LB Tower Hamlets and formed in order to assess and consider matters relating to the Development which affect the Councils whose role will be to receive information from the Owner and to assess and determine Applications for Approval as efficiently and expeditiously as possible;

"Authorities" means the GLA, TfL, LB Hackney and LB Tower Hamlets and **"Authority"** shall mean all and/or any one of them (as appropriate);

"Commencement" means the carrying out of a Material Operation excluding demolition, site preparation, temporary construction, investigation work, the erection of fences and hoardings, decontamination work and any other preparatory works in respect of either the LBTH Development and/or the LBH Development agreed in writing with the Relevant Council;

"Commencement Date" means the date on which the Commencement of either the LBTH Development or the LBH Development happens, and **"Commenced"** and **"Commence"** shall be construed accordingly;

"Commercial Unit" means any unit within or reconfigured from the following classes comprised in the Development: Classes A1, A2, A3, A5, B1, D1 or D2 as defined by the Use Classes Order;

"Construction Period" means the period from the Implementation of the Development to Practical Completion of the Development;

"Councils" means both LB Tower Hamlets and LB Hackney and **"Council"** shall refer to either;

"Cross-Boundary Obligations" means those obligations set out in this Deed that affect elements of the Development which cross the boundary between the respective administrative areas of LB Hackney and LB Tower Hamlets;

"Detailed Plot" means a Plot in respect of which the Planning Permissions primarily grant full planning permission, namely Plot 2 and Plot 7;

"Development" means the LBTH Development and the LBH Development;

"Development Plan" has the meaning of "development plan" set out in section 38(2) of the Planning and Compulsory Purchase Act 2004;

"East London Line Envelope" means the part of the Site comprising a double track railway which crosses the Site in an east/west direction at an elevated level supported on a new reinforced concrete viaduct between Shoreditch High Street and Brick Lane and which is indicatively identified by two purple lines and purple crosshatching and labelled "London Overground Rail Line" on Plan 21;

"Guarantors" means Ballymore and Hammerson jointly and severally or any alternative guarantor(s) pursuant to clause 11.8(a);

"Highways Agreement" means an agreement between the Developer and the relevant highway authority made pursuant to *inter alia* section 278 and/or section 38 of the 1980 Act;

"Hotel" means the hotel unit at the Development within Class C1 as defined by the Use Classes Order;

"Implementation" means the carrying out of a Material Operation in respect of the Development and **"Implement"** and **"Implemented"** shall be construed accordingly;

"Independent Valuer" means a member of the Royal Institution of Chartered Surveyors appointed by the Owner at its own cost but first Approved by the Approval Panel, LB Hackney or LB Tower Hamlets (as appropriate), and the phrase **"Independent Valuers"** shall be construed accordingly;

"Indexed" means the upwards only adjustment of any payment or contribution due under this Deed in accordance with clause 17;

"Infrastructure Works" means (1) works carried out by or on behalf of Network Rail to Operational Railway Facilities, the 8 Tracking Box, the Suburban Line Tunnel, the Wheler Street Bridge Structure, the Great Eastern Main Line and the Retaining Walls and (2) works carried out by or on behalf of London Underground Limited or TfL to the East London Line Envelope, and in each case directly impacting on the carrying out of the Development;

"Interest" means four per centum per annum greater than the Bank of England base rate in force from time to time from the date that the payment became due until the date of payment;

"Land" means the Site excluding:

- (a) Operational Railway Facilities;
- (b) 8 Tracking Box;
- (c) Suburban Line Tunnel;
- (d) Wheler Street Bridge Structure;

- (e) East London Line Envelope; and
- (f) Retaining Wall(s);

"LBH Application" means the hybrid application for planning permission submitted by the Developer to LB Hackney on 21 July 2014 to carry out the LBH Development upon the LBH Site as amended on 15 June 2015 and 27 September 2019 (reference number 2014/2425);

"LBH Development" means a comprehensive mixed use redevelopment of the Site comprising:

- (a) Residential (Class C3) comprising up to 500 residential units;
- (b) Business Use (Class B1) – up to 130,940 m² (GIA);
- (c) Hotel (Class C1) – up to 11,013 m² (GIA);
- (d) Retail, financial and professional services, restaurants and cafes and hot food takeaways (Class A1, A2, A3 and A5) – up to 18,390 m² (GIA) of which only 3,678 m² (GIA) can be used as Class A5;
- (e) Non-residential Institutions (Class D1) / Assembly and Leisure (Class D2) – up to 6,363 m² (GIA);
- (f) Public conveniences (sui generis) – up to 298 m² (GIA);
- (g) Basement, ancillary and plant space – up to 21,216 m² (GIA);
- (h) Formation of new pedestrian and vehicular access; means of access and circulation and car parking within the Site; and
- (i) Provision of new public open space and landscaping,

and comprising a total of 10 buildings that range in height, with the highest being 142.4m AOD and the lowest being 19.0m AOD with all matters reserved save that full details for Plot 2 are submitted for alterations to, and the partial removal of, existing structures on the Site and the erection of a building for office (Class B1) and retail use (Class A1, A2, A3, A5) comprising a part 17 / part 29 storey building; and Plot 7 A, B, C and D comprising the use of the ground level of the Braithwaite Viaduct for retail and food and drink uses (A1, A2, A3, A5) and works to and use of the Oriel and adjoining structures for retail and food and drink uses (A1, A2, A3, A5) and, for that part of the Site within LB Hackney, comprising the following mix of uses:

- (a) Up to 109,599 m² (GIA) of Business Use (Class B1);
- (b) Up to 4,509 m² (GIA) of Retail Use (Class A1, A2, A3 and A5), of which only 902 m² (GIA) can be used for hot food takeaways (Class A5);
- (c) Up to 2,254 m² (GIA) of Class D1 / D2 use; and
- (d) Up to 12,752 m² (GIA) of ancillary and plant space;

"LBH Monitoring Contribution" means the sum of £96,980 to be applied by LB Hackney for all the purposes relevant and connected with monitoring and compliance checking with regard to the obligations set out in this Deed;

"LBH Planning Obligations Monitoring Officer" means an officer of LB Hackney from time to time allocated to deal with and monitor all planning obligations and to whom all notices correspondence Approvals etc. must be sent in the manner prescribed at clause 20;

"LBH Planning Permission" means the planning permission for the LBH Development substantially in the form of the draft attached at schedule 2 to be issued pursuant to the LBH Application;

"LBH Site" means that part of the Site within the administrative boundary of LB Hackney and shown edged red on the Plan 3;

"LBTH Application" means the hybrid application for planning permission submitted by the Developer to LB Tower Hamlets on 21 July 2014 to carry out the LBTH Development upon the LBTH Site as amended on 15 June 2015 and 27 September 2019 (reference number PA/14/02011);

"LBTH Development" means a comprehensive mixed use redevelopment of the Site comprising:

- (a) Residential (Class C3) comprising up to 500 residential units;
- (b) Business Use (Class B1) – up to 130,940 m² (GIA);
- (c) Hotel (Class C1) – up to 11,013 m² (GIA);
- (d) Retail, financial and professional services, restaurants and cafes and hot food takeaways (Class A1, A2, A3 and A5) – up to 18,390 m² (GIA) of which only 3,678 m² (GIA) can be used as Class A5;
- (e) Non-residential Institutions (Class D1) / Assembly and Leisure (Class D2) – up to 6,363 m² (GIA);
- (f) Public conveniences (sui generis) – up to 298 m² (GIA);
- (g) Basement, ancillary and plant space – up to 21,216 m² (GIA);
- (h) Formation of new pedestrian and vehicular access; means of access and circulation and car parking within the Site; and
- (i) Provision of new public open space and landscaping,

and comprising a total of 10 buildings that range in height, with the highest being 142.4m AOD and the lowest being 19.0m AOD with all matters reserved save that full details for Plot 2 are submitted for alterations to, and the partial removal of, existing structures on the Site and the erection of a building for office (Class B1) and retail use (Class A1, A2, A3, A5) comprising a part 17 / part 29 storey building; and Plot 7 A B, C and D comprising the use of the ground level of the Braithwaite Viaduct for retail and food and drink uses (A1, A2, A3, A5) and works to and use of the Oriel and adjoining structures for retail and food and drink uses (A1, A2, A3, A5) and, for that part of the Site within LB Tower Hamlets, comprising the following mix of uses:

- (a) Up to 44,067 m² (GIA) of residential use (Class C3);
- (b) Up to 21,341 m² (GIA) of Business Use (Class B1);
- (c) Up to 11,013 m² (GIA) of Hotel Use (Class C1);
- (d) Up to 13,881 m² (GIA) of Retail Use (Class A1, A2, A3, A5) of which only 2,776 m² (GIA) can be used for hot food takeaways (Class A5);
- (e) Non-residential Institutions (Class D1) / Assembly and Leisure (Class D2) – up to 4,109 m² (GIA);

- (f) Up to 298 m² (GIA) of sui generis use; and
- (g) Up to 8,464 m² (GIA) of ancillary and plant space;

"LBTH Monitoring Contribution" means the sum of £100,000 to be applied by LB Tower Hamlets for all the purposes relevant and connected with monitoring and compliance checking with regard to the obligations set out in this Deed;

"LBTH Planning Permission" means the planning permission for the LBTH Development substantially in the form of the draft attached at schedule 1 to be issued pursuant to the LBTH Application;

"LBTH Site" means that part of the Site within the administrative boundary of LB Tower Hamlets and shown edged red on Plan 4;

"London Plan" means the latest spatial development strategy for Greater London published under section 337 of the Greater London Authority Act 1999 being at the date of this Deed the London Plan published in March 2021 and including any revisions and successor plans thereto;

"Material Interest" means either:

- (a) a freehold interest; or
- (b) a leasehold interest with an unexpired residue of seven years or more;

"Material Operation" means a material operation as defined in section 56(4) of the 1990 Act pursuant to the Planning Permission;

"Occupation" means ongoing occupation for the purposes authorised by the Planning Permissions following the Occupation Date and **"Occupy"**, **"Occupied"** and **"Occupier"** shall be construed accordingly;

"Occupation Date" means the first date upon which any part of the LBTH Development and/or the LBH Development (as applicable) is physically occupied for any purpose pursuant to the LBTH Planning Permission and/or the LBH Planning Permission (as appropriate) but does not include occupation by personnel engaged in construction, fitting out or decoration, or occupation for marketing or display or for occupation in relation to security operations and the phrases **"First Occupy"**, **"First Occupied"** and **"First Occupation"** shall be construed accordingly;

"Office Floorspace" means floorspace comprised in the Development within Use Class B1(a) as defined by the Use Classes Order;

"Operational Railway Facilities" means such facilities on the Site relating to the railway undertaking operated by Network Rail as are owned or used by Network Rail or its contractors or by the train and freight operating companies using Network Rail's stations and infrastructure which (without prejudice to the generality of the foregoing) includes the land demised under Title Number AGL461975, tracks, buffers, electricity cables, communications cables, pipes and conduits and all the land and airspace associated with or necessary for such facilities;

"Outline Plot" means a Plot in respect of which the Planning Permissions primarily grant outline planning permission, namely:

- (a) Plot 1;
- (b) Plot 3;

- (c) Plot 4;
- (d) Plot 5;
- (e) Plot 6;
- (f) Plot 8;
- (g) Plot 10; and
- (h) Plot 11;

"Owner" means Network Rail and the Developer jointly and severally and includes their successors in title and assigns from time to time;

"Parties" means LB Tower Hamlets, LB Hackney, Network Rail, the Developer, the GLA, TfL and the Guarantors and **"Party"** shall be construed accordingly;

"Perpetuity" means the period of 125 years starting from the date of first Occupation of any Affordable Workspace and the Community Floorspace (as applicable);

"Phase" means any given phase of the Development as shown on the Phasing Plan and reference to any numbered Phase shall mean the corresponding numbered Phase on the Phasing Plan;

"Phasing Plan" means Plan 6(1) and Plan 6(2) attached hereto at Schedule 3 or such alternative phasing plan as may be Approved pursuant to Schedule 17;

"Planning Permission" means either the LBTH Planning Permission and/or the LBH Planning Permission according to the context;

"Planning Permissions" means both the LBTH Planning Permission and the LBH Planning Permission;

"Plans" means those plans set out in schedule 3 to this Deed and a reference to any individual Plan is to the Plan so numbered and attached in schedule 3;

"Plot(s)" means a plot to be constructed as part of the Development with all such plots shown on Plan 5 and a reference to any particular Plot is to the Plot shown edged and numbered accordingly on Plan 5;

"Practical Completion" means the issue of a certificate that the relevant part of the Development is practically complete and available for beneficial use in accordance with the Planning Permissions by the Owner's architect, engineer or other certifying officer as the case may be under the relevant building contract entered into in respect of the Development or part thereof and the phrase **"Practically Complete"** and all other cognate terms shall be construed accordingly;

"Relevant Council" means either LB Hackney or LB Tower Hamlets depending on the context in which the term is used in this Deed;

"Retail Floorspace" means the floorspace comprised in the Development to provide for Class A1, A2, A3 or A5 uses, as defined in the Use Classes Order;

"Retaining Wall(s)" means the retaining walls in the locations indicatively shown coloured pink on Plan 23 (including for the avoidance of doubt the walls shown coloured pink on the cross-sections)

"RICS" means the Royal Institution of Chartered Surveyors;

"RICS Guidance" means the RICS guidance note entitled "Financial Viability in Planning" (1st Edition, GN 94/2012) or such updated or replacement guidance as may be published from time to time;

"Second Office Building" means of the buildings to be constructed on Plot 1, Plot 2 or Plot 3, the second to be Occupied;

"Site" means the land known as Bishopsgate Goodsyard, Shoreditch, London comprising the LBTH Site and the LBH Site and for the purpose of identification only shown edged red on Plan 1;

"Specialist" means a person qualified to act as an expert in relation to a dispute having not less than 10 years' professional experience in relation to the nature of the dispute and in respect of schedule 4 paragraph 7 a "Specialist" is a person appointed by the President of RICS with demonstrable experience in determining whether construction works have been completed and in respect of the rest of schedule 4, a "Specialist" is a person appointed by the President of RICS with demonstrable experience of undertaking and reviewing viability assessments for planning purposes in accordance with the RICS Guidance in and around London over the five years prior to the date of appointment;

"Suburban Line Tunnel" means all that part of the Site comprising part of a 2-level corridor of bridge decking that interfaces with the southern edge of the more historic Braithwaite masonry arches. The intermediate structure supports London Road and spans across the Up and Down Suburban lines between Liverpool Street and Bethnal Green Stations at approximately the same level as the four Main Lines that run in an open cutting to the south. The structures at both levels comprise a grid of built-up section metal girders with concrete backed brick jack arch infill between, with London Road topped with concrete fill and granite setts or hard paving at the edges. The deck is supported on mass brickwork piers and infill wall construction raised from track level. The total length of the structure is approx. 360m with an across-track clear span ranging from 8m to just over 11m and the location is shown indicatively shaded coral and labelled "Suburban Rail Line" on Plan 20

"Use Classes Order" means the Town and Country Planning (Use Classes) Order 1987 in force on 31 August 2020; and

"Wheler Street Bridge Structure" means the structure and super-structure of the Wheler Street Bridge as indicatively shown hatched green and cross-hatched blue on Plan 22 which shall include without prejudice to the generality of the foregoing the main beams forming the decks off the Wheler Street Bridge, the beam ends, the footway the girders supporting the parapets and the transverse girders beneath the service bay;

"Working Day" means any Monday, Tuesday, Wednesday, Thursday and/or Friday (other than bank or public holidays).

1.2 In this Deed:

- (a) Where in this Deed reference is made to a clause, paragraph, schedule, part or plan it is to a clause, paragraph, schedule, part or plan in this Deed.
- (b) Headings used in this Deed are for convenience only and do not form part of this Deed.
- (c) Words importing the singular meaning where the context so admits include the plural meaning and vice versa.
- (d) Words of the masculine gender include the feminine and neuter genders and words denoting actual persons include companies, corporations and firms and all such words shall be construed interchangeable in that manner.

- (e) Wherever there is more than one person named as a Party and where such persons undertake to perform or observe an obligation, all their obligations can be enforced against all of them jointly and against each individually unless there is an express provision otherwise.
- (f) Words denoting an obligation on a Party to do any act matter or thing include an obligation to procure that it be done and any words placing a Party under a restriction include an obligation not to cause, suffer or permit any infringement of that restriction.
- (g) Any reference to an Act of Parliament shall include any modification, extension or re-enactment of that Act from time to time for the time being in force and shall include all instruments, orders, plans, regulations, permissions and directions for the time being made, issued or given under that Act or deriving validity from it.
- (h) References to any Party to this Deed shall include the successors in title to that Party and to any person deriving title through or under that Party and in the case of the Authorities and Network Rail the successor to their statutory functions.
- (i) Save in respect of the LBH Planning Permission and the LBTH Planning Permission (which at all times shall prevail) in the event of any conflict between the terms, conditions and provisions of this Deed and any document annexed hereto or referred to herein, the terms, conditions and provisions of this Deed will prevail.
- (j) All Parts and schedules attached to this Deed are to be read as if the same were incorporated into the main body of the Deed.

2. STATUTORY PROVISIONS

- 2.1 This Deed is made pursuant to section 106 of the 1990 Act and to section 8 of the 1980 Act. To the extent that they fall within the terms of section 106 of the 1990 Act, the obligations contained in this Deed are planning obligations for the purposes of section 106 of the 1990 Act and are enforceable by the Authorities and the restrictive covenants and undertakings herein on the part of the Owner are entered into with the intent that the obligations will bind the Land and subject to clause 12 the same shall be enforceable without limit of time not only against the Owner but also against its successors in title and assigns and any person corporate or otherwise claiming through or under the Owner an interest or estate created hereafter in the Land 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 Deed 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 This Deed shall come into effect on the date hereof, save for clause 4 which shall come into effect on the date of grant of the LBTH Planning Permission or the LBH Planning Permission (whichever is earlier).
- 3.2 Each clause, schedule or paragraph shall be separate, distinct and severable from each other to the extent only that if any clause, schedule or paragraph becomes or is invalid because of a change of circumstances or any other unforeseen reasons or if any one or more of such clause, schedule or paragraph 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, schedule or paragraph be valid shall apply without prejudice to any other clause, schedule or paragraph contained herein.

- 3.3 No waiver (whether express or implied) by any of the Authorities of any breach or default by the Owner or the Guarantors in performing or observing any of the covenants undertakings obligations or restrictions contained in this Deed shall constitute a continuing waiver and no such waiver shall prevent any of the Authorities 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 or the Guarantors.
- 3.4 Nothing in this Deed shall prejudice or affect the rights powers duties and obligations of the Authorities under private or public statutes byelaws orders and regulations (including for the avoidance of doubt the ability to apply for or be granted any of the following: declaratory relief, injunction, specific performance, payment of any sum, damages, any other means of enforcing this Deed and consequential and interim orders and relief) and the same may be as fully effectively exercised as if they were not party to this Deed.
- 3.5 The obligations, covenants, restrictions and undertakings imposed in this Deed are planning obligations relating to the Land made pursuant to Section 106 of the 1990 Act which are enforceable by the relevant Authority pursuant to clause 2.1 of this Deed in each case as a local planning authority against the Owner and which the GLA is satisfied comply with the requirements of Regulation 122 of the Community Infrastructure Levy Regulations 2010 (save for those obligations, covenants and undertakings contained herein which are not planning obligations for the purposes of section 106 of the 1990 Act).

4. OBLIGATIONS OF THE OWNER

4.1 The Owner covenants:

- (a) with the GLA to observe and perform or cause to be observed and performed the obligations and covenants contained in schedules 4 to 18 (inclusive) of this Deed at the times and in the manner provided therein;
- (b) with LB Tower Hamlets to observe and perform or cause to be observed and performed the obligations and covenants expressed to be given by the Owner to LB Tower Hamlets and contained in schedules 4 to 18 (inclusive) of this Deed at the times and in the manner provided therein;
- (c) with LB Hackney to observe and perform or cause to be observed and performed the obligations and covenants expressed to be given by the Owner to LB Hackney and contained in schedules 5, 6 and 8 to 18 (inclusive) of this Deed at the times and in the manner provided therein; and
- (d) with TfL to observe and perform or cause to be observed and performed the obligations and covenants expressed to be given by the Owner to TfL and contained in schedules 5, 7, 9, 10 and 17 (inclusive) of this Deed at the times and in the manner provided therein.

4.2 All obligations given by the Owner to a Council or TfL are also deemed to be given to the GLA.

5. PAYMENTS

- 5.1 Payment of any financial contributions to LB Hackney shall be made by the Owner to LB Hackney by either sending the full amount in the form of a Banker's draft or cheque to the LBH Planning Obligations Monitoring Officer or sending the full amount by electronic transfer to London Borough of Hackney at Lloyds Bank PLC quoting sort code 30-00-02 and account number 00638817 or such other account as LB Hackney shall nominate. In either case, the Owner shall notify the LBH Planning Obligations Monitoring Officer that payment has been made, referring to the name, date and parties to this Deed and citing the specific clause of this Deed to which such contribution relates and payment shall only be deemed to have been made once the relevant funds have been received by LB Hackney and banked in full.

5.2 The Owner shall pay any financial contributions to LB Tower Hamlets only in accordance with the "Notification of Payment of a Financial Contribution under s106 Agreement" as annexed at Appendix 1 and payment shall only be deemed to have been made once the relevant funds have been received by LB Tower Hamlets and banked in full.

5.3 The Owner shall pay any financial contributions to TfL by way of sending the full amount via electronic transfer to such account as TfL shall nominate. The Owner shall notify TfL that the payment has been made referring to the name, date and parties to this Deed and citing the specific schedule and paragraph reference of this Deed to which the TfL Contribution relates and payment shall only be deemed to have been made once the relevant funds have been received by TfL and banked in full.

6. **OWNER TO NOTIFY COUNCILS AND OTHER PARTIES**

6.1 The Owner covenants with the Authorities to notify the Relevant Council, the GLA and TfL:

- (a) of their application to the Land Registry under clause 13.1 within ten (10) Working Days of this Deed;
- (b) (no later than six (6) months beforehand) of the date which is their best estimate of the Commencement Date;
- (c) of the Commencement Date and the Occupation Date for each of the LBTH Planning Permission and the LBH Planning Permission by written notice at least 5 Working Days in advance specifying the date that Commencement or First Occupation (as appropriate) is to take place;
- (d) of the Commencement and First Occupation of each Phase and each Plot by written notice at least 5 Working Days in advance specifying the date that Commencement or First Occupation (as appropriate) of the relevant Phase and/or Plot is to take place;
- (e) of the Commencement of the First Building;
- (f) at least three months in advance of its intended submission of an application for reserved matters approval for Plot 1;
- (g) of its intention to pay the contributions referred to in schedule 4, schedule 5, schedule 6, schedule 7, schedule 10, schedule 12, schedule 13, schedule 16 and schedule 18 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 five (5) Working Days immediately preceding the making of such payment and notices to LB Tower Hamlets shall be in accordance with Appendix 1;
- (h) with five (5) Working Days advance notice of First Occupation of:
 - (i) the Development;
 - (ii) the first Residential Unit and the first Commercial Unit;
 - (iii) the Open Market Housing Units, 150 Open Market Housing Units and thereafter 25 per cent, 50 per cent, 75 per cent and 100 per cent of the Open Market Housing Units;
 - (iv) the Second Office Building and the penultimate building forming part of the Development;
 - (v) the Office Floorspace and thereafter 50% of the Office Floorspace in Plot 2;

- (vi) 76,597 sqm GEA and 125,496 sqm GEA of Office Floorspace;
- (vii) the Retail Floorspace, any Affordable Retail Unit and any Independent Retail Unit;
- (viii) each Service Yard;
- (ix) the Hotel;
- (x) the Cultural Floorspace;
- (xi) the LBH Affordable Workspace and the LBTH Affordable Workspace;

and defined terms in this paragraph (h) shall have the meaning ascribed to them in the schedules to this Deed.

6.2 In the event that the Owner fails to provide notification in accordance with clause 6.1, the relevant notifiable event shall be deemed by the relevant Authority (acting reasonably) to have taken place on the earliest date that such event could have taken place unless the Owner can demonstrate to the relevant Authority's reasonable satisfaction that the relevant notifiable event happened at a later date.

7. **OWNERSHIP**

7.1 In respect of the Site:

- (a) Network Rail covenants with and undertakes to the Authorities that it is the freehold owner of that part of the Site comprising freehold Title Number EGL527333 and has full power to enter into this Deed;
- (b) the Developer covenants with and undertakes to the Authorities that it is the freehold owner of that part of the Site comprising freehold Title Numbers AGL248047, EGL512363 and LN104921 and has full power to enter into this Deed

and both covenant with and undertake to the Authorities that in relation to their respective freehold interests in the Site there is no other person having any Material Interest in the Site SAVE AS set out in the recitals to this Deed.

7.2 The Owner covenants with the Councils and the GLA to give the Councils and the GLA written notice of any change in ownership of any of its interests in the Site or part thereof (save in respect of individual Residential Units, Commercial Units or the Hotel) occurring before all the obligations under this Deed have been discharged, such notice to be served within twenty (20) Working Days following the change and to give details of the transferee's full name and registered office (if a company or usual address if not) together with the area of the Site to which the disposal relates by reference to a plan.

8. **COUNCILS' COVENANTS**

- 8.1 LB Tower Hamlets covenants with the Owner to observe and perform or cause to be observed and performed its obligations in this Deed.
- 8.2 LB Hackney covenants with the Owner to observe and perform or cause to be observed and performed its obligations in this Deed.

9. **GLA'S COVENANTS**

The GLA covenants with the Owner to observe and perform or cause to be observed and performed its obligations in this Deed.

10. **TFL'S COVENANTS**

TfL covenants with the Owner to observe and perform or cause to be observed and performed its obligations in this Deed.

11. **GUARANTORS' OBLIGATIONS**

11.1 The Guarantors guarantee to the Authorities that the Developer shall promptly comply with the terms and conditions of this Deed.

11.2 The Guarantors covenant with the Authorities that if the Developer shall in any respect fail to perform any of its obligations under this Deed or commits any breach thereof, the Guarantors shall within the period specified in the notice served pursuant to clause 11.4 itself perform or take whatever steps may be necessary to procure performance of the same and/or to remedy each and every such breach.

11.3 The Guarantors hereby indemnify and shall keep indemnified the Authorities against all losses, damages, costs and expenses arising as a result of any default by the Developer in complying with the terms and conditions contained in this Deed.

11.4 The Guarantors shall have no liability under this clause 11 unless:

- (a) notice in writing of any default on the part of the Developer is first given by the relevant Authority to the Developer requiring that such default is remedied by the Developer; and
- (b) the Developer fails to remedy such alleged default within such reasonable period as may be specified by the relevant Authority in the notice referred to in sub-clause (a).

11.5 This clause 11 shall be enforceable by the Authorities upon prior notice in writing being served upon the Guarantors stating:

- (a) that the Developer is in breach of its obligations under this Deed;
- (b) that notice has been given to the Developer of such breach in accordance with clause 11.4;
- (c) the nature of the breach;
- (d) that the Developer has failed to remedy the same in accordance with this Deed; and
- (e) a reasonable time period within which the Guarantors must remedy the breach.

11.6 No time or indulgence granted to the Developer by the Authorities nor any variation of the terms of this Deed shall in any way release the obligations of the Guarantors to the Authorities.

11.7 The Guarantors shall not be discharged or released from its obligations under this guarantee by any disclaimer of the Deed by any receiver, administrative receiver or liquidator of the Developer.

11.8 Notwithstanding the disposal of any interest in the Site by the Developer, the Guarantors shall remain liable under this clause 11 unless and until:

- (a) an alternative guarantee has been provided to the Authorities in a form and from an entity which is reasonably acceptable to the Authorities; or
- (b) the Authorities confirm in writing that a guarantee from a guarantor is no longer required.

11.9 The Guarantors shall have joint and several liability under this clause.

12. **ENFORCEABILITY OF OBLIGATIONS**

12.1 The obligations contained in this Deed shall not be binding upon nor enforceable against:

- (a) Network Rail except where:
 - (i) Network Rail has Implemented the Planning Permission and is carrying out the Development (or any part thereof) itself; or
 - (ii) Network Rail has permitted the Implementation of the Planning Permission and the carrying out of the Development by any party other than the Developer (or the Developer's authorised contractors, sub-contractors or agents) without that party first entering into a deed with the Authorities to observe and perform the obligations, covenants and restrictions contained in this Deed and its schedules and appendices

and Network Rail will not be liable in respect of any breach of the obligations contained in this Deed prior to the circumstances in (i) and/or (ii) of this sub-clause occurring and it is acknowledged and agreed that the carrying out of any works by Network Rail for the purposes of its undertaking to Operational Railway Facilities, the Suburban Line Tunnel, 8 Tracking Box, Wheler Street Bridge Structure, East London Line Envelope and/or the Retaining Walls or any works carried out on the Site solely to ensure the safe and efficient running of the railway network and/or public safety shall not be construed as Implementation of the Planning Permission;

- (b) any individual owner, occupier or lessee of any of the Residential Units save in respect of those obligations contained in paragraphs 2.1(c), 3.1(c), 3.2(c) and 3.3(c) of schedule 6, schedule 8 and in respect of any plans or strategies submitted pursuant to this Deed that require compliance following the Occupation Date to the extent such plans or strategies directly relate to and are capable of being complied with by any individual owner, Occupier or lessee;
- (c) any individual owner, occupier or lessee of any of the Commercial Units or the Hotel save in respect of those obligations contained in 2.1(c), 3.1(c), 3.2(c) and 3.3(c) of schedule 6, schedule 8, paragraphs 2.1(c) and 2.2(c) of schedule 10, schedule 13 and schedule 14 and in respect of any plans or strategies submitted pursuant to this Deed that require compliance following the Occupation Date to the extent such plans or strategies directly relate to and are capable of being complied with by any individual owner, Occupier or lessee;
- (d) any mortgagees of any occupier or any receiver appointed by such mortgagees, or any person who is a successor in title to or derives title through or under or at the direction or requirement of any such mortgagees or receiver appointed by such mortgagees save where they take possession of the Residential Unit, Commercial Unit or the Hotel and in such case they will be bound as an individual owner or occupier of a Residential Unit, Commercial Unit or the Hotel in accordance with (b) or (c) above as applicable;
- (e) any Registered Provider of the Affordable Housing Units save in respect of the obligations in paragraphs 1, 2, 3, 4, 5, 6 and 11 of schedule 4, paragraphs 2.1(c), 3.1(c), 3.2(c) and 3.3(c) of schedule 6, schedule 8 and in respect of any of the plans or strategies submitted pursuant to this Deed for the LBTH Development that require compliance following the Occupation Date to the extent such plans or strategies relate to the Affordable Housing Units;
- (f) any statutory undertaker or other person who acquires any part of the Site or interest therein for the purposes of the supply of heat cooling electricity gas water drainage

telecommunication services or public transport services (including for the avoidance of doubt any interest in the Site held by TfL (or any subsidiary thereof) or any successor in function); and

- (g) any mortgagee or chargee of the whole or any part of the Owner's interest in the Site unless it takes possession of the Site or part thereof in which case it will be bound by the obligations as a person deriving title from the Owner.

12.2 Subject to clause 11.8, no person shall be liable for any breach of the covenants, restrictions or obligations contained in this Deed occurring after it has parted with its interest in the Site or the part in respect of which such breach occurs (but without prejudice to the liability of such person for any breach occurring prior to its parting with such interest).

12.3 Subject to clause 11, the Authorities shall only be able to enforce the obligations in this Deed against those with an interest in that part of the Site to which the breach of the obligations relates (but without prejudice to the liability of such person for any breach occurring prior to parting with any such interest).

12.4 The limitation on Network Rail's liability in clause 12.1(a) shall be personal to Network Rail Infrastructure Limited and any successor to its statutory functions.

13. **REGISTRATION**

13.1 No later than ten (10) Working Days after the completion of this Deed, the Owner shall make applications to the Land Registry for entries relating to this Deed to be made in the charges register(s) of the Title Number(s) referred to in recitals B and C above so as to bind the Land as provided for in the before mentioned statutory provisions.

13.2 If the Owner fails to make the applications as referred to in clause 13.1 above LB Tower Hamlets, LB Hackney and the GLA shall (without prejudice to any other right) be entitled to register the Deed and recover the expenses incurred in doing so from the Owner and the Owner hereby covenants with the Relevant Council and the GLA to do or concur in doing all things necessary or advantageous to enable the said entries to be made.

13.3 The Owner covenants that it shall not make any application to the Land Registry for the removal of any notice registered pursuant to clauses 13.1 or 13.2 unless with the written consent of the Authorities.

13.4 The covenants on behalf of the parties hereto to be observed and performed under this Deed shall be treated as Local Land Charges and registered in the Register of Local Land Charges for the purposes of the Local Land Charges Act 1975.

14. **SITE NOT TO BE ENCUMBERED**

The Owner hereby covenants with the Authorities that it will not encumber nor deal with the Site in any manner whereby any party hereto or successor in title may be prevented from carrying out their covenants and obligations contained herein SAVE THAT nothing in this clause shall be construed as fettering Network Rail's ability to exercise any of its rights under the Amended and Re-stated Variation Agreement dated 15 December 2011 made between (1) Network Rail (2) the Developer and (3) Ballymore and (4) Hammerson (and any variation to it) or its duties and obligations and obligations as a railway undertaker.

15. **RIGHT OF ACCESS**

Without prejudice to the Councils' statutory rights of entry and any statutory rights of entry of the GLA and TfL, the Owner shall permit the Authorities and their authorised employees and agents to enter the Land for the purpose of verifying whether or not any obligation arising hereunder has been performed or observed and:

- (a) in respect of that part of the Land in the Developer's ownership such access will be subject to those accessing that part of the Land taking reasonable precautions as to their own security and upon reasonable written notice; and
- (b) in respect of that part of the Land in Network Rail's ownership such access will be subject to Network Rail giving its prior written approval (not to be unreasonably withheld PROVIDED THAT it shall be reasonable for Network Rail to withhold such approval for safety and/or operational reasons).

15.2 The Owner shall comply with any reasonable request made by the Authorities for documentation held by the Owner for the purpose of verifying whether or not any obligation arising hereunder has been performed or observed.

16. **INTEREST ON LATE PAYMENT**

Without prejudice to any other right remedy or power herein contained or otherwise available to the Authorities if any payment of any sum referred to herein shall have become due but shall remain unpaid for a period exceeding five (5) Working Days the Owner shall pay on demand to the relevant Authority Interest from the date when the same became due until payment thereof.

17. **INDEXATION**

17.1 The following contributions shall be adjusted by a percentage equivalent to the percentage increase (if any) shown in the BCIS All-in Tender Price Index (or any replacement index or such alternative index as may be agreed between the relevant parties from time to time) from the date hereof to the date of payment of the sum in question PROVIDED THAT the operation of this clause shall not result in any payments due pursuant to this Deed being decreased so as to fall below the figures specified herein:

- (a) LBH Carriageway Resurfacing Contribution (as defined in schedule 5);
- (b) LBH Redchurch Street Improvement Contribution (as defined in schedule 5);
- (c) LBTH Bethnal Green Road Pedestrian Crossing Contribution (as defined in schedule 5);
- (d) Shoreditch High Street Scheme Contribution (as defined in schedule 5);
- (e) First Cycle Docking Station Contribution (as defined in schedule 7);
- (f) Second Cycle Docking Station Contribution (as defined in schedule 7);
- (g) LBTH Cycling Contribution (as defined in schedule 7);
- (h) DSS Contribution (as defined in schedule 10);
- (i) LBTH Playspace Contribution (as defined in schedule 12);

17.2 The following contributions shall be adjusted by a percentage equivalent to the percentage increase (if any) shown in the CPI published by the Office for National Statistics (or any replacement index or such alternative index as may be agreed between the relevant parties from time to time) from the date hereof to the date of payment of the sum in question PROVIDED THAT the operation of this clause shall not result in any payments due pursuant to this Deed being decreased so as to fall below the figures specified herein:

- (a) LBH Travel Plan Monitoring Contribution (as defined in schedule 6);

- (b) Local Enterprise Business Support and Inclusive Workspace Contribution (as defined in schedule 13);
- (c) Employment and Training Officer Contribution (as defined in schedule 16);
- (d) LBH Construction Phase Employment, Skills and Training Contribution (as defined in schedule 16);
- (e) LBH End-User Phase Employment, Skills and Training Contribution (as defined in schedule 16);
- (f) LBTH Construction Employment, Skills and Training Contribution (as defined in schedule 16);
- (g) LBTH End-User Employment, Skills and Training Contribution (as defined in schedule 16); and
- (h) Apprentices Payment (as defined in schedule 16).

17.3 The Carbon Offset Contribution (as defined in schedule 18) shall be adjusted so that it reflects the upwards only increases in the price of carbon from the date of this Deed.

18. COUNCILS', GLA'S AND TFL'S LEGAL FEES AND MONITORING COSTS

18.1 The Owner shall pay on the date of this Deed to the GLA the GLA's and Tfl's reasonable costs properly incurred in the preparation and negotiation of this Deed.

18.2 The Owner shall pay on the date of this Deed LB Hackney's reasonable costs properly incurred in the preparation and negotiation of this Deed and the LBH Monitoring Contribution.

18.3 The Owner shall pay on the date of this Deed LB Tower Hamlets' reasonable costs properly incurred in the preparation and negotiation of this Deed and the LBTH Monitoring Contribution.

19. VAT

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

19.2 The Owner hereby acknowledges and agrees that if at any time VAT is required to be paid in respect of any of the financial contributions due under this Deed then to the extent that VAT had not been previously charged in respect of that contribution the Authorities shall have the right to issue a VAT invoice to the Owner and the VAT shall be paid accordingly.

20. NOTICES

20.1 Any notice or other communication to be given under or in connection with this Deed shall be in writing (which for this purpose shall not include e-mail) and should be addressed as provided in clause 20.3.

20.2 The provisions of section 196 of the Law of Property Act 1925 shall apply to any notice served under this Deed and any such notice shall be in writing and shall refer to the name, date and Parties to the Deed and shall cite the clause of the Deed to which it relates.

20.3 Subject to clause 20.4, the contact details for each party are:

For LB Tower Hamlets:

Address: Tower Hamlets Council, Mulberry Place, 2nd Floor, 5 Clove Crescent, London E14 2BG

Relevant addressee: Planning Obligations Officer

Reference: S106 Legal Agreement PA/14/02011

For LB Hackney:

Address: Hackney Council, Hackney Town Hall, Mare Street, London E8 1EA

Relevant addressee: Planning Obligations Monitoring Officer

Reference: 2014/2425

For Network Rail:

Address: Network Rail Infrastructure Limited, 1 Eversholt Street, London NW1 2DN

Relevant addressee: Company Secretary

Reference: 11-8260

For the Developer:

Address: Bishopsgate Goodsyrd Regeneration Limited, Kings Place, 90 York Way, London N1 9GE

Relevant addressee: Development Manager, Bishopsgate Goodsyrd

Reference: Bishopsgate Goodsyrd Section 106 agreement

For the GLA:

Address: City Hall, Kamal Chunchie Way, London, E16 1ZE

Relevant addressee: Head of Development Management

Reference: GLA/1200cd

For TfL:

Address: Transport for London, 5 Endeavour Square, Stratford, London, E20 1JN

Relevant addressee: Legal Manager for Property and Planning

Reference: GLA/1200cd

For Ballymore:

Address: Ballymore Properties Limited, 4th Floor 161 Marsh Wall, London E14 9SJ

Relevant addressee: Project Director, Bishopsgate Goodsyard

Reference: Bishopsgate Goodsyard Section 106 agreement

For Hammerson:

Address: Hammerson Properties UK plc, Kings Place, 90 York Way, London, N1 9GE

Relevant addressee: Development Manager, Bishopsgate Goodsyard

Reference: Bishopsgate Goodsyard Section 106 agreement

20.4 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:

- (a) the date specified in the notification as the date on which the change is to take place; or
- (b) if no date is specified or the date specified is less than five (5) 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.

21. GOOD FAITH

21.1 The Parties agree with one another to act reasonably and in good faith in the fulfilment of their respective obligations under this Deed.

21.2 The Parties shall at all times use reasonable endeavours to ensure that the planning purposes underlying their respective obligations under this Deed are achieved and are carried out in accordance with good industry practice at the time of performance PROVIDED THAT this clause shall not imply or create any obligation upon any Party which is additional to the obligations contained in this Deed.

21.3 Where there is a reasonable endeavours obligation in this Deed and the Party responsible cannot fulfil the objective of the obligation then on request that Party shall provide an explanation of the steps it has undertaken in carrying out its reasonable endeavours obligation.

22. DETERMINATION OF DISPUTES

22.1 In the event of a dispute arising between the Parties in respect of any matter being the subject of this Deed, the Parties will use reasonable endeavours to attempt to resolve that dispute amicably (including holding a meeting attended by at least one representative from each Party if considered appropriate) for a period of at least twenty (20) Working Days from the date on which any Party notifies the other Parties in writing that a dispute has arisen.

- 22.2 In the event that, despite the Parties using reasonable endeavours to amicably resolve the disputes following the expiry of the twenty (20) Working Day period referred to in clause 22.1 above, the dispute has not been amicably resolved, subject to clause 22.7 any Party may give to the other Parties written notice requiring the dispute to be determined under this clause 22. The notice shall propose both the type and identity of a Specialist and specify the nature and substance of the dispute and the relief sought in relation to the dispute.
- 22.3 Save in respect of any dispute in respect of schedule 4, any dispute over the type of Specialist appropriate to resolve the dispute may be referred at the request of either party to the President or next most senior available officer of the Law Society who will have the power, with the right to take such further advice as he may require, to determine the appropriate type of Specialist and to arrange his nomination under clause 22.4.
- 22.4 Save in respect of any dispute in respect of schedule 4, any dispute over the identity of the Specialist is to be referred at the request of any party to the President or other most senior available officer of the organisation generally recognised as being responsible for the relevant type of Specialist who will have the power, with the right to take such further advice as he may require, to determine and nominate the appropriate Specialist or to arrange his nomination. If no such organisation exists, or the parties cannot agree the identity of the organisation, then the Specialist is to be nominated by the President or next most senior available officer of the Law Society.
- 22.5 The Specialist is to act as an independent expert and:
- (a) each Party may make written representations within ten (10) Working Days of his appointment or within such other period as directed by the Specialist and will copy the written representations to the other Parties;
 - (b) each Party is to have a further ten (10) Working Days or within such other period as directed by the Specialist to make written comments on the other Parties' representations and will copy the written comments to the other Parties;
 - (c) the Specialist is to be at liberty to call for such written evidence from the Parties and to seek such legal or other expert assistance as he or she may reasonably require;
 - (d) the Specialist is not to take oral representations from the Parties without giving both Parties the opportunity to be present and to give evidence and to cross examine each other;
 - (e) the Specialist is to have regard to all representations and evidence before him when making his decision, which is to be in writing, and is to give reasons for his decision;
 - (f) the Specialist is to use all reasonable endeavours to publish his decision within twenty (20) Working Days of receipt of any further written comments made pursuant to clause 22.5(b) or after the ten (10) Working Day period referred to in clause 22.5(b) if no such further written comments are received; and
 - (g) the Specialist's decision shall be binding on the Parties save in the event of fraud or manifest error.
- 22.6 Except where stated to the contrary in this Deed, responsibility for the costs of referring a dispute to a Specialist under this clause 22, including costs connected with the appointment of the Specialist and the Specialist's own costs, but not the legal and other professional costs of any party in relation to a dispute, will be decided by the Specialist.
- 22.7 This clause 22 does not apply to disputes in relation to matters of law or the construction or interpretation of this Deed, which will be subject to the jurisdiction of the courts.

23. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

Any person who is not named in this Deed does not have any right to enforce any term of this Deed under the Contracts (Rights of Third Parties) Act 1999, other than a successor in title or a successor in statutory function.

24. **MISCELLANEOUS**

24.1 The construction validity and performance of this Deed shall be governed by English law.

24.2 If the LBTH Planning Permission shall expire before the LBTH 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 or its successors in title this Deed shall have no further effect in respect of the Site and the Owner shall cease all further works in respect of the Development but without prejudice to the GLA's or LB Tower Hamlets' or TfL's ability to enforce in respect of any breach of the obligations in this Deed made in respect of the LBTH Development occurring prior to such revocation or withdrawal.

24.3 If the LBH Planning Permission shall expire before the LBH 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 or its successors in title this Deed shall have no further effect in respect of the Site and the Owner shall cease all further works in respect of the Development but without prejudice to the GLA's or LB Hackney's or TfL's ability to enforce in respect of any breach of the obligations in this Deed made in respect of the LBH Development occurring prior to such revocation or withdrawal.

24.4 Nothing in this Deed 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 Permissions or any variations or amendments to the Planning Permissions) granted by the Relevant Council or by the relevant Secretary of State on appeal or by reference to him after this date.

24.5 Nothing in this Deed shall imply any obligations on the part of the Authorities to the Parties or to any person to ensure that the Development is properly constructed.

25. **APPROVAL PANEL**

25.1 The Councils shall ensure that the Approval Panel operates at all times in accordance with the terms of reference at Appendix 2 of this Deed unless otherwise agreed in writing.

26. **APPROVALS AND RESPONSES BY THE COUNCILS**

26.1 Subject to clause 27, any Approval requested from a Council shall not be unreasonable or unreasonably withheld or delayed and a response to a request for Approval shall (save where expressly stated to the contrary in this Deed) be given by the Relevant Council within twenty (20) Working Days of such request being received PROVIDED THAT in the event that within ten (10) Working Days of such request being received the Relevant Council requests additional information from the Owner which is reasonably necessary for it to determine the request for Approval, the Relevant Council shall have a further twenty (20) Working Days following receipt of the requested information to determine such request.

26.2 In the event that:

- (a) a response to a request for Approval is not given by the Relevant Council within the time periods specified in clause 26.1 above; or
- (b) the Owner considers that any request for additional information made by the Relevant Council pursuant to clause 26.1 is not reasonable and is intended to

unreasonably delay the Relevant Council's consideration of the request for Approval;
or

- (c) the Relevant Council notifies the Owner pursuant to clause 26.1 that it is refusing to issue an Approval but fails to give reasons for such refusal or the Owner considers that any reasons given are unreasonable,

the Owner may request that the GLA provides the Approval instead pursuant to clause 26.3 and the GLA shall, having first consulted with the Relevant Council, in its absolute discretion elect whether to determine such Approval request as soon as reasonably practicable.

26.3 Where the GLA accepts a referral of an Approval request pursuant to clause 26.2 such Approval shall not be unreasonable or unreasonably withheld or delayed and a response to a request for Approval shall be given by the GLA within twenty (20) Working Days of such request being accepted PROVIDED THAT in the event that within ten (10) Working Days of such request being accepted the GLA requests additional information from the Owner which is reasonably necessary for it to determine the request for Approval, the GLA shall have a further twenty (20) Working Days following receipt of the requested information to determine such request.

26.4 In the event that:

- (a) the GLA does not accept a request for an Approval pursuant to clause 26.2; or
- (b) the GLA having accepted a request does not respond to it within the time periods specified in clause 26.3; or
- (c) the Owner considers that any request for additional information made by the GLA pursuant to clause 26.3 is not reasonable and is intended to unreasonably delay the GLA's consideration of the request for Approval; or
- (d) the GLA notifies the Owner pursuant to clause 26.3 that it is refusing to issue an Approval but fails to give reasons for such refusal or the Owner considers that any reasons given are unreasonable,

the Owner shall be entitled to refer the matter to a Specialist pursuant to clause 22.

26.5 In the event that the GLA accepts a referral of an Approval request pursuant to clause 26.2 and the GLA considers that a request for additional information made by the Relevant Council pursuant to clause 26.1 is reasonable, it shall direct that the Owner provide the additional information to the Relevant Council whereupon the relevant request for Approval shall fall to be determined by the Relevant Council in accordance with clause 26.1 and for the avoidance of doubt clause 26.2 shall continue to apply to such request for Approval.

26.6 In considering an accepted request for Approval pursuant to clause 26.2, the GLA shall consult with the Relevant Council and shall have due regard to any representations received.

26.7 The provisions of this clause 26 are subject to the Owner notifying the Relevant Council and/or the GLA that it will be submitting a request for an Approval at least five (5) Working Days before the date on which such a formal request is to be made.

26.8 This clause 26 does not apply to any confirmation requested by the Owner under clause 31 of this Deed.

26.9 The time limits in clauses 26.1 and 26.3 shall be extended by fifteen (15) Working Days in each instance if the Relevant Council and/or the GLA are required to consult one or more statutory consultee as part of an Approval process.

26.10 In the event that the Owner requests that the GLA provides an Approval pursuant to clause 26.2, the Owner hereby covenants to pay the GLA's reasonable and proper costs of considering such request for Approval as soon as reasonably practicable following receipt of an invoice from the GLA specifying such costs and in any event within fifteen (15) Working Days of receipt of such invoice.

27. **APPROVAL OF CROSS-BOUNDARY OBLIGATIONS BY THE COUNCILS**

27.1 In the event that this Deed requires the Owner to seek Approval from the Approval Panel, a request for Approval shall be submitted to the Councils specifying that Approval is being sought from the Approval Panel.

27.2 Any Approval requested from the Approval Panel shall not be unreasonable or unreasonably withheld or delayed and a response to a request for Approval shall (save where expressly stated to the contrary in this Deed) be given by the Approval Panel within thirty five (35) Working Days of such request being received PROVIDED THAT in the event that within fifteen (15) Working Days of such request being received the Approval Panel requests additional information from the Owner which is reasonably necessary for it to determine the request for Approval, the Approval Panel shall have a further thirty five (35) Working Days following receipt of the requested information to determine such request.

27.3 In the event that:

- (a) a response to a request for Approval is not given by the Approval Panel within the time periods specified in clause 27.2 above;
- (b) the Owner considers that any request for additional information made by the Approval Panel pursuant to clause 27.2 is not reasonable and is intended to unreasonably delay the Approval Panel's consideration of the request for Approval;
- (c) the Approval Panel notifies the Owner pursuant to clause 27.2 that it is refusing to issue an Approval but fails to give reasons for such refusal or the Owner considers that the reasons given are unreasonable; or
- (d) the Approval Panel is dissolved or otherwise ceases to operate in accordance with the terms of reference enclosed at Appendix 2

the Owner may request that the GLA provides the Approval instead pursuant to clause 27.4 and the GLA shall, having first consulted with the Relevant Council, in its absolute discretion elect whether to determine such Approval request as soon as reasonably practicable.

27.4 Where the GLA accepts a referral of an Approval request pursuant to clause 27.3, such Approval shall not be unreasonable or unreasonably withheld or delayed and a response to a request for Approval shall be given by the GLA within thirty five (35) Working Days of such request being accepted PROVIDED THAT in the event that within fifteen (15) Working Days of such request being accepted the GLA requests additional information from the Owner which is reasonably necessary for it to determine the request for Approval, the GLA shall have a further thirty five (35) Working Days following receipt of the requested information to determine such request.

27.5 In considering an accepted request for Approval pursuant to clause 27.3, the GLA shall consult with the Councils and shall have due regard to any representations received.

27.6 In the event that:

- (a) the GLA does not accept a request for an Approval pursuant to clause 27.3; or
- (b) the GLA having accepted a request does not respond to it within the time periods specified in clause 27.4; or

- (c) the Owner considers that any request for additional information made by the GLA pursuant to clause 27.4 is not reasonable and is intended to unreasonably delay the GLA's consideration of the request for Approval; or
- (d) the GLA notifies the Owner pursuant to clause 27.4 that it is refusing to issue an Approval but fails to give reasons for such refusal or the Owner considers that any reasons given are unreasonable;

the Owner shall be entitled to refer the matter to a Specialist pursuant to clause 22.

- 27.7 In the event that the GLA accepts a referral of an Approval request pursuant to clause 27.3(b) and the GLA considers that a request for additional information made by the Approval Panel pursuant to clause 27.2 is reasonable, it shall direct that the Owner provide the additional information to the Approval Panel whereupon the relevant request for Approval shall fall to be determined by the Approval Panel in accordance with clause 27.2 and for the avoidance of doubt clause 27.3 shall continue to apply to such request for Approval.
- 27.8 The provisions of this clause 27 are subject to the Owner notifying the Councils and the GLA that it will be submitting a request for an Approval at least five (5) Working Days before the date on which such a formal request is to be made.
- 27.9 The time limits in clause 27.2 and 27.4 shall be extended by fifteen (15) Working Days in each instance if the Approval Panel and/or the GLA are required to consult one or more statutory consultees as part of an Approval process.
- 27.10 In the event that the Owner requests that the GLA provides an Approval pursuant to clause 27.3, the Owner hereby covenants to pay the GLA's reasonable and proper costs of considering such request for Approval as soon as reasonably practicable following receipt of an invoice from the GLA specifying such costs and in any event within fifteen (15) Working Days of receipt of such invoice.

28. **APPROVALS AND RESPONSES BY TFL**

- 28.1 Any Approval requested from Tfl pursuant to the terms of this Deed shall not be unreasonable or unreasonably withheld or delayed and a response to a request for Approval shall be given by Tfl within twenty (20) Working Days of such request being received PROVIDED THAT in the event that within ten (10) Working Days of such request being received Tfl requests additional information from the Owner which is reasonably necessary for it to determine the request for Approval, Tfl shall have a further twenty (20) Working Days following receipt of the requested information to determine such request.
- 28.2 In the event that:
 - (a) a response to a request for Approval is not given by Tfl within the time periods specified in clause 28.1 above; or
 - (b) the Owner considers that any request for additional information made by Tfl pursuant to clause 28.1 is not reasonable and is intended to unreasonably delay Tfl's consideration of the request for Approval; or
 - (c) Tfl notifies the Owner pursuant to clause 28.1 that it is refusing to issue an Approval but fails to give reasons for such refusal or the Owner considers that any reasons given are unreasonable,

the Owner shall be entitled to refer the matter to a Specialist pursuant to clause 22.

- 28.3 The provisions of this clause 28 are subject to the Owner notifying TfL that it will be submitting a request for an Approval at least five (5) Working Days before the date on which such a formal request is to be made.
- 28.4 This clause 28 does not apply to any confirmation requested by the Owner under clause 31 of this Deed.
- 28.5 The time limits in clauses 28.1 shall be extended by fifteen (15) Working Days in each instance if TfL is required to consult one or more statutory consultees as part of an Approval process.
- 28.6 In the event that the Owner requests that TfL provides an Approval pursuant to this clause 28, the Owner hereby covenants to pay TfL's reasonable and proper costs of considering such request for Approval as soon as reasonably practicable following receipt of an invoice from TfL specifying such costs and in any event within fifteen (15) Working Days of receipt of such invoice.

29. **ENFORCEMENT COSTS**

Notwithstanding any other terms or provisions in this Deed, the Owner shall pay all costs, charges and expenses (including without prejudice to the generality thereof legal and planning costs and internal and external professional fees) reasonably and properly incurred by the Authorities for the purpose of or directly incidental to the enforcement of any of the Owner's obligations contained in this Deed.

30. **ENFORCEMENT OF CROSS-BOUNDARY OBLIGATIONS**

- 30.1 The Authorities shall use reasonable endeavours to co-operate with each other in respect of the enforcement of any breach of a Cross-Boundary Obligation.
- 30.2 In the event that an Authority intends to enforce against a breach of a Cross-Boundary Obligation, the relevant Authority shall, where practicable, notify the other Authorities of that fact in writing providing details of:
- (a) the alleged breach;
 - (b) the proposed enforcement action;
 - (c) the proposed timescales for bringing enforcement action; and
 - (d) the proposed remedy required.

- 30.3 Following such notice and so far as is reasonably practicable, the Authorities shall use reasonable endeavours to reach agreement as to the enforcement action to be brought with the intention that any action brought by an Authority in respect of a breach shall be consistent with any action brought by any other Authorities and the relevant Authorities shall use reasonable endeavours to bring enforcement action on a joint basis.

31. **TERMINATION OF OBLIGATIONS**

- 31.1 Subject to clause 31.2, in respect of any of the Owner's obligations in this Deed which do not have an end date or a restriction by which compliance with such obligation is required, the Owner may seek confirmation from the Relevant Council or the GLA (as applicable) that such obligations are obsolete, have ceased to have effect or have been fulfilled as the case may be and, subject to the Relevant Council or the GLA (as applicable) Approving the same in writing to the Owner, such obligations shall cease to have effect on receipt of such written confirmation.

31.2 Any written Approval issued by a Relevant Council (but not the GLA) pursuant to a request made by the Owner under clause 31.1 shall only have effect in relation to the obligations in this Deed for which the Relevant Council is the enforcing local planning authority.

32. **DELIVERY**

The provisions of this Deed (other than this clause which shall be of immediate effect) shall be of no effect until this Deed has been dated.

SCHEDULE 1

Draft LBTH Planning Permission

SCHEDULE 2

Draft LBH Planning Permission

SCHEDULE 3

Plans

Table of Section 106 Plans

Plan no.	Subject	Drawing ref.
Plan 1	Site	BGY-FBA-00-00-DR-A-00-0003
Plan 2	NOT USED	
Plan 3	the LBH Site	BGY-FBA-00-00-DR-A-00-0004
Plan 4	the LBTH Site	BGY-FBA-00-00-DR-A-00-0005
Plan 5	Plots	BGY-FBA-00-00-DR-A-00-0025 revision P2
Plan 6	Phasing Plan (1) and (2)	(1) BGY-FBA-00-00-DR-A-00-0038 revision P2 (2) BGY-FBA-00-00-DR-A-00-0039 revision P2
Plan 7	LBH Southern Footway and Carriageway Resurfacing	N/A
Plan 8	LBTH Bethnal Green Road Crossing	N/A
Plan 9	Shoreditch High Street Scheme	N/A
Plan 10	LBTH Site Pedestrian and Cycle Improvements	BGY-FBA-00-00-DR-A-00-0077 revision P1
Plan 11	Cycle Docking Stations	BGY-FBA-00-00-DR-A-00-0031 revision P3
Plan 12	Blue Badge Parking	BGY-FBA-00-00-DR-A-00-0060
Plan 13	Station Entrance Safeguarded Zone	BGY-FBA-00-00-DR-A-00-0203
Plan 14	Service Yards	BGY-FBA-00-00-DR-A-00-0074 revision P1
Plan 15	Park (Platform Level)	BGY-SH-XX-00-DR-L-00-104
Plan 16	Public Spaces	BGY-SH-XX-00-DR-L-00-103
Plan 17(1) Plan 17(2)	24/7 Access Routes Controlled Access Routes	(1) BGY-SH-XX-00-DR-L-00-105 (2) BGY-SH-XX-00-DR-L-00-106

Plan 18	Community and Cultural Floorspace	BGY-FBA-00-00-DR-A-00-0075 revision P1
Plan 19	Oriel Gateway	BGY-FBA-00-00-DR-A-00-0076 revision P1
Plan 20	Suburban Line Tunnel	BGY-FBA-00-00-DR-A-00-0078 Rev P1
Plan 21	East London Line Envelope	BGY-FBA-00-00-DR-A-00-0079 Rev P1
Plan 22	Wheler Street Bridge Structure	NRV-11A
Plan 23	Retaining Wall(s)	LB0001 Rev P1
Plan 24	8 Tracking Box	NGSK-020- Issue 02

SCHEDULE 4

Affordable Housing and Viability Review Mechanism

1. DEFINITIONS

1.1 In this schedule the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"Affordable Housing" means housing including London Affordable Rented Housing, Tower Hamlets Living Rent Housing, Discounted Market Rent Housing, London Living Rent Housing and London Shared Ownership Housing provided to eligible households whose needs are not met by the market and which housing should (a) meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local housing prices, and (b) include provision for the home to remain at an affordable price for future eligible households, or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision within Greater London (as defined in section 2 of the London Government Act 1963);

"Affordable Housing Target Tenure Split" means:

- (a) a minimum of 45.5 per cent (by Habitable Room) of the Affordable Housing Units to be provided as London Affordable Rented Housing;
- (b) a minimum of 24.5 per cent (by Habitable Room) of the Affordable Housing Units to be provided as Tower Hamlets Living Rent Housing; and
- (c) the remaining Affordable Housing Units (comprising not more than 30 per cent (by Habitable Room)) to be provided as London Living Rent Housing;

"Affordable Housing Tenure Split" means:

- (a) a minimum of 24.5 per cent (by Habitable Room) of the Affordable Housing Units to be provided as London Affordable Rented Housing;
- (b) a minimum of 24.5 per cent (by Habitable Room) of the Affordable Housing Units to be provided as Tower Hamlets Living Rent Housing;
- (c) a minimum of 25.5 per cent (by Habitable Room) of the Affordable Housing Units, subject to the Converted Affordable Housing Scheme approved by the GLA and LB Tower Hamlets (if applicable), to be provided as London Living Rent Housing;
- (d) the remaining Affordable Housing Units to be provided, subject to the Converted Affordable Housing Scheme approved by the GLA and LB Tower Hamlets (if applicable), as:
 - (i) London Shared Ownership Housing subject to an unrestricted market value of £600,000 (or such increased figure as may otherwise be agreed with the GLA and LB Tower Hamlets (if applicable)); and
 - (ii) Discounted Market Rent,

and in the event the value of any Affordable Housing Unit to be provided as London Shared Ownership Housing Unit would exceed £600,000 (as may be adjusted in line with any figure agreed with the GLA and LB Tower Hamlets if applicable) such unit shall instead be provided as Discounted Market Rent Housing; and

- (e) all three-bedroom Intermediate Housing Units to be provided as London Living Rent Housing and all other London Living Rent Housing Units to be provided as two-bedroom units;

"Affordable Housing Units" means the Residential Units forming part of the LBTH Development to be provided as Affordable Housing in accordance with the Affordable Housing Tenure Split and comprising not less than 50 per cent (by Habitable Room) of the Residential Units and "Affordable Housing Unit" shall be construed accordingly;

"Average Discounted Market Rent Housing Value" means the average value of Discounted Market Rent Housing floor space per square metre on the Land at the Review Date based on the relevant information provided to establish the Estimated GDV to be assessed by the GLA, LB Tower Hamlets and the Owner and which is to be "C" in Formula 2a and Formula 2b;

"Average London Living Rent Housing Value" means the average value of London Living Rent Housing floor space per square metre on the Land at the Review Date based on the relevant information provided to establish the Estimated GDV to be assessed by the GLA, LB Tower Hamlets and the Owner and which is to be "B" in Formula 2b;

"Average London Affordable Rented Housing Value" means the average value of London Affordable Rented Housing floor space per square metre on the Land at the Review Date based on the relevant information provided to establish the Estimated GDV to be assessed by the GLA, LB Tower Hamlets and the Owner and which is to be "B" in Formula 2a;

"Average London Shared Ownership Housing Value" means the average value of London Shared Ownership Housing floor space per square metre on the Land at the Review Date based on the relevant information provided to establish the Estimated GDV to be assessed by the GLA, LB Tower Hamlets and the Owner and which is to be "A" in Formula 2a and Formula 2b;

"Build Costs" means the build costs comprising construction of the Development attributable to the Open Market Housing Units supported by evidence of these costs to LB Tower Hamlets' and the GLA'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's quantity surveyor, costs consultant or agent

but for the avoidance of doubt build costs exclude:

- (a) professional, finance, legal and marketing costs; and
- (b) all internal costs of the Owner including but not limited to project management costs, overheads and administration expenses;

"Charge" means a mortgage, charge or other security or loan documentation granting a security interest in the Affordable Housing Units (including any Converted LAR Housing Units and any Converted LLR Housing Units) (or any number of them) in favour of the Chargee;

"Chargee" means any mortgagee or chargee of the Registered Provider of the Affordable Housing Units (including any Converted LAR Housing Units and any Converted LLR Housing Units) (or any number of them) and any receiver (including an administrative receiver) and manager appointed by such mortgagee or chargee or any other person appointed under any security documentation to enable such mortgagee or chargee to realise its security or any administrator (howsoever appointed) including a housing administrator;

"Converted Affordable Housing Scheme" means a scheme to be prepared by the Owner and submitted to LB Tower Hamlets in accordance with paragraph 8 or paragraph 9.7 detailing the Discounted Market Rent Housing Units and London Shared Ownership Housing Units to be converted to London Affordable Rented Housing and London Living Rent Housing (at the ratio of 70% London Affordable Rented Housing to 30% London Living Rent Housing) and which:

- (a) confirms which Discounted Market Rent Housing Units and London Shared Ownership Housing Units are to be converted into London Affordable Rented Housing Units and London Living Rent Housing Units (applying Formula 2a and Formula 2b);
- (b) contains 1:50 plans showing the location, size and internal layout of each Converted LAR Housing Unit and Converted LLR Housing Unit;
- (c) provides an indicative timetable for construction and delivery of the Converted LAR Housing Units and Converted LLR Housing Units; and
- (d) sets out the amount (if any) of any financial contribution also payable towards offsite Affordable Housing if paragraph 9.10 applies;

"Converted LAR Housing Units" means the Discounted Market Rent Housing Units and London Shared Ownership Housing Units to be converted to London Affordable Rented Housing pursuant to a Converted Affordable Housing Scheme approved under paragraph 9;

"Converted LLR Housing Units" means the Discounted Market Rent Housing Units and London Shared Ownership Housing Units to be converted to London Living Rent Housing pursuant to a Converted Affordable Housing Scheme approved under paragraph 9;

"CPI" means the Consumer Price Index or any successor to that index from time to time;

"Date of Deemed Service" means, in each instance where a Chargee has served a Default Notice under paragraph 4.1(a), the later of the following two dates:

- (a) the following date in respect of service on LB Tower Hamlets:
 - (i) in the case of service by delivery by hand of the Default Notice to LB Tower Hamlets' offices at the Town Hall, Mulberry Place, 5 Clove Crescent, E14 2BG between 8.30 a.m. and 5 p.m. on a Working Day, the date on which the Default Notice is so delivered; or
 - (ii) in the case of service by using first class registered post to LB Tower Hamlets' offices at the Town Hall, Mulberry Place, 5 Clove Crescent, E14 2BG, the second Working Day after the date on which the Default Notice is posted (by being placed in a post box or being collected by or delivered to Royal Mail) PROVIDED THAT the Chargee is able to evidence that the Default Notice was actually delivered to LB Tower Hamlets (by Royal Mail proof of delivery or otherwise); and
- (b) the following date in respect of service on the GLA:
 - (i) in the case of service by delivery by hand of the Default Notice to both the GLA's offices at City Hall, Kamal Chunchie Way, London, E16 1ZE (addressed to the Chief Planner) and TfL's offices at 5 Endeavour Square, Stratford, London, E20 1JN (addressed to TfL's Legal Manager for Property and Planning) in both cases between 9 a.m. and 5 p.m. on a Working Day, the first date on which the Default Notice has been delivered to both offices; or
 - (ii) in the case of service by using first class registered post to both the GLA's offices at City Hall, Kamal Chunchie Way, London, E16 1ZE (addressed to the

Chief Planner) and TfL's offices at 5 Endeavour Square, Stratford, London, E20 1JN (addressed to TfL's Legal Manager for Property and Planning), the second Working Day after the date on which the Default Notice is posted to both offices (by being placed in a post box or being collected by or delivered to Royal Mail) PROVIDED THAT the Chargee is able to evidence that the Default Notice was actually delivered to both offices (by Royal Mail proof of delivery or otherwise);

"Default Notice" means a notice in writing served on the GLA and LB Tower Hamlets by the Chargee under paragraph 4.1(a) of the Chargee's intention to enforce its security over the relevant Affordable Housing Units and/or Converted LAR Housing Units and/or Converted LLR Housing Units;

"Development Viability Information" means:

- (a) in respect of Formula 1a:
 - (i) Estimated GDV; and
 - (ii) Estimated Build Costs; and
- (b) in respect of Formula 2a and Formula 2b:
 - (i) Average London Shared Ownership Housing Value;
 - (ii) Average London Affordable Rented Housing Value;
 - (iii) Average London Living Rent Housing Value; and
 - (iv) Average Discounted Market Rent Housing Value,

and including in each case supporting evidence to the GLA's and LB Tower Hamlets' reasonable satisfaction;

"Direction" means a direction to the Regulator of Social Housing in relation to rent given by the Secretary of State from time to time pursuant to Section 197 of the Housing and Regeneration Act 2008;

"Discounted Market Rent Housing" means housing offered to Eligible Renters that is required to be offered on a time limited tenancy:

- (a) with a minimum term of three years unless a shorter term is requested by the prospective tenant;
- (b) with a break clause allowing the tenant to end the tenancy any time after the first six months of the tenancy with one month's notice;
- (c) at a rent that is not more than 80 per cent of market rent and on the basis that average annual housing costs, including rent and Service Charges:
 - (i) must not exceed 28 per cent of the relevant annual gross income upper limit (such 28 per cent being equivalent to 40 per cent of net income, with net income being assumed to be 70 per cent of gross income) specified in the London Plan Annual Monitoring Report; and
 - (ii) in respect of the following sizes of units, must not exceed 28 per cent of the corresponding annual gross income upper limit below (such 28 per cent being equivalent to 40 per cent of net income, with net income being assumed to be 70 per cent of gross income) PROVIDED THAT this restriction shall only

apply to the first letting of each Discounted Market Rent Housing Unit and only if such letting is secured by an Eligible Renter within the first three months of the Discounted Market Rent Housing Unit being marketed:

- (A) one-bedroom: £47,000 (such figure to be increased by the percentage increase in the CPI from the date of this Deed to the date of the letting but which shall not exceed the maximum amount in the London Plan Annual Monitoring Report);
- (B) two-bedroom: £52,000 (such figure to be increased by the percentage increase in the CPI from the date of this Deed to the date of the letting but which shall not exceed the maximum amount in the London Plan Annual Monitoring Report);
- (C) three-bedroom and four-bedroom: £60,000 or, if higher, the relevant maximum income cap specified in the annual London Plan Annual Monitoring Report at the time of delivery of the relevant Discounted Market Rent Housing Unit;

and for the avoidance of doubt if, following the expiry of the three month marketing period during which a Discounted Market Rent Housing Unit is available for occupation, an offer has not been received by an Eligible Renter, the relevant maximum income cap specified in the London Plan Annual Monitoring Report can apply to that Discounted Market Rent Housing Unit;

"Discounted Market Rent Housing Units" means the Affordable Housing Units (the precise location of which shall be submitted to and approved by LB Tower Hamlets as part of the relevant application for approval of reserved matters) to be made available for Discounted Market Rent Housing in accordance with this schedule 4;

"Eligible Purchaser" means a purchaser or purchasers whose Household Income at the date of purchasing the relevant London Shared Ownership Housing Unit does not exceed the relevant upper limit specified in the latest London Plan Annual Monitoring Report such amount at the date of this Deed being £90,000;

"Eligible Renter" means an existing private or social tenant (or tenants) without sufficient combined current savings to purchase a home in the local area and whose Household Income at the date of renting the relevant Discounted Market Rent Housing Unit or London Living Rent Housing Unit does not exceed the relevant upper limit specified in the latest London Plan Annual Monitoring Report such amount at the date of this Deed being £60,000 and who meets the other criteria (if any) specified in the latest London Plan Annual Monitoring Report;

"Estimated Build Costs" means the sum of:

- (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" means the price at which a sale of the Open Market Housing Units would have been completed unconditionally for cash consideration on the Review Date based on detailed comparable market evidence to be assessed by LB Tower Hamlets and the GLA and assuming:

- (a) a willing seller and a willing buyer;
- (b) that, prior to the date of valuation, there has been a reasonable period of not less than six months for the proper marketing of the interest (having regard to the nature

of the property and the state of the market) for the agreement of the price and terms and for the completion of the sale;

- (c) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- (d) that both parties to the transaction have acted knowledgeably, prudently and without compulsion;

"External Consultant" means the external consultant(s) appointed by LB Tower Hamlets and/or the GLA to assess the Development Viability Information;

"Formula 1a" means the formula identified as "Formula 1a" within annex 3 to this schedule 4;

"Formula 2a" means the formula identified as "Formula 2a" within annex 3 to this schedule 4;

"Formula 2b" means the formula identified as "Formula 2b" within annex 3 to this schedule 4;

"Free-to-Use Amenities" means the amenities of the Development for the use and enjoyment of occupiers of Residential Units at no cost other than those forming part of the Service Charge, including but not limited to all communal external amenity spaces within each block of the Development, all play equipment/playgrounds, all public realm (including the Park, Pedestrian Routes and Public Square), 24 hour security presence and CCTV coverage and any NHS healthcare facilities (including dentist) located on the Site;

"Guidance on Rents for Social Housing" means the Department for Communities and Local Government's Guidance on Rents for Social Housing (May 2014) or such replacement guidance issued by that department or its successor from time to time;

"Habitable Room" means any room within a Residential Unit the primary use of which is for living, sleeping and/or dining and which expressly includes any room which is used as a kitchen with a floor area of 13 square metres or more, a living room, a dining room or a bedroom but expressly excludes any room which is used as a kitchen with a floor area of less than 13 square metres, a bathroom, a toilet, a corridor or a hall;

"Household" means, in relation to a person "A", A and all other persons who would, after purchasing a London Shared Ownership Housing Unit or renting a Discounted Market Rent Housing Unit or London Living Rent Housing Unit (as appropriate) share that London Shared Ownership Housing Unit, Discounted Market Rent Housing or London Living Rent Housing Unit with A and one another as the only or main residence of both A and such other persons;

"Household Income" means:

- (a) in relation to a single Eligible Purchaser or a single Eligible Renter, the gross annual income of that Eligible Purchaser's or Eligible Renter's Household; and
- (b) in relation to joint Eligible Purchasers or joint Eligible Renters, the combined gross annual incomes of those Eligible Purchasers' or Eligible Renters' Households;

"Housing Mix" means the mix of Residential Units comprised within the Development in accordance with the schedule at annex 1 of this schedule 4 or such variation thereto as may be Approved by the GLA and LB Tower Hamlets (if applicable);

"Intention Notice" means a notice in writing served on the Chargee by the GLA or LB Tower Hamlets under paragraph 4.2 that LB Tower Hamlets or the GLA (or LB Tower Hamlets' or the GLA's nominated substitute Registered Provider) is minded to purchase the

relevant Affordable Housing Units and/or Converted LAR Housing Units and/or Converted LLR Housing Units;

"Intermediate Housing Units" means the Affordable Housing Units to be provided as Discounted Market Rent Housing, London Living Rent Housing and London Shared Ownership Housing;

"LBTH Local Area" means LB Tower Hamlets' administrative area;

"LBTH Rents and Nominations Agreement" means the rent nominations agreement to be entered into pursuant to paragraph 3.1(f) of this schedule 4 substantially in the form of the draft attached at annex 3 of this schedule 4 or such other suitable form agreed by an Registered Provider and LB Tower Hamlets (acting reasonably);

"London Affordable Rented Housing" means rented housing provided by a Registered Provider that has the same characteristics as Social Rented Housing except that it is not required to be let at Target Rents but is subject to other rent controls that require it to be offered to eligible households in accordance with Part VI of the Housing Act 1996 at a rent that is:

- (a) including Service Charges, up to 80 per cent of local market rents; and
- (b) excluding Service Charges, no higher than the London Affordable Rented Housing benchmark rents published by the GLA annually;

"London Affordable Rented Housing Units" means the Affordable Housing Units (the precise location of which shall be submitted to and approved by LB Tower Hamlets as part of the application for approval reserved matters) to be made available for London Affordable Rented Housing in accordance with this schedule 4 including Converted LAR Housing Units;

"London Living Rent Housing" means rented housing provided by a Registered Provider that is required to be offered to Eligible Renters on a time-limited tenancy:

- (a) with a minimum term of three years unless a shorter term is requested by the prospective tenant;
- (b) with a break clause allowing the tenant to end the tenancy any time after the first six months of the tenancy with one month's notice;
- (c) at rents not exceeding the relevant maximum rents published by the GLA annually and together with other annual housing costs including Service Charges do not exceed 28 per cent of the relevant gross income upper limit (such 28 per cent being equivalent to 40 per cent of net income, with net income being assumed to be 70 per cent of gross income), specified in the London Plan Annual Monitoring Report; and
- (d) under which rent increases (in percentage terms) within the term of the tenancy in question will not be more than the percentage increase in the CPI for the relevant period PROVIDED THAT initial rents for subsequent lettings will reset in accordance with sub-paragraph (c) above;

"London Living Rent Housing Units" means the Affordable Housing Units to be made available for London Living Rent Housing in accordance with this schedule 4 including Converted LLR Housing Units;

"London Plan Annual Monitoring Report" means the monitoring report published annually by the Mayor of London reviewing the progress being made in implementing the policies and addressing the objectives of the London Plan or any replacement GLA guidance or policy;

"London Shared Ownership Housing" means housing offered to Eligible Purchasers to be occupied partly for rent and partly by way of owner occupation on shared ownership arrangements as defined in section 70(4) of the Housing and Regeneration Act 2008 (or any amended or replacement provision) where the shared ownership lessee for the time being has the right to carry out Staircasing and dispose of the unit on the open market and on the basis that average annual housing costs, including Service Charges and mortgage payments (assuming reasonable interest rates and deposit requirements):

- (a) must not exceed 28 per cent of the relevant annual gross income upper limit (such 28 per cent being equivalent to 40 per cent of net income, with net income being assumed to be 70 per cent of gross income) specified in the London Plan Annual Monitoring Report; and
- (b) in respect of each London Shared Ownership Housing Unit, must not exceed 28 per cent of the relevant annual gross income upper limit below (such 28 per cent being equivalent to 40 per cent of net income, with net income being assumed to be 70 per cent of gross income) PROVIDED THAT this restriction shall apply only to the first letting of each London Shared Ownership Housing Unit and only if such letting is secured by an Eligible Purchaser within the first three months of the London Shared Ownership Housing Unit being marketed:
 - (i) one-bedroom: £47,000 (such figure to be increased by the percentage increase in the CPI from the date of this Deed to the date of the letting); and
 - (ii) two-bedroom: £52,000 (such figure to be increased by the percentage increase in the CPI from the date of this Deed to the date of the letting);

and for the avoidance of doubt if, following the expiry of the three month marketing period during which a London Shared Ownership Housing Unit is available for occupation, an offer has not been received by an Eligible Purchaser, the maximum income caps specified in the London Plan Annual Monitoring Report can apply to that London Shared Ownership Housing Unit

and also on the basis that annual rent (excluding Service Charges) for each unit shall not exceed 2.75 per cent of the equity retained by the relevant Registered Provider from time to time, such equity to be determined upon the assumption that the unit may be let or sold in the open market free of any restriction or condition limiting the use of the unit to Affordable Housing

and **"London Shared Ownership Lease"** and **"London Shared Ownership Lessee"** shall be construed accordingly;

"London Shared Ownership Housing Units" means the Affordable Housing Units to be made available for London Shared Ownership Housing in accordance with this schedule 4;

"Low Cost Rent Housing" means London Affordable Rented Housing and Tower Hamlets Living Rent Housing;

"Moratorium Period" means, in each instance where a Chargee has served a Default Notice under paragraph 4.1(a), the period from (and including) the Date of Deemed Service to (and including) the date falling three months after such Date of Deemed Service (or such longer period as may be agreed between the Chargee, the GLA and LB Tower Hamlets);

"Open Market Housing Units" means the Residential Units which are to be sold or let on the open market and which are not the Affordable Housing Units;

"Option" means the option to be granted to LB Tower Hamlets (or its nominated substitute Registered Provider) or to the GLA (or its nominated substitute Registered Provider) in

accordance with paragraph 4.3 for the purchase of the relevant Affordable Housing Units and/or the Converted LAR Housing Units and/or Converted LLR Housing Units;

"Pay-to-Use Amenities" means the amenities of the Development for the use and enjoyment of occupiers of Residential Units which are not Free-to-Use Amenities and which will be made available at reasonable charges to which all users shall be subject (in addition to Service Charges) including but not limited to all retail, all cafés, bars and restaurants, the Community Floorspace and Cultural Floorspace, postal and concierge services, private healthcare services (including dentist), co-working spaces and meeting rooms and any sports and fitness facilities located on the Site;

"Planning London Datahub" means the system used by the GLA to monitor information in relation to implementation of the London Plan and any replacement monitoring system used by the GLA;

"Public Subsidy" means funding from LB Tower Hamlets and/or the GLA together with any additional public subsidy secured by the Owner to support the delivery of the Development;

"Purchased LLR Unit" means any London Living Rent Housing Unit which is acquired by its tenant (or tenants) or by another Eligible Purchaser and subsequently owned by that tenant (or tenants) or Eligible Purchaser as London Shared Ownership Housing in accordance with paragraph 6 of this schedule 4

"Registered Provider" means a provider of Affordable Housing registered under section 111 of the Housing and Regeneration Act 2008 (or such other relevant previous statutory provision) and Approved by LB Tower Hamlets such Approval not to be unreasonably withheld or delayed;

"Regulator of Social Housing" means the Regulator of Social Housing established under Part 2 of the Housing and Regeneration Act 2008 and responsible for the regulation of private registered providers of social housing in England, or any successor body or organisation;

"Rent Standard" means any standard set by the Regulator of Social Housing in relation to rent (including any associated explanatory notes, statements or guidance) from time to time under Section 194 of the Housing and Regeneration Act 2008 pursuant to any then applicable Direction;

"Residential Units" means up to 500 units of Use Class C3 residential accommodation comprised within the Development to be provided in accordance with the Housing Mix (but subject to the approved Converted Affordable Housing Scheme, if any) comprising the Open Market Housing Units and the Affordable Housing Units;

"Review Date" means the date of the submission of the Development Viability Information pursuant to paragraph 7;

"RTA Purchaser" means a former tenant of an Affordable Housing Unit who purchases that Affordable Housing Unit under the provisions of the right to acquire created by Section 180 of the Housing and Regeneration Act 2008 or the preserved right to buy created by Part V Housing Act 1985 or any other statutory right in force from time to time entitling a tenant (or tenants) of a Registered Provider to purchase their homes;

"Service Charges" means all amounts payable by a tenant or owner (as appropriate) of the relevant London Affordable Rented Housing Unit, Converted LAR Housing Unit, Converted LLR Housing Unit, Tower Hamlets Living Rent Housing Unit, Discounted Market Rent Housing Unit, London Living Rent Housing Unit or London Shared Ownership Housing Unit as part of or in addition to the rent and directly or indirectly for services, repairs,

maintenance, improvements, insurance and/or the landlord's costs of management in relation to that unit;

"Social Rented Housing" means rented housing owned and managed by local authorities or Registered Providers and let at Target Rents;

"Staircasing" means the acquisition by a London Shared Ownership Lessee of additional equity in a London Shared Ownership Housing Unit up to a maximum of 100 per cent equity and **"Staircased"** shall be construed accordingly;

"Substantial Implementation" means the occurrence of all of the following in respect of the Development:

- (a) completion of all ground preparation works for a building containing no fewer than 100 Residential Units and all site-wide enabling works;
- (b) completion of the foundations for the core of the relevant building containing no fewer than 100 Residential Units;
- (c) completion of the first floor slab of the relevant building containing no fewer than 100 Residential Units; and
- (d) letting of a contract for the construction of the relevant building containing no fewer than 100 Residential Units;

"Substantial Implementation Target Date" means, subject to paragraph 7.10 of this schedule 4, the date falling 36 months from but excluding the date of grant of the LBTH Planning Permission;

"Sums Due" means all sums due to a Chargee of the Affordable Housing Units and/or the Converted LAR Housing Units and/or Converted LLR Housing Units pursuant to the terms of its Charge including (without limitation) all interest and reasonable legal and administrative fees costs and expenses;

"Target Rents" means rents for social rented properties conforming with the pattern produced by the formula rent set out in the Rent Standard and subject to the rent caps, rent flexibility level and limit on changes to rents as set out in the Rent Standard from time to time;

"Tower Hamlets Living Rent Housing" means affordable rented housing which is not required to be let at Target Rents but at rents published by LB Tower Hamlets annually at borough wide level (inclusive of Service Charges) and which are calculated to represent one third of median incomes in the London Borough of Tower Hamlets (as published at the date of the relevant letting) or where such rents cease to be published annually by LB Tower Hamlets, let at the last published rent level and indexed by reference to the CPI plus 1% or such other rents as may replace them or as may be agreed in writing with the LB Tower Hamlets; and

"Tower Hamlets Living Rent Housing Units" means the Affordable Housing Units to be made available for Tower Hamlets Living Rent Housing in accordance with this schedule 4.

2. **AFFORDABLE HOUSING MINIMUM AND MAXIMUM PROVISION**

- 2.1 The Owner shall provide the Affordable Housing Units in accordance with the remaining paragraphs of this schedule 4.
- 2.2 The Affordable Housing Units shall not be less than 50 per cent (by Habitable Room) of the Residential Units and shall be provided in accordance with the Affordable Housing Tenure Split.

2.3 Nothing in this schedule 4 requires the Owner to provide more than 50 per cent (by Habitable Room) of the Residential Units as Affordable Housing PROVIDED THAT the tenure split of the Affordable Housing Units accords with the Affordable Housing Target Tenure Split.

3. **AFFORDABLE HOUSING PROVISION**

3.1 The Owner shall:

- (a) construct or procure the construction of the Affordable Housing Units;
- (b) if any Converted LAR Housing Units or Converted LLR Housing Units are required, construct or procure the construction of those units in accordance with the Converted Affordable Housing Scheme approved by the GLA and LB Tower Hamlets;
- (c) ensure that all of the Affordable Housing Units are designed and built to meet the quality and design standards of the London Plan and associated planning guidance to the extent compatible with the Planning Permissions;
- (d) ensure that 10 per cent of the Affordable Housing Units are accessible or easily adaptable for wheelchair users across all tenures and unit sizes, provide details including 1:50 floor plans of the proposed wheelchair-accessible Affordable Housing Units to LB Tower Hamlets for Approval prior to Commencement of the relevant Plot and notify LB Tower Hamlets in writing at least nine months prior to the Practical Completion of the relevant units;
- (e) not Occupy any Plot containing Affordable Housing Units unless and until an agreement for the disposal of the relevant Affordable Housing Units to a Registered Provider in accordance with paragraph (f) below has been entered into PROVIDED THAT this obligation does not apply in the case of Discounted Market Rent Housing;
- (f) ensure that any disposal of the Affordable Housing Units to a Registered Provider is by way of a freehold sale or grant of a lease of not less than 125 years in both cases subject to a condition that the Registered Provider enters into an LBTH Rents and Nominations Agreement with LB Tower Hamlets in respect of the relevant Affordable Housing Units as soon as reasonably practicable following the disposal of the relevant Affordable Housing Units and not to First Occupy the relevant Affordable Housing Units until the Registered Provider has entered into the same;
- (g) not Occupy nor permit or suffer Occupation of more than 50 per cent (by Habitable Room) of the Open Market Housing Units until at least 50 per cent (by Habitable Room) of the required Affordable Housing has been constructed and reached Practical Completion;
- (h) not Occupy nor permit or suffer Occupation of more than 75 per cent of the Open Market Housing Units until 100 per cent (by Habitable Room) of the required Affordable Housing has been constructed and reached Practical Completion.
- (i) not Occupy nor permit or suffer Occupation of more than 25 per cent (by Habitable Room) of the Open Market Housing Units until at least 33 per cent (by Habitable Room) of the required Low Cost Rent Housing has been constructed and made available for Occupation and an LBTH Rents and Nominations Agreement has been entered into with a Registered Provider in relation to those Affordable Housing Units;
- (j) not Occupy nor permit or suffer Occupation of more than 50 per cent of the Open Market Housing Units until at least 67 per cent (by Habitable Room) of the required Low Cost Rent Housing has been constructed and made available for Occupation and an LBTH Rents and Nominations Agreement has been entered into with a Registered Provider in relation to those Affordable Housing Units;

- (k) not Occupy more than one of the following elements of the Development:
 - (i) more than 76,597 square metres GEA of the Office Floorspace; or
 - (ii) the Hotel

until 50 per cent of the Affordable Housing Units have been constructed and reached Practical Completion;
- (l) not Occupy both of the following elements of the Development together:
 - (i) Office Floorspace in excess of 76,597 square metres GEA; and
 - (ii) the Hotel

until 75 per cent of the Affordable Housing Units have been constructed and reached Practical Completion; and
- (m) not Occupy more than 125,496 square metres GEA of the Office Floorspace until 100 per cent of the Affordable Housing Units have been constructed and reached Practical Completion;
- (n) provide to all Occupiers of Affordable Housing Units at no additional charge to the Occupier:
 - (i) full and free rights of access both pedestrian and vehicular over any relevant access road from the boundary of each Affordable Housing Unit to any relevant public highway and, subject to the provisions of Schedule 12, full and free rights of pedestrian access over all areas of public realm including Park, Park Routes (Platform Level), Pedestrian Routes, Public Spaces and Public Squares as defined in Schedule 12; and
 - (ii) full and unrestricted rights for all services and conducting media drains and sewers to be laid and constructed to each Affordable Housing Unit to a standard capable of adoption by the respective service providers;
- (o) provide to all Occupiers of Affordable Housing Units at no additional charge to the Occupier the same full and unrestricted rights of access and use of all:
 - (i) Free-to-Use Amenities of the Development that are available to Occupiers of Open Market Housing Units; and
 - (ii) Pay-to-Use Amenities of the Development that are available to Occupiers of the Open Market Housing Units on equal terms where such Occupiers of Affordable Housing Units agree to pay for such Pay-to-Use Amenities at a fair and reasonable charge

PROVIDED THAT this obligation shall not apply to:

- (iii) Free-to-Use Amenities or Pay-to-Use Amenities where the relevant Registered Provider has opted not to make such amenities available to the Occupiers of the Affordable Housing Units in which it has an interest (UNLESS Occupiers of the relevant Affordable Housing Units have elected to pay for such amenities at a fair and reasonable charge); and
- (iv) postal and concierge services that have been opted-out by a Registered Provider pursuant to paragraph (iii) above and which it would not be reasonably practicable to provide to the Occupiers of an individual Affordable Housing Units in such circumstances;

- (p) ensure that heating and comfort cooling is provided to all Occupiers of Affordable Housing Units at a fair and reasonable price;
- 3.2 The Owner shall (subject to any applicable Converted Affordable Housing Scheme approved by the GLA and LB Tower Hamlets):
- (a) not Occupy nor permit or suffer the Occupation of the London Affordable Rented Housing Units other than as London Affordable Rented Housing for the life of the Development;
 - (b) not Occupy nor permit or suffer the Occupation of the Tower Hamlets Living Rent Housing Units other than as Tower Hamlets Living Rent Housing for the life of the Development;
 - (c) not Occupy nor permit or suffer the Occupation of the London Living Rent Housing Units other than as London Living Rent Housing for the life of the Development, subject to the provisions of paragraph 6 below; and
 - (d) not Occupy nor permit or suffer the Occupation of the Discounted Market Rent Housing Units other than as Discounted Market Rent Housing for the life of the Development; and
 - (e) not Occupy nor permit or suffer the Occupation of the London Shared Ownership Housing Units other than as London Shared Ownership Housing for the life of the Development save where the tenant has acquired the entirety of the equity in the relevant unit through Staircasing.
- 3.3 The obligations and restrictions contained in paragraphs 2 and 3 of this schedule 4 shall not bind:
- (a) any Chargee from time to time who seeks to dispose of any Affordable Housing Unit pursuant to its power of sale exercised pursuant to default of the terms of its Charge (and any successors in title thereto or persons deriving title under such Charge) and who has first complied with the provisions of paragraph 4 below;
 - (b) any RTA Purchaser;
 - (c) any mortgagee or chargee of a London Shared Ownership Housing Unit lawfully exercising the mortgagee protection provision within a London Shared Ownership Lease;
 - (d) any lessee of a London Shared Ownership Housing Unit where the lessee has Staircased to 100% ownership of such unit; or
 - (e) any person or body deriving title through or from any of the parties mentioned in paragraphs 3.3(a) to (d).

4. **CHARGE IN POSSESSION**

- 4.1 In order to benefit from the protection granted by paragraph 3.3(a) above, a Chargee must:
- (a) prior to seeking to dispose of the relevant Affordable Housing Units serve a Default Notice:
 - (i) on LB Tower Hamlets by delivery by hand to its offices at the Town Hall, Mulberry Place, 5 Clove Crescent, E14 2BG between 8.30 a.m. and 5 p.m. on a Working Day or using first class registered post to its offices at the Town Hall, Mulberry Place, 5 Clove Crescent, E14 2BG in either case addressed to the Head of Planning; and

- (ii) on the GLA either (A) by delivery by hand to both the GLA's offices at City Hall, Kamal Churchie Way, London, E16 1ZE , London, SE1 2AA (addressed to the Chief Planner) and TfL's offices at 5 Endeavour Square, Stratford, London, E20 1JN (addressed to TfL's Legal Manager for Property and Planning) in both cases between 9 a.m. and 5 p.m. on a Working Day or (B) by using first class registered post to both the GLA's offices at City Hall, Kamal Churchie Way, London, E16 1ZE (addressed to the Chief Planner) and TfL's offices at 5 Endeavour Square, Stratford, London, E20 1JN (addressed to TfL's Legal Manager for Property and Planning);
 - (b) when serving the Default Notice, provide to the GLA and LB Tower Hamlets official copies of the title registers and plans for the relevant Affordable Housing Units; and
 - (c) subject to paragraph 4.6 below, not exercise its power of sale over or otherwise dispose of the relevant Affordable Housing Units before the expiry of the Moratorium Period except in accordance with paragraph 4.3 below.
- 4.2 From (and including) the first day of the Moratorium Period to (but excluding) the date falling one calendar month later (the "**Intention Notice Period**"), the GLA or LB Tower Hamlets (but not both of them) may serve an Intention Notice on the Chargee but if both the GLA and LB Tower Hamlets do serve Intention Notices then the Intention Notice served first will prevail and the other party's Intention Notice will be deemed not to have been served.
- 4.3 Not later than 15 Working Days after service of the Intention Notice (or such later date during the Moratorium Period as may be agreed in writing between the Chargee and the party who first served the Intention Notice (or that party's nominated substitute Registered Provider) ("**the Buyer**")), the Chargee will grant to the Buyer an exclusive option to purchase the relevant Affordable Housing Units which shall contain the following terms:
- (a) the sale and purchase will be governed by the Standard Commercial Property Conditions (Third Edition – 2018 Revision) (with any variations that may be agreed in writing between the parties to the Option (acting reasonably));
 - (b) the price for the sale and purchase will be agreed in accordance with paragraph 4.4(b) below or determined in accordance with paragraph 4.5 below;
 - (c) PROVIDED THAT the purchase price has been agreed in accordance with paragraph 4.4(b) below or determined in accordance with paragraph 4.5 below, but subject to paragraph 4.3(d) below, the Buyer may (but is not obliged to) exercise the Option and complete the purchase of the relevant Affordable Housing Units at any time prior to the expiry of the Moratorium Period;
 - (d) the Option will expire upon the earlier of:
 - (i) notification in writing by the Buyer to the Chargee that it no longer intends to exercise the Option PROVIDED THAT the Buyer (if not the GLA) has first obtained the GLA's written approval; and
 - (ii) the expiry of the Moratorium Period; and
 - (e) any other terms agreed in writing between the parties to the Option (acting reasonably).
- 4.4 Following the service of the Intention Notice:
- (a) the Chargee shall use reasonable endeavours to reply to enquiries raised by the Buyer in relation to the Affordable Housing Units as expeditiously as possible having regard to the length of the Moratorium Period; and

- (b) the Buyer and the Chargee shall use reasonable endeavours to agree the purchase price for the relevant Affordable Housing Units which shall be the higher of:
 - (i) the price reasonably obtainable in the circumstances having regard to the restrictions as to the use of the relevant Affordable Housing Units contained in this schedule 4; and
 - (ii) (unless otherwise agreed in writing between the Buyer and the Chargee) the Sums Due.
- 4.5 On the date falling 10 Working Days after service of the Intention Notice, if the Buyer and the Chargee have not agreed the price pursuant to paragraph 4.4(b)(i) above:
- (a) the Buyer and the Chargee shall use reasonable endeavours to agree the identity of an independent surveyor having at least 10 years' experience in the valuation of affordable/social housing within the London area to determine the dispute and, if the identity is agreed, shall appoint such independent surveyor to determine the dispute;
 - (b) if, on the date falling 15 Working Days after service of the Intention Notice, the Buyer and the Chargee have not been able to agree the identity of an independent surveyor, either party may apply to the President for the time being of the RICS or his deputy to appoint an independent surveyor having at least 10 years' experience in the valuation of affordable/social housing within the London area to determine the dispute;
 - (c) the independent surveyor shall determine the price reasonably obtainable referred to at paragraph 4.4(b)(i) above, due regard being had to all the restrictions imposed upon the relevant Affordable Housing Units by this Deed;
 - (d) the independent surveyor shall act as an expert and not as an arbitrator;
 - (e) the fees and expenses of the independent surveyor are to be borne equally by the parties;
 - (f) the independent surveyor shall make his/her decision and notify the Buyer and the Chargee of that decision no later than 14 days after his/her appointment and in any event within the Moratorium Period; and
 - (g) the independent surveyor's decision will be final and binding (save in the case of manifest error or fraud).
- 4.6 The Chargee may dispose of the relevant Affordable Housing Units free from the obligations, restrictions and other provisions contained in this schedule 4 which shall determine absolutely in respect of those Affordable Housing Units (but subject to any existing tenancies) if:
- (a) neither the GLA nor LB Tower Hamlets has served an Intention Notice before the expiry of the Intention Notice Period; or
 - (b) the Chargee has executed an agreement to grant the Option in accordance with paragraph 4.3 above and has delivered and unconditionally released that agreement to the Buyer for dating and completion but the Buyer has not entered into that agreement with the Chargee on or before the date on which the Moratorium Period expires; or
 - (c) the Buyer has not exercised the Option and completed the purchase of the relevant Affordable Housing Units on or before the date on which the Moratorium Period expires; or

- (d) the Buyer has notified the Chargee in writing pursuant to the Option that it no longer intends to exercise the Option PROVIDED THAT the Buyer (if not the GLA) has first obtained the GLA's written approval.

4.7 The GLA or LB Tower Hamlets (or the GLA's or LB Tower Hamlets' nominated substitute Registered Provider) (as appropriate) and the Chargee shall act reasonably in fulfilling their respective obligations under paragraphs 4.1 to 4.6 above (inclusive).

5. **SERVICE CHARGES**

The Owner covenants with the GLA and LB Tower Hamlets that:

- (a) the amount of the Service Charges shall be fair and reasonable and no more than the actual cost of the services provided;
- (b) the Owner shall not enter into an agreement with a Registered Provider for the disposal of any Affordable Housing Units within a Plot unless and until the maximum initial amount of the Service Charges which may be levied in relation to the Affordable Housing Units in that Plot (such amount to be justified by reference to details of service charges levied on comparable developments located in the London Borough of Tower Hamlets providing Affordable Housing) has been submitted to and Approved in writing by LB Tower Hamlets;
- (c) the relevant Registered Provider shall not increase the maximum amount of Service Charges which may be levied in respect of the Affordable Housing Units in a particular Plot above the maximum amount agreed pursuant to paragraph 5(b) (other than annual increases to reflect indexation in accordance with the CPI) until:
 - (i) it has notified LB Tower Hamlets of the revised maximum amount of Service Charges it proposes to levy (such amount to be justified by reference to details of service charges levied on comparable developments located in the London Borough of Tower Hamlets providing Affordable Housing);
 - (ii) it has provided within fifteen (15) Working Days of any request by LB Tower Hamlets such other details as may reasonably be requested by LB Tower Hamlets as to the process undertaken and the matters taken into account in setting the revised maximum amount of Service Charges to be levied; and
 - (iii) the revised maximum amount of Service Charges which may be levied has been Approved by LB Tower Hamlets or determined pursuant to clause 22.

6. **LONDON LIVING RENT HOUSING UNITS**

6.1 At any time during a tenancy of each London Living Rent Housing Unit, the tenant (or tenants) at that given time of that unit may elect to acquire that unit as London Shared Ownership Housing if that tenant is (or, in the case of multiple tenants, all of the tenants together comprise) an Eligible Purchaser.

6.2 If the tenant (or tenants) of a London Living Rent Housing Unit elects to acquire that unit as London Shared Ownership Housing pursuant to paragraph 6.1 above, the Owner shall grant a London Shared Ownership Lease of that London Living Rent Housing Unit to the tenant (or tenants) PROVIDED THAT the tenant remains (or the tenants together continue to comprise) an Eligible Purchaser on the date of the grant of the London Shared Ownership Lease.

6.3 On the 10th anniversary of the initial letting of each London Living Rent Housing Unit, if the tenant (or tenants) at that given time of that unit has not elected to acquire that unit, the Owner may continue letting that unit as London Living Rent Housing or, at any subsequent time, sell that unit as London Shared Ownership Housing to an Eligible Purchaser PROVIDED

THAT the sale shall only complete after the termination of the current tenancy of that unit as a London Living Rent Housing Unit (if one is in place).

- 6.4 On completion of the grant of a London Shared Ownership Lease of a London Living Rent Housing Unit under paragraph 6.2 or 6.3 above, that unit shall cease to be a London Living Rent Housing Unit and shall become a Purchased LLR Unit.
- 6.5 The Owner shall not Occupy or suffer or permit the Occupation of the Purchased LLR Units other than as London Shared Ownership Housing, save in relation to any Purchased LLR Units in respect of which the relevant Shared Ownership Lessee has Staircased to 100 per cent equity.

7. VIABILITY REVIEW TRIGGER

- 7.1 The Owner shall notify the GLA and LB Tower Hamlets in writing of the date on which it considers that Substantial Implementation has been achieved no later than 10 Working Days after such date and such notice shall be accompanied by full documentary evidence on an open book basis to enable the GLA and LB Tower Hamlets to independently assess whether Substantial Implementation has been achieved and whether it was achieved on or before the Substantial Implementation Target Date.
- 7.2 No later than five (5) Working Days after receiving a written request from the GLA or LB Tower Hamlets, the Owner shall provide to the GLA and LB Tower Hamlets any additional documentary evidence reasonably requested by the GLA or LB Tower Hamlets to enable the GLA and LB Tower Hamlets to determine whether Substantial Implementation has been achieved on or before the Substantial Implementation Target Date.
- 7.3 Following the Owner's notification pursuant to paragraph 7.1, the Owner shall afford the GLA and LB Tower Hamlets access to the Land to inspect and assess whether or not the works which have been undertaken achieve Substantial Implementation PROVIDED ALWAYS THAT the GLA and LB Tower Hamlets shall:
- (a) provide the Owner with reasonable written notice of its intention to carry out such an inspection;
 - (b) comply with relevant health and safety legislation; and
 - (c) at all times be accompanied by the Owner or its agent.
- 7.4 No later than 20 Working Days after the GLA and LB Tower Hamlets receive
- (a) notice pursuant to paragraph 7.1; or
 - (b) if the GLA or LB Tower Hamlets makes a request under paragraph 7.2, the additional documentary evidence,

LB Tower Hamlets (and, if it elects to do so, the GLA) shall inspect the Land and thereafter provide written confirmation to the Owner within 10 Working Days of the inspection date as to whether or not LB Tower Hamlets (and, if the GLA has inspected the Land, the GLA) considers that Substantial Implementation has been achieved and whether it was achieved on or before the Substantial Implementation Target Date.

- 7.5 Subject to paragraph 7.6 below, if LB Tower Hamlets or the GLA notifies the Owner that LB Tower Hamlets or the GLA considers that Substantial Implementation has not been achieved then this paragraph 7 shall continue to apply mutatis mutandis until LB Tower Hamlets (and, if the GLA has elected to inspect the Land, the GLA) has notified the Owner pursuant to paragraph 7.4 that Substantial Implementation has been achieved.

- 7.6 If the GLA elects to inspect the Land, its decision as to whether Substantial Implementation has been achieved and whether it was achieved on or before the Substantial Implementation Target Date (as notified to the Owner under paragraph 7.4 above) shall override LB Tower Hamlets' decision in relation to the same (if any).
- 7.7 Any dispute between the parties regarding whether Substantial Implementation has occurred or whether it occurred on or before the Substantial Implementation Target Date (including a dispute arising from a failure by LB Tower Hamlets (and, if the GLA has elected to inspect the Land, the GLA) to provide the written confirmation in paragraph 7.4 above within the time period specified in that paragraph) may be referred to dispute resolution in accordance with clause 22.
- 7.8 The Owner shall not Occupy the Development or any part thereof until:
- (a) the GLA (or, only if the GLA has not elected to inspect the Land, LB Tower Hamlets) has notified the Owner pursuant to paragraph 7.4, or an independent person has determined pursuant to clause 22 that Substantial Implementation has been achieved on or before the Substantial Implementation Target Date;
 - (b) the GLA has confirmed in writing pursuant to paragraph 9.9 its agreement with LB Tower Hamlets that no Converted LAR Housing Units or Converted LLR Housing Units are required; or
 - (c) if the GLA has confirmed in writing pursuant to paragraph 9.9 or an independent person has determined pursuant to clause 22 that Converted LAR Housing Units and/or Converted LLR Housing Units are required, the GLA has confirmed pursuant to paragraph 9.9 its approval of a Converted Affordable Housing Scheme.
- 7.9 The Owner may request in writing from the GLA an extension of the Substantial Implementation Target Date if they produce evidence to the GLA that:
- (a) both of the following conditions are met:
 - (i) there has been an unreasonable delay by LB Hackney or LB Tower Hamlets in determining an application for approval of any reserved matters under the Planning Permissions that is required to be approved in order for Substantial Implementation to lawfully occur; and
 - (ii) the Owner has submitted the information reasonably required to enable LB Hackney or LB Tower Hamlets to determine the application referred to in paragraph 7.9(a) above; or
 - (b) there has been a delay in achieving Substantial Implementation that has arisen directly as a result of the Covid-19 pandemic.
- 7.10 If the GLA is satisfied (acting reasonably) with the evidence produced under paragraph 7.9 above, it may confirm in writing to the Owner (with a copy to LB Hackney and LB Tower Hamlets) within 20 Working Days of receipt of the evidence produced under paragraph 7.9 that the Substantial Implementation Target Date will be extended to include the time period which has elapsed as a direct result of either LB Hackney's or LB Tower Hamlet's unreasonable delay or the delay which has arisen as a result of the Covid-19 pandemic, such time period to be determined by the GLA in its sole and absolute discretion and for the avoidance of doubt the GLA shall not approve any requested extension for any act or omission on the part of the Owner.

8. SUBMISSION OF DEVELOPMENT VIABILITY INFORMATION AND OTHER INFORMATION

Where Substantial Implementation has not occurred before the Substantial Implementation Target Date (as determined by LB Tower Hamlets or the GLA under paragraph 7.4 (subject to paragraph 7.6) or pursuant to dispute resolution in accordance with clause 22):

- (a) the Owner shall submit to the GLA and LB Tower Hamlets the following information no later than 20 Working Days after the date on which the Owner is notified pursuant to paragraph 7.4, or the date that an independent person has determined pursuant to clause 22, that Substantial Implementation has been achieved, on the basis that LB Tower Hamlets and the GLA may make such information publicly available:
 - (i) the Development Viability Information for Formula 1a and Formula 2a and Formula 2b;
 - (ii) a written statement that applies the applicable Development Viability Information to Formula 1a (PROVIDED ALWAYS THAT if the result produced by Formula 1a is less than zero it shall be deemed to be zero) and Formula 2a and Formula 2b thereby confirming whether in the Owner's view any Converted LAR Housing Units and Converted LLR Housing Units can be provided; and
 - (iii) where such written statement confirms that Converted LAR Housing Units and Converted LLR Housing Units can be provided, a Converted Affordable Housing Scheme; and
- (b) paragraphs 9 and 11 shall apply.

9. ASSESSMENT OF DEVELOPMENT VIABILITY INFORMATION AND OTHER INFORMATION

9.1 LB Tower Hamlets shall assess the information submitted pursuant to paragraph 7.10 and assess whether in its view Converted LAR Housing Units and Converted LLR Housing Units are required to be delivered in accordance with Formula 1a and Formula 2a and Formula 2b and for the avoidance of doubt LB Tower Hamlets (acting reasonably) will be entitled to rely on its own evidence in determining inputs into Formula 1a and Formula 2a and Formula 2b subject to such evidence being relevant and also being provided to the Owner.

9.2 LB Tower Hamlets and the GLA may jointly or each appoint an External Consultant to assess the information submitted pursuant to paragraph 8(a) PROVIDED THAT:

- (a) LB Tower Hamlets shall not appoint any External Consultant without first consulting the GLA as to the identity of such External Consultant and the terms of his/her appointment;
- (b) the External Consultant must be appointed not later than 10 Working Days after submission of the information under paragraph 8(a) above; and
- (c) any External Consultant so appointed will report to LB Tower Hamlets or the GLA (as appropriate, with a copy to the other) or both (if the External Consultant is jointly appointed by LB Tower Hamlets and the GLA):
 - (i) not later than 20 Working Days after the date of receipt by the External Consultant of the information submitted pursuant to paragraph 7.10 if no request is made under paragraph 9.3 below; or

- (ii) not later than 20 Working Days after the date of receipt by the External Consultant of the information submitted pursuant to paragraph 9.4 below, if a request is made under paragraph 9.3 below.

9.3 Not later than 20 Working Days after submission of the information under paragraph 8(a) above, the GLA, LB Tower Hamlets and/or an External Consultant may request in writing from the Owner further Development Viability Information or supporting evidence of the same.

9.4 The Owner shall provide any reasonably required information to the GLA, LB Tower Hamlets or the External Consultant (as applicable and with copies to the other parties) within 10 Working Days of receiving a request under paragraph 9.3 above.

9.5 The process in paragraphs 9.3 and 9.4 may be repeated until the GLA, LB Tower Hamlets and/or the External Consultant (as applicable) has all the information it reasonably requires to assess whether in their view Converted LAR Housing Units and Converted LLR Housing Units are required to be delivered in accordance with Formula 1a and Formula 2a and Formula 2b, with the periods in 9.2(c)(ii), 9.3, 9.4 and 9.6(b) restarting accordingly.

9.6 Not later than:

- (a) 35 Working Days from the submission of the information under paragraph 8(a) above, if no request is made under paragraph 9.3 above; or

- (b) 25 Working Days from the date of receipt by LB Tower Hamlets of the information submitted pursuant to paragraph 9.4 above, if a request is made under paragraph 9.3 above

LB Tower Hamlets shall notify the GLA and the Owner in writing of LB Tower Hamlets' intended decision as to whether any Converted LAR Housing Units and Converted LLR Housing Units are required and whether the submitted Converted Affordable Housing Scheme is approved.

9.7 Where LB Tower Hamlets concludes that Converted LAR Housing Units and Converted LLR Housing Units are required but the Owner's initial submission concluded otherwise or if the Converted Affordable Housing Scheme initially submitted is not approved by LB Tower Hamlets, the Owner shall provide a Converted Affordable Housing Scheme to LB Tower Hamlets (with a copy to the GLA) for approval (such approval not to be unreasonably withheld or delayed) within 15 Working Days of the date on which it receives LB Tower Hamlets' notice pursuant to paragraph 9.6.

9.8 If a Converted Affordable Housing Scheme is submitted to LB Tower Hamlets pursuant to paragraph 9.7, LB Tower Hamlets shall notify the GLA and the Owner in writing of LB Tower Hamlets' intended decision as to whether the submitted Converted Affordable Housing Scheme is approved within 15 Working Days of receipt of the submission and, if the Converted Affordable Housing Scheme is not approved, paragraph 9.7 and this paragraph 9.8 shall continue to apply mutatis mutandis.

9.9 Not later than 15 Working Days after receipt of LB Tower Hamlets' notification under paragraph 9.6 or, if later, LB Tower Hamlets' notification under paragraph 9.8, the GLA shall confirm in writing to LB Tower Hamlets and the Owner whether it agrees with LB Tower Hamlets' intended decision in paragraph 9.6 (including whether to approve the Converted Affordable Housing Scheme, if submitted) as soon as reasonably practicable after receiving notice of that intended decision and the GLA (acting reasonably) will be entitled to rely on its own evidence in determining inputs into Formula 1a and Formula 2a and Formula 2b subject to such evidence being relevant and also being provided to the Owner and LB Tower Hamlets and:

- (a) if the GLA agrees with LB Tower Hamlets' intended decision, paragraphs 9.10 and 9.11 below shall apply (if relevant); and
- (b) if the GLA disagrees with LB Tower Hamlets' intended decision:
 - (i) it shall provide reasons to which the Owner and LB Tower Hamlets shall have regard;
 - (ii) (if required by the GLA) the Owner shall submit, or re-submit, a Converted Affordable Housing Scheme for approval by LB Tower Hamlets, not later than 20 Working Days after the GLA's confirmation pursuant to this paragraph 9.9;
 - (iii) LB Tower Hamlets shall notify the GLA and the Owner in writing of its intended decision as to whether the re-submitted Converted Affordable Housing Scheme is approved not later than 20 Working Days after the Owner's submission pursuant to paragraph 9.9(b)(ii) above; and
 - (iv) this paragraph 9.9 shall apply mutatis mutandis.

9.10 If LB Tower Hamlets' assessment pursuant to paragraph 9.6 concludes, and the GLA has confirmed in writing its agreement with such conclusion in accordance with paragraph 9.9(a) above, that:

- (a) a surplus profit arises following the application of Formula 1a but such surplus profit is insufficient to provide any Converted LAR Housing Units or Converted LLR Housing Units pursuant to Formula 2a and Formula 2b; or
- (b) a surplus profit arises following the application of Formula 1a but such surplus profit cannot deliver a whole number of Converted LAR Housing Units or Converted LLR Housing Units pursuant to Formula 2a and Formula 2b,

then in either scenario the Owner shall pay any such surplus profit allocable to any incomplete Converted LAR Housing Unit or Converted LLR Housing Units to LB Tower Hamlets as a financial contribution towards offsite Affordable Housing not later than 30 Working Days after the GLA's confirmation.

9.11 The Owner shall not Occupy or permit the Occupation of more than 50 per cent of the Open Market Housing Units unless and until it has paid any remaining surplus profit pursuant to paragraph 9.10 to LB Tower Hamlets towards the delivery of offsite Affordable Housing within the LBTH Local Area.

9.12 The Owner shall pay the GLA's and LB Tower Hamlets' costs which are reasonably and properly incurred in assessing the information submitted pursuant to paragraph 7.10 including those of the External Consultant within 20 Working Days of receipt of a written request for payment.

10. **PUBLIC SUBSIDY**

Nothing in this Deed shall prejudice any contractual obligation on the Owner to repay or reimburse any Public Subsidy using any surplus profit that is to be retained by the Owner following the application of Formula 2a and Formula 2b.

11. **MONITORING**

11.1 As soon as reasonably practicable following completion of this Deed the Owner shall report to the GLA through the Planning London Datahub the number and tenure of the Affordable Housing Units by units and Habitable Room and other relevant information relating to the Development as specified in the Planning London Datahub.

- 11.2 The Owner covenants with the GLA to report to the GLA through the Planning London Datahub the information in paragraph 11.3 (to the extent applicable) as soon as reasonably practicable after (if relevant) the GLA's confirmation in writing pursuant to paragraph 9.9 that the Converted Affordable Housing Scheme is approved.
- 11.3 The information referred to in paragraph 11.2 above is:
- (a) the number of the Converted LAR Housing Units and Converted LLR Housing Units (if any) and the number of Habitable Rooms in the Converted LAR Housing Units and Converted LLR Housing Units (if any) and the number of London Shared Ownership Housing Units and Discounted Market Rent Housing Units not converted; and
 - (b) the amount of any financial contribution payable towards offsite Affordable Housing pursuant to paragraph 9.10.

ANNEX 1 TO SCHEDULE 4

Housing Mix by Unit and Habitable Room

Minimum

	1 bed	2 bed	3 bed	4 bed	Total Units	Total Habitable Rooms
Low Cost Rent	18	16	19	10	63	239
Intermediate	18	39	19	0	76	248
Total Affordable Housing	36	55	38	10	139	487
Market Housing	151	49	7	0	207	484
Total	187	104	45	10	346	971

Maximum

	1 bed	2 bed	3 bed	4 bed	Total Units	Total Habitable Rooms
Low Cost Rent	21	27	28	14	90	347
Intermediate	12	39	44	0	95	361
Total Affordable Housing	33	66	72	14	185	708
Market Housing	242	72	1	0	315	705
Total	275	138	73	14	500	1413

ANNEX 2 TO SCHEDULE 4

LBTH Template Rents and Nominations Agreement

ANNEX 3 TO SCHEDULE 4

FORMULA 1a (Surplus profit available for additional on-site affordable housing)

"Surplus profit" = ((A - B) - (D - E)) - P

Where:

A = Estimated GDV (£)

B = $A \div (C + 1)$

C = Percentage change in the Land Registry House Price Index for new build properties for LB Tower Hamlets' administrative area from grant of the LBTH Planning Permission to Review Date (using the latest index figures publicly available) (%)

D = Estimated Build Costs (£)

E = $D \div (F + 1)$

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

P = $(A - B) * Y$

Y = 17.5%, being developer profit as a percentage of GDV for the private residential component as determined as part of the review (%)

Notes:

(A - B) represents the change in GDV of the private residential component of the development from the date of planning permission to the date of review.

(D - E) represents the change in build costs of the private residential component from the date of the planning permission to the date of the review.

FORMULA 2a (Converted LAR Housing Units)

70 per cent of the surplus profit determined in Formula 1a is to be allocated to Converted LAR Housing Units in accordance with the following steps. First, this 70 per cent will be allocated to conversion of London Shared Ownership Housing Units to London Affordable Rented Housing using this formula:

X = Additional London Affordable Rented Housing requirement (Habitable Rooms) (conversion from London Shared Ownership Housing)

$$X = ((E * F) \div (A - B)) \div D$$

Second, if there are insufficient London Shared Ownership Housing Units to convert to Converted LAR Housing Units, all of the London Shared Ownership Housing Units will be converted to Converted LAR Housing Units and the remainder of the 70 per cent will be allocated to conversion of Discounted Market Rent Housing Units to Converted LAR Housing Units using this formula:

Y = Additional London Affordable Rented Housing requirement (Habitable Rooms) (conversion from Discounted Market Rent Housing)

$$Y = ((E * F - G) \div (C - B)) \div D$$

Where (in the case of both equations):

A = Average London Shared Ownership Housing Value (£ per m²)

B = Average London Affordable Rented Housing Value (£ per m²)

C = Average Discounted Market Rent Housing Value (£ per m²)

D = 15.4 m², being the average Habitable Room size for the Development

E = Surplus profit available for Converted LAR Housing Units and Converted LLR Housing Units as determined in Formula 1a (£)

F = 70%, being the percentage of surplus profit to be used to convert London Shared Ownership Housing and, if required, Discounted Market Rent Housing to London Affordable Rented Housing

G = The amount of surplus profit used to convert London Shared Ownership Housing Units to Converted LAR Housing Units

Notes:

(A - B) represents the difference in average value of London Shared Ownership Housing per m² and average value of London Affordable Rented Housing per m² (£).

(C - B) represents the difference in average value of Discounted Market Rent Housing and average value of London Affordable Rented Housing per m² (£).

(E * F) represents the surplus profit to be used to convert London Shared Ownership Housing to London Affordable Rented Housing (£).

$(E * F - G)$ represents the surplus profit to be used to convert Discounted Market Rent Housing to London Affordable Rented Housing (£).

$(E * F) \div (A - B)$ represents the additional London Affordable Rented Housing requirement (conversion from London Shared Ownership Housing) (m²).

$(E * F - G) \div (C - B)$ represents the additional London Affordable Rented Housing requirement (conversion from Discounted Market Rent Housing) (m²).

FORMULA 2b (Converted LLR Housing Units)

Following the application of Formula 2a, 30 per cent of the surplus profit determined in Formula 1a is to be allocated to Converted LLR Housing Units in accordance with the following steps. First, this 30 per cent will be allocated to conversion of London Shared Ownership Housing Units to London Living Rent Housing using this formula:

X = Additional London Living Rent Housing requirement (Habitable Rooms) (conversion from London Shared Ownership Housing)

$$X = ((E * F) \div (A - B)) \div D$$

Second, having first excluded the London Shared Ownership Housing Units to be converted to Converted LAR Housing Units in accordance with Formula 2a, if there are insufficient London Shared Ownership Housing Units to convert to Converted LLR Housing Units, all of the London Shared Ownership Housing Units (other than those to be converted to Converted LAR Housing Units) will be converted to Converted LLR Housing Units and the remainder of the 30 per cent will be allocated to conversion of Discounted Market Rent Housing Units to Converted LLR Housing Units using this formula:

Y = Additional London Living Rent Housing requirement (Habitable Rooms) (conversion from Discounted Market Rent Housing)

$$Y = ((E * F - G) \div (C - B)) \div D$$

Where (in the case of both equations):

A = Average London Shared Ownership Housing Value (£ per m²)

B = Average London Living Rent Housing Value (£ per m²)

C = Average Discounted Market Rent Housing Value (£ per m²)

D = 15.4 m², being the average Habitable Room size for the Development

E = Surplus profit available for Converted LAR Housing Units and Converted LLR Housing Units as determined in Formula 1a (£)

F = 30%, being the percentage of surplus profit to be used to convert London Shared Ownership Housing and, if required, Discounted Market Rent Housing to London Living Rent Housing

G = The amount of surplus profit used to convert London Shared Ownership Housing Units to Converted LLR Housing Units

Notes:

(A - B) represents the difference in average value of London Shared Ownership Housing per m² and average value of London Living Rent Housing per m² (£).

(C - B) represents the difference in average value of Discounted Market Rent Housing and average value of London Living Rent Housing per m² (£).

$(E * F)$ represents the surplus profit to be used to convert London Shared Ownership Housing to London Living Rent Housing (£).

$(E * F - G)$ represents the surplus profit to be used to convert Discounted Market Rent Housing to London Living Rent Housing (£).

$(E * F) \div (A - B)$ represents the additional London Living Rent Housing requirement (conversion from London Shared Ownership Housing) (m²).

$(E * F - G) \div (C - B)$ represents the additional London Living Rent Housing requirement (conversion from Discounted Market Rent Housing) (m²).

SCHEDULE 5

Highways

1. DEFINITIONS

1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"Completion of Detailed Design" means production by TfL of a detailed cost estimate and programme of works for the Shoreditch High Street Scheme, on which the Owner has been consulted and which has had regard for the Construction Programme;

"Construction Programme" means the construction programme for the Development to be submitted and approved as part of the construction management plan pursuant to the Planning Permissions and for the avoidance of doubt such construction programme may be amended from time to time by the Owner in accordance with the Planning Permissions and the Owner shall provide a copy of the updated construction programme to TfL and the Councils as soon as reasonably practicable after it is updated;

"First Building" means the first building of the Development to be Commenced.

"LBH Carriageway Resurfacing Contribution" means £100,000 (ONE HUNDRED THOUSAND POUNDS) Indexed to be used by LB Hackney towards carriageway resurfacing in the vicinity of the Site;

"LBH Redchurch Street Improvement Contribution" means £25,000 (TWENTY-FIVE THOUSAND POUNDS) Indexed to be used by LB Hackney towards public realm improvements on Redchurch Street;

"LBH Southern Footway Resurfacing Contribution" means £155,000 (ONE HUNDRED AND FIFTY-FIVE THOUSAND POUNDS) Indexed to be used by LB Hackney towards footway resurfacing in the vicinity of the Site as shown indicatively on Plan 7;

"LBTH Bethnal Green Road Pedestrian Crossing Contribution" means the sum of £250,000 (TWO HUNDRED AND FIFTY THOUSAND POUNDS) Indexed to be used by LB Tower Hamlets towards improvements to a pedestrian and cycle crossing (Toucan crossing) on Bethnal Green Road in the vicinity of the Site as shown indicatively on Plan 8;

"Section 1 Works" means those parts of the Shoreditch High Street Scheme shown edged blue and labelled "Section 1" on the Shoreditch High Street Scheme Plan comprising major highway and public realm works including the upgrade of the junctions at Shoreditch High Street and Commercial Street, the junction at Shoreditch High Street and Bethnal Green Road, and the junction at Great Eastern Street to mitigate against the increased pedestrian movements resulting from the Development and to provide a safe and accessible route into and away from the Site;

"Section 1 Works Contribution" means the sum of £4,500,000 (FOUR MILLION FIVE HUNDRED THOUSAND POUNDS) Indexed which is the Owner's contribution towards part of the cost of TfL carrying out the Section 1 Works;

"Section 1 Works Demand Notice" means a written notice from TfL:

- (a) confirming that the Completion of Detailed Design has been achieved;
- (b) providing at least 6 months' advance notice of the anticipated date on which TfL intends to let a contract for the delivery of the Section 1 Works;

- (c) specifying the balance of the Section 1 Works Contribution that is due and the amount of Indexation applicable and details of the bank account into which such funds shall be paid;

"Section 2 Works" means highway and public realm works including cycle improvements along Shoreditch High Street between Bethnal Green Road and Rivington Street as shown edged purple and labelled "Section 2" on the Shoreditch High Street Scheme Plan the precise scope of which shall be established as part of the Completion of Detailed Design;

"Section 2 Works Contribution" means the sum of £1,000,000 (ONE MILLION POUNDS) Indexed which is the Owner's contribution towards part of the cost of TfL carrying out the Section 2 Works;

"Shoreditch High Street Scheme" means the major highway and public realm improvement project in the vicinity of the Site for which TfL is the highway authority and lead sponsor, which is shown for indicative purposes only on Plan 9 and which will include that part of Shoreditch High Street running from its junction with Hackney Road to its junction with Commercial Street and Great Eastern Street and is comprised of the Section 1 Works and Section 2 Works;

"Shoreditch High Street Scheme Contribution" means the Section 1 Works Contribution and the Section 2 Works Contribution;

"TfL Highway Reinstatement Works" means reinstatement works to the footways along Shoreditch High Street and Commercial Street fronting the Site between Bethnal Green Road and Quaker Street, which shall include but are not limited to:

- (a) works to link the footway into the on-site public realm, and to create a private forecourt which includes boundary markings;
- (b) removal of the redundant vehicle crossover onto Shoreditch High Street, which includes footway paving works and re-alignment of the kerb; and
- (c) consequential works including drainage, lighting and provision of street furniture where necessary;

all to be carried out in accordance with the TfL Streets Toolkit;

"TfL Streets Toolkit" means the suite of documents and guidance published by TfL from time to time (available as at the date of this Deed from <https://tfl.gov.uk/corporate/publications-and-reports/streets-toolkit>) setting out TfL's requirements in respect of any works proposed to the TLRN, such documents including:

- (a) Station Public Realm Design Guidance
- (b) Streetscape Guidance;
- (c) Sustainable Drainage Systems (SuDS)
- (d) London Cycling Design Standards;
- (e) Accessible Bus Stop Design Guidance; and
- (f) Kerbside Loading Guidance.

"TLRN" means the Transport for London Road Network.

2. **BETHNAL GREEN ROAD PEDESTRIAN CROSSING**

2.1 The Owner shall:

- (a) pay the LBTH Bethnal Green Road Pedestrian Crossing Contribution to LB Tower Hamlets on or prior to the First Occupation of Plot 2; and
- (b) not First Occupy nor suffer or permit the First Occupation of Plot 2 until the LBTH Bethnal Green Road Pedestrian Crossing Contribution has been paid in full to LB Tower Hamlets.

3. **LBH SOUTHERN FOOTWAY RESURFACING**

3.1 The Owner shall:

- (a) pay the LBH Southern Footway Resurfacing Contribution to LB Hackney no later than 6 months prior to the First Occupation of Plot 1; and
- (b) not First Occupy nor suffer or permit the First Occupation of Plot 1 until the LBH Southern Footway Resurfacing Contribution has been paid in full to LB Hackney.

4. **LBH CARRIAGEWAY RESURFACING**

4.1 The Owner shall:

- (a) pay the LBH Carriageway Resurfacing Contribution to LB Hackney no later than 6 months prior to the First Occupation of Plot 1; and
- (b) not First Occupy nor suffer or permit the First Occupation of Plot 1 until the LBH Carriageway Resurfacing Contribution has been paid in full to LB Hackney.

5. **REDCHURCH STREET PUBLIC REALM**

5.1 The Owner shall:

- (a) pay the LBH Redchurch Street Public Realm Contribution to LB Hackney on or prior to the Commencement of Plot 2; and
- (b) not Commence nor suffer or permit the Commencement of Plot 2 until the LBH Redchurch Street Public Realm Contribution has been paid in full to LB Hackney.

6. **TFL HIGHWAY REINSTATEMENT WORKS**

6.1 The Owner shall:

- (a) submit a schedule of works to TfL for its Approval which sets out the full extent of the TfL Highway Reinstatement Works, prior to Occupation of Plot 1, Plot 2, or Plot 3 (whichever occurs first);
- (a) not Occupy, suffer or permit Occupation of Plot 1, Plot 2, or Plot 3 (whichever occurs first) until the schedule of works in paragraph 6.1(a) has been Approved in writing by TfL;
- (b) enter into a Highways Agreement with TfL to secure the TfL Highway Reinstatement Works relating to Plot 1 prior to Occupation of Plot 1, Plot 2, or Plot 3 (whichever occurs first);
- (c) not Occupy, suffer or permit Occupation of Plot 1 until it has entered into a Highways Agreement with TfL to secure the TfL Highway Reinstatement Works.

7. **SHOREDITCH HIGH STREET SCHEME**

7.1 The Owner shall:

- (a) pay the first 15 per cent of the Section 1 Works Contribution to TfL prior to Commencement of the First Building;
- (b) not Commence nor permit or suffer the Commencement of the First Building unless and until it has paid the first 15 per cent of the Section 1 Works Contribution to the TfL;
- (c) pay the remainder of the Section 1 Works Contribution to TfL within six (6) months of receiving the Section 1 Works Demand Notice;
- (d) pay the Section 2 Works Contribution prior to Occupation of more than 50 per cent of the Second Office Building; and
- (e) not Occupy nor permit or suffer the Occupation of more than 50 per cent of the Second Office Building unless and until it has paid the Section 2 Works Contribution to the GLA.

7.2 TfL covenants with the Owner not to:

- (a) serve the Section 1 Works Demand Notice unless it is satisfied that it will enter into a contract for the delivery of the Section 1 Works within the timeframe specified in the notice; and
- (b) use either of the Section 1 Works Contribution and Section 2 Works Contribution for any purpose other than for the design, commissioning and carrying out the Section 1 Works and Section 2 Works, as the case may be.

7.3 If TfL has not used or committed all of the Section 1 Works Contribution on the date falling five years after its receipt of the full Section 1 Works Contribution, TfL shall repay the unexpended balance (without interest) to the Owner not later than twenty (20) Working Days after receiving a written demand from the Owner.

7.4 If TfL has not used or committed all of the Section 2 Works Contribution on the date falling five years after its receipt of the full Section 2 Works Contribution, TfL shall repay the unexpended balance (without interest) to the Owner not later than twenty (20) Working Days after receiving a written demand from the Owner.

7.5 The Owner acknowledges and agrees that the five year period referred to in paragraphs 7.3 and 7.4 above is predicated on the Owner carrying out the Development in a timely manner and substantially in accordance with the Construction Programme and in the event that the Owner fails to carry out the Development substantially in accordance with the Construction Programme the start of the relevant period within which the Owner may serve notice on TfL pursuant to paragraphs 7.3 and 7.4 shall be extended by a period which is proportionate to any relevant delay in the Construction Programme and which shall be agreed in writing between the Owner and TfL.

7.6 TfL covenants with the Owner to liaise with the Owner in respect of the carrying out of the Section 1 Works and Section 2 Works and to provide the Owner with updates on the progress of carrying out the Section 1 Works and Section 2 Works upon reasonable written request from the Owner.

7.7 The Owner covenants with TfL to liaise with TfL in respect of the carrying out of the Development and to provide TfL with updates on the progress of the carrying out of the Development in accordance with the Construction Programme upon reasonable written request from TfL.

SCHEDULE 6

Travel Plans

1. DEFINITIONS

1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"Annual Monitoring Report" means a report setting out a review of the operation of the Approved Phase Travel Plans and prepared in accordance with Section B of the Travel Plan Criteria;

"AP Approved Phase Travel Plan" shall have the meaning given in paragraph 3.3(b) of this schedule;

"Approved Framework Travel Plan" shall have the meaning given in paragraph 2.1(b);

"Approved Phase Travel Plans" means a LBTH Approved Phase Travel Plan, LBH Approved Phase Travel Plan and/or an AP Approved Phase Travel Plan (as applicable);

"Framework Travel Plan" means a plan setting out a package of measures to be adopted by the Owner in the management of the whole Development incorporating the elements set out in the Travel Plan Criteria with a view to *inter alia* reducing trips in Motor Vehicles by Occupiers and users of the Development to and from the Development and promoting the use of environmentally friendly transport;

"Independent Field Company" means a reputable TRICS approved company with not less than five years' experience of carrying out travel plan monitoring;

"LBH Approved Phase Travel Plan" shall have the meaning given in paragraph 3.2(b) of this schedule;

"LBH Travel Plan Monitoring Contribution" means the sum of £5,000 (FIVE THOUSAND POUNDS) Indexed to be used by LB Hackney towards monitoring the operation of and compliance with the Travel Plans;

"LBTH Approved Phase Travel Plan" shall have the meaning given in paragraph 3.1(b) of this schedule;

"Motor Vehicles" means any mechanically propelled vehicles including a motor cycle intended or adapted for use on a road and/or highway; **"Phase Travel Plan"** means a plan setting out a package of measures to be adopted by the Owner in the management of a particular Phase, such plan to be in accordance with the Framework Travel Plan;

"Travel Plans" means such of the Framework Travel Plan, the Approved Framework Travel Plan, the Phase Travel Plans and the Approved Phase Travel Plans as the context so requires; and

"Travel Plan Criteria" means the standards and criteria set out in Part 2 to this Schedule;

"TRICS" means the national standard system of trip generation analysis in the UK which is marketed and managed by the TRICS Consortium Limited.

Part 1 - Obligations

2. FRAMEWORK TRAVEL PLAN

2.1 The Owner shall:

- (a) prior to First Occupation of the Development submit a draft Framework Travel Plan to the Approval Panel for Approval;
- (b) not First Occupy nor permit First Occupation of the Development until the Framework Travel Plan has been Approved (the "**Approved Framework Travel Plan**"); and
- (c) thereafter implement and procure compliance with that Approved Framework Travel Plan for the duration of the beneficial use of the Development, subject to any variations as may be agreed from time to time in writing between the Owner and the Approval Panel.

3. PHASE TRAVEL PLANS

3.1 The Owner shall:

- (a) prior to First Occupation of a Phase located solely within the LBTH Site, submit a draft Phase Travel Plan for that Phase to LB Tower Hamlets for Approval;
- (b) not First Occupy nor permit First Occupation of the relevant Phase until the Phase Travel Plan for that Phase has been Approved (a "**LBTH Approved Phase Travel Plan**"); and
- (c) thereafter implement and procure compliance with that LBTH Approved Phase Travel Plan for the duration of the beneficial use of the Development, subject to any variations as may be agreed from time to time in writing between the Owner and LB Tower Hamlets.

3.2 The Owner shall:

- (a) prior to First Occupation of a Phase located solely within the LBH Site, submit a draft Phase Travel Plan for that Phase to LB Hackney for Approval;
- (b) not First Occupy nor permit First Occupation of the relevant Phase until the Phase Travel Plan for that Phase has been Approved (a "**LBH Approved Phase Travel Plan**"); and
- (c) thereafter implement and procure compliance with that LBH Approved Phase Travel Plan for the duration of the beneficial use of the Development, subject to any variations as may be agreed from time to time in writing between the Owner and LB Hackney.

3.3 The Owner shall:

- (a) prior to First Occupation of a Phase located within both the LBTH Site and the LBH Site, submit a draft Phase Travel Plan for that Phase to the Approval Panel for Approval;
- (b) not First Occupy nor permit First Occupation of the relevant Phase until the Phase Travel Plan for that Phase has been Approved (an "**AP Approved Phase Travel Plan**"); and
- (c) thereafter implement and procure compliance with that AP Approved Phase Travel Plan for the duration of the beneficial use of the Development, subject to any variations as may be agreed from time to time in writing between the Owner and the Approval Panel.

3.4 The Owner undertakes that:

- (a) it shall appoint an Independent Field Company to undertake monitoring of the Approved Phase Travel Plans in accordance with the TRICS methodology;
- (b) any data collected by the Independent Field Company when monitoring the Approved Phase Travel Plans shall be provided to TRICS Consortium Limited in a form that can be accepted by TRICS Consortium Limited and that is useful to understand how the Development is operated, such data to be based on survey data that can be verified by TRICS Consortium Limited;
- (c) it shall submit an Annual Monitoring Report (verified by the Independent Field Company) to the Councils every 12 months from the First Approval of an Approved Phase Travel Plan until the date that is the fifth anniversary of the date of the Occupation of 75 per cent of the final Phase comprised in the Development, such report to demonstrate how the Approved Phase Travel Plans have operated during the previous 12 month period; and
- (d) in the event that the Annual Monitoring Report shows that the Approved Phase Travel Plans' objectives/targets have not been met in any respect then the Owner shall within two calendar months indicate to the Councils the measures that it will take in order to secure that the Approved Phase Travel Plans' objectives/targets are met and it shall thereafter carry out the new measures so as to ensure that the Approved Phase Travel Plans' objectives/targets are met and adhered to.

4. **MONITORING COSTS**

4.1 The Owner shall:

- (a) pay the LBH Travel Plan Monitoring Contribution to LB Hackney prior to First Occupation of the first Phase located within the LBH Site; and
- (b) not First Occupy nor permit First Occupation of the first Phase located within the LBH Site until the LBH Travel Plan Monitoring Contribution has been paid in full to LB Hackney.

Part 2 – Travel Plan Criteria

Section A

Components of the Travel Plans

1. The Travel Plans will be a basis for promoting sustainable travel to and from the Development.
2. Paragraph 113 of the National Planning Policy Framework states that:

"113. All developments that will generate significant amounts of movement should be required to provide a travel plan..."
3. For further advice on developing a Travel Plan see "A travel plan resource pack" which is available from the Government's Environment and Energy helpline on 0800 585794 or see Transport for London's Guidance: <https://tfl.gov.uk/info-for/urban-planning-and-construction/transport-assessment-guide/travel-plans>
4. The Owner will implement the Travel Plans where appropriate in partnership with the Councils and/or with public transport operators.
5. In drawing up the Travel Plans the Owner shall ensure that provisions relating to the following matters are contained within the plans:

- (a) annual review and monitoring of the Development's accessibility in sustainable transport terms in accordance with the principles set out in Section B of Part 2 to this schedule;
- (b) regular promotion of measures to facilitate the Development's accessibility in sustainable transport terms including through text being incorporated into all brochures/menus/programmes relating to the Development and into publicity material as appropriate and by making copies of the Travel Plans available to staff and members at the Development. A draft transport welcome pack should be submitted as part of all residential and commercial travel plans;
- (c) ongoing senior management commitment and consultation with staff and occupants of the Development;
- (d) a designated Travel Plan co-ordinator within the Development to be responsible for implementing the Travel Plans;
- (e) a communications strategy within the Development about the benefits of the Travel Plans;
- (f) promotion of use of alternatively fuelled vehicles and deliveries (such as electric and LPG vehicles and cycles) - organisations can apply to the Energy Saving Trust (www.est.org.uk) for greener fuelled vehicle grants;
- (g) promotion of walking, cycling and public transport for all journeys. Promotion of electric vehicle charging points on site and in the locality for any trips that cannot be made by these modes;
- (h) free or discounted car club membership for residents as agreed between the Owner and the car clubs;
- (i) provide in-house public interest information (London Borough of Hackney, Transport for London and National Rail travel information is available from their respective websites: www.hackney.gov.uk, www.tfl.gov.uk, www.nationalrail.co.uk);
- (j) secure and well-lit workplace cycle parking
- (k) changing and showering facilities;
- (l) cycle repair facilities;
- (m) consider the use of partial homeworking/teleworking/teleconferencing;
- (n) promotion of Electric Vehicle (EV) Taxis (Zero Emissions Network members can receive discounts from EV taxi operators); and
- (o) individual businesses should sign-up to membership of the Zero Emissions Network.

Section B

Review and Monitoring of the Travel Plan

6. The Owner shall ensure that the Travel Plans contain arrangements for the review and monitoring of the Phase Travel Plans and are carried out on an ongoing basis. These arrangements will deal with the matters set out below establishing firm timescales for the taking of each step, specific targets to be adopted for the measuring of the effectiveness of each measure and a reporting mechanism to the Councils. It is acknowledged that it will be appropriate to amend the Travel Plans by agreement in the light of developing circumstances.

Review the Development's Transport Accessibility

7. The first stage will be to review the Development's accessibility by all modes. An accessibility report will be produced and this will form the basis for the next stages.

Consultation with employees

8. The second stage will involve meeting employees of the Development to promote the concept of a Travel Plan. The meetings will seek to identify a common set of objectives for encouraging public transport usage and reducing the reliance on the private car.

User/ Employee Consultation and Travel Surveys

9. The third stage will be based around consultation. It will be extremely important to secure the support of employees and users if the Travel Plans are to succeed. This stage will include employee and user travel surveys to examine the use of existing modes of travel, attitudes towards sustainable modes of transport and the most effective measures to promote sustainable transport for commuting journeys and employers business. The Owner will consult with the Councils and providers of public transport at this stage.

Implementation

10. Stages one to three in paragraphs 7 – 9 (inclusive) of this Section B of Part 2 will provide the base information for the review of the Approved Phase Travel Plans.

SCHEDULE 7

Cycling

1. DEFINITIONS

- 1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"Cycle Docking Station" means a docking station for the provision of cycle hire;

"First Cycle Docking Station Contribution" means the sum of £220,000 (TWO HUNDRED AND TWENTY THOUSAND POUNDS) Indexed to be used by TfL for the provision of a Cycle Docking Station within the TfL highway in the vicinity of Plot 3;

"LBTH Cycling Contribution" means the sum of £250,000 (TWO HUNDRED AND FIFTY THOUSAND POUNDS) Indexed to be used by LB Tower Hamlets towards cycle route improvements along Sclater Street and the cycling network within the vicinity of the LBTH Site; and

"LBTH Site Pedestrian and Cycle Improvements" means cycle route improvements along Quaker Street, Wheler Street and Braithwaite Street as well as improvements to pedestrian linkages as shown for indicative purposes only on Plan 10;

"Second Cycle Docking Station Contribution" means the sum of £220,000 (TWO HUNDRED AND TWENTY THOUSAND POUNDS) Indexed to be used by TfL for the provision of a Cycle Docking Station within the TfL highway in the vicinity of Plot 3;

2. PEDESTRIAN AND CYCLE ROUTE IMPROVEMENTS

- 2.1 The Owner shall:

- (a) pay the LBTH Cycling Contribution to LB Tower Hamlets on or prior to First Occupation of Plot 5;
- (b) not First Occupy nor permit First Occupation of Plot 5 until the LBTH Cycling Contribution has been paid in full to LB Tower Hamlets.

- 2.2 Subject to paragraphs 2.3 to 2.5 (inclusive), the Owner shall:

- (a) enter into a Highways Agreement with LB Tower Hamlets to secure the LBTH Site Pedestrian and Cycle Improvements and Practically Complete the LBTH Site Pedestrian and Cycle Improvements in accordance with the relevant Highways Agreement on or prior to First Occupation of any Plot; and
- (b) not First Occupy nor suffer or permit First Occupation of any Plot until the LBTH Site Pedestrian and Cycle Improvements have been Practically Completed in accordance with the relevant Highways Agreement.

- 2.3 The Owner may request in writing from LB Tower Hamlets an extension to the deadline by which the LBTH Site Pedestrian and Cycle Improvements are to be Practically Completed if it produces to LB Tower Hamlets:

- (a) satisfactory evidence that the land on which the LBTH Site Pedestrian and Cycle Improvements are to be executed is required temporarily to accommodate the carrying out of Infrastructure Works;

- (b) details of the nature and scope of the Infrastructure Works and their implications for the Owner's ability to Practically Complete the LBTH Site Pedestrian and Cycle Improvements in accordance with this paragraph 2;
 - (c) details of the anticipated programme for the carrying out and completion of those Infrastructure Works;
 - (d) where reasonably required, details demonstrating any interim measures to ensure safe and secure access, connectivity between the Development and Quaker Street, Wheler Street and Braithwaite Street.
- 2.4 If LB Tower Hamlets is satisfied (acting reasonably) with the evidence produced pursuant to paragraph 2.3 it shall (acting reasonably) confirm in writing to the Owner whether the programme and other details proposed pursuant to paragraph 2.3 are agreed and for the avoidance of doubt this confirmation shall not be capable of being referred to the Specialist in accordance with clause 22.
- 2.5 The Owner shall Practically Complete the LBTH Site Pedestrian and Cycle Improvements in accordance with the details Approved pursuant to paragraph 2.4.
- 3. CYCLE DOCKING STATIONS**
- 3.1 The Owner shall:
- (a) pay the First Cycle Docking Station Contribution to TfL prior to Commencement of Plot 2;
 - (b) not Commence nor suffer or permit Commencement of Plot 2 until the First Cycle Docking Station Contribution has been paid in full to TfL.
- 3.2 The Owner shall:
- (a) pay the Second Cycle Docking Station Contribution to TfL prior to Commencement of Plot 3;
 - (b) not Commence nor suffer or permit Commencement of Plot 3 until the Second Cycle Docking Station Contribution has been paid in full to TfL.
- 3.3 Subject to paragraph 3.5 below TfL shall use the First Cycle Docking Station Contribution to provide a Cycle Docking Station with 25 docks on the TfL highway on Commercial Street in the approximate location shown on Plan 11.
- 3.4 Subject to paragraph 3.5 below TfL shall use the Second Cycle Docking Station Contribution to provide a Cycle Docking Station with 25 docks on the TfL highway on Quaker Street in the approximate location shown on Plan 11.
- 3.5 If at the time of payment of such of the First Cycle Docking Station Contribution and/or the Second Cycle Docking Station Contribution (as the case may be) the proposed location of the relevant Cycle Docking Station is no longer practical or preferable to TfL, TfL may use the First Cycle Docking Station Contribution and/or the Second Cycle Docking Station Contribution as the case may be to do one or more of the following:
- (a) provide a Cycle Docking Station with 25 docks within 300 metres of the boundary of the Site;
 - (b) extend one or more existing Cycle Docking Stations in the vicinity of the Site to increase aggregate capacity by no fewer than 25 docks; and/or

(c) provide two or more new Cycle Docking Stations each with fewer than 25 docks in the vicinity of the Site to increase aggregate capacity by no fewer than 25 docks.

3.6 The Owner acknowledges and agrees that in the event that it proposes to change the Phasing Plan TfL reserves the right to amend the payment triggers referred to in paragraphs 3.1 and 3.2, such amended triggers to be recorded in a deed of variation to this Deed.

SCHEDULE 8

Car Parking

1. DEFINITIONS

1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"Accessible Housing Units" means 10% of the Intermediate Housing Units and/or 10% of the Open Market Housing Units to be designed and provided to meet the requirements of M4(3)(2)(a) of Part M of the Building Regulations 2010 (as updated or replaced from time to time), details of which shall be approved by condition in the LBTH Planning Permission;

"Affordable Accessible Housing Units" means 10% of the Affordable Housing Units which are to be designed and provided to meet the requirements of M4(3)(2)(b) of Part M of the Building Regulations 2010 (as updated or replaced from time to time), details of which shall be approved by condition in the LBTH Planning Permission;

"Affordable Car Parking Spaces" means eight Car Parking Spaces to be made available for use by Blue Badge Holders Occupying Affordable Accessible Housing Units;

"Blue Badge Holders" means the holder of a disabled persons badge pursuant to section 21 of the Chronically Sick and Disabled Persons Act 1970 or such other successor or alternative legislation;

"Car Parking Management Plan" means a written plan setting out a package of measures to be adopted by the Owner in the management, monitoring, maintenance and enforcement of parking on the Development, to secure the following:

- (a) provision on the LBTH Site of the Car Parking Spaces and measures to limit parking on the Site to the Car Parking Spaces only;
- (b) a mechanism for monitoring the uptake of the electric vehicle charging points installed pursuant to the LBTH Planning Permission;
- (c) making available to the Registered Provider the Affordable Car Parking Spaces;
- (d) ensuring that the allocation of the Market Car Parking Spaces is prioritised to Occupiers of the Accessible Housing Units before Occupiers of other Residential Units;
- (e) the requirements of paragraph 3.5 below;
- (f) a mechanism to ensure that the Car Parking Spaces are only made available on short term tenancies or licences to allow sufficient flexibility in parking allocation to reflect changing circumstances;
- (g) a mechanism to ensure that the cost to Blue Badge Holders who are Occupiers of Residential Units of leasing the Car Parking Spaces remains fair, reasonable and affordable throughout the duration of the beneficial use of the Development;
- (h) a method for assessing and reporting on demand for Car Parking Spaces by Blue Badge Holders and where such demand cannot be fully met pursuant paragraph (d) above a mechanism for the creation of additional on-street car parking spaces for Blue Badge Holders within the vicinity of the LBTH Site by LB Tower Hamlets and payment by the Owner of a Traffic Management Order Fee for each on-street car parking space so created;

"Car Parking Spaces" means the 15 car parking spaces to be provided as part of the Development on the LBTH Site for use solely by Occupiers who are Blue Badge Holders in accordance with the Car Parking Management Plan and in the locations indicatively shown on Plan 12;

"Controlled Parking Zone" shall have the same meaning as given in regulation 4 of the Traffic Signs Regulations and General Directions 2002;

"Interim Car Parking Terms" means the grant of a lease or licence of a Market Housing Car Parking Space for up to 12 months with no right to renew the same unless at the expiration of that 12 months the requirements of paragraph 3.5(b) are satisfied;

"Market Housing Car Parking Spaces" means the seven Car Parking Spaces which are not Affordable Car Parking Spaces;

"Parking Bay" means a parking place designated by LB Hackney or LB Tower Hamlets by an order under the Road Traffic Regulation Act 1984 and under the Road Traffic Act 1991 or other relevant legislation for use by residents of the locality in which the Development is located;

"Parking Permit" means a parking permit (but not a visitor's permit) issued by LB Hackney or LB Tower Hamlets under section 45(2) of the Road Traffic Regulation Act 1984 allowing a Motor Vehicle to park in a Parking Bay;

"Traffic Management Order Fee" means the sum of £106 (One Hundred and Six Pounds) Indexed.

2. **CAR FREE DEVELOPMENT**

2.1 Subject to paragraph 2.5 below, the Owner shall not Occupy nor permit Occupation of any Residential Unit or Commercial Unit or Hotel comprised within the Development until the proposed Occupier has been notified in writing of the restrictions set out in paragraphs 2.2 and 2.3 below and the Owner covenants to procure that these restrictions are included in any freehold, leasehold, option, licence or other disposal of any Residential Unit or Commercial Unit or Hotel comprised within the Development to any intended Occupier and for the avoidance of doubt paragraphs 2.2 and 2.3 apply in respect of any Occupation of a Residential Unit or Commercial Unit within the Development whether or not that Occupation is the First Occupation.

2.2 Subject to paragraph 2.5 below, a Residential Unit or Commercial Unit or Hotel shall not be used and/or Occupied by any Occupier who has at the date they use and/or Occupy the relevant Residential Unit or Commercial Unit or Hotel a Parking Permit or a contract to park a Motor Vehicle in any car park owned controlled or licensed by LB Hackney or LB Tower Hamlets unless such Occupier is or becomes entitled to be a Blue Badge Holder and PROVIDED THAT the Occupier has first notified the Councils in writing of such entitlement and has provided proof thereof if required to do so by the Councils and for the avoidance of doubt any Occupier whilst residing, using and/or occupying a Residential Unit or Commercial Unit or Hotel shall not purchase or procure the purchase of a Parking Permit for a Parking Bay within a Controlled Parking Zone within the London Borough of Hackney or the London Borough of Tower Hamlets.

2.3 Subject to paragraph 2.5 below, the Owner shall ensure that prior to Occupying any Residential Unit or Commercial Unit or Hotel forming part of the Development each new Occupier of the Development is informed by the Owner of the Councils' policies that they shall not be entitled (unless they are a Blue Badge Holder) to be granted a Parking Permit and will not be able to buy a contract to park within any car park owned controlled or licensed by LB Hackney or LB Tower Hamlets.

2.4 Subject to paragraph 2.5 below, the Owner for itself and its successors in title to the Site hereby acknowledges that the provisions in paragraphs 2.2 and 2.3 above will remain permanently.

2.5 For the avoidance of doubt, nothing in this paragraph 2 shall preclude the operation of LB Tower Hamlets' Permit Transfer Scheme (which permits residents of the London Borough of Tower Hamlets moving to 3-bedroom or larger social-rented car-free homes to keep one on-street car parking permit) insofar as it continues to operate in London Borough of Tower Hamlets.

3. **CAR PARKING MANAGEMENT PLAN**

3.1 The Owner shall:

- (a) ensure that the applications for reserved matters approval under the Planning Permission include the Car Parking Spaces;
- (b) submit a draft Car Parking Management Plan to LB Tower Hamlets for Approval prior to Commencement of any Residential Phase in which Car Parking Spaces are located and submit an updated Car Parking Management Plan prior to Commencement of each subsequent Residential Phase in which Car Parking Spaces are located;
- (c) not Commence nor suffer or permit Commencement of any Residential Phase containing Car Parking Spaces until the draft Car Parking Management Plan and any subsequent update to it has been submitted to LB Tower Hamlets in accordance with paragraph 3.1(b);
- (d) not First Occupy nor permit First Occupation of any Residential Unit comprised within a Residential Phase containing Car Parking Spaces until the Car Parking Management Plan has been Approved or any subsequent update to it has been Approved (the **"Approved Car Parking Management Plan"**); and
- (e) implement and secure compliance with the Approved Car Parking Management Plan (subject to such amendments and updates as may be agreed between the Owner and the Councils in writing from time to time) at all times for the duration of the beneficial use of the Development.

3.2 The Owner shall on the first anniversary of the first Car Parking Space being brought into beneficial use and on each subsequent anniversary thereafter until the date that is the fifth anniversary of the date of the Occupation of 75 per cent of the final Phase submit a monitoring report to LB Tower Hamlets setting out and reviewing how effectively the Approved Car Parking Management Plan has operated in the previous 12 months.

3.3 In the event that LB Tower Hamlets considers (acting reasonably) that the Approved Car Parking Management Plan is not operating effectively, it shall specify such amendments as it considers reasonably necessary to ensure the effective operation of the Approved Car Parking Management Plan and the Owner shall thereafter implement such amendments as soon as reasonably practicable PROVIDED THAT any dispute as to the proposed amendments shall be resolved in accordance with clause 22.

3.4 The Owner shall not dispose of any Car Parking Spaces by way of freehold transfer or lease exceeding a term of 12 months.

3.5 Where demand by Blue Badge Holders of Affordable Accessible Housing Units exceeds the number of Affordable Car Parking Spaces:

- (a) the Registered Provider may apply to the Owner to secure a Market Housing Car Parking Space for a Blue Badge Holder Occupying an Affordable Accessible Housing Unit;

- (b) where at the date of the relevant application by the Registered Provider there are at least three Market Housing Car Parking Spaces which have not been let, licenced or otherwise allocated to Blue Badge Holders Occupying either Accessible Housing Units or other Residential Units, the Owner shall make available a Market Housing Car Parking Space pursuant to the Registered Provider's application on the Interim Car Parking Terms.

SCHEDULE 9

Shoreditch High Street Station

1. DEFINITIONS

1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"24/7 Access Route" has the meaning given to it in Schedule 12;

"Feasibility Study" means a written study prepared by a suitably qualified consultant (Approved in writing by TfL) at the cost of the Owner which includes (without limitation):

- (a) a description of the existing Shoreditch High Street Station and the Station Entrance Safeguarded Zone and the Station Escalators Safeguarded Zone;
- (b) a static capacity assessment of the existing gate line and other elements of Shoreditch High Street Station (e.g. stairs and vertical circulation capacity) based on observed data and carried out in accordance with Network Rail's Station Capacity Planning Guidance (November 2016 or any updated or replacement guidance published by Network Rail) and which considers both AM and PM peak periods;
- (c) a forecast static capacity assessment of Shoreditch High Street Station without a Second Station Entrance or Station Escalators in accordance with Network Rail's Station Capacity Planning Guidance (November 2016 or any updated or replacement guidance published by Network Rail) and applying 2041 Railplan forecasts and assuming a 20 trains per hour level of service and which considers both AM and PM peak periods;
- (d) based on the capacity assessments at (b) and (c) above, an assessment of the optimal size of Second Station Entrance and drawings of the proposed Second Station Entrance (including interface (if any) with Station Escalators and the Station Escalators Safeguarded Zone) to include at least two standard gates and one wide gate;
- (e) a forecast static capacity on the same basis as at paragraph (c) above but including the following scenarios (1) a Second Station Entrance and Station Escalators, and (2) either a Second Station Entrance or Station Escalators;
- (f) a methodology for allocating total entry and exit demand at Shoreditch High Street Station (as assessed in the foregoing capacity studies) between the existing station entrance, the Second Station Entrance and the Station Escalators;
- (g) an assessment of the buildability and long-term operational and maintenance arrangements and costs in the event that TfL elects to provide a Second Station Entrance within the Station Entrance Safeguarded Zone and/or Station Escalators within the Station Escalator Safeguarded Zone in the following scenarios:
 - (i) during the Construction Period for Plot 1; and
 - (ii) after First Occupation of Plot 1;
- (h) a risk register and assessment of safety considerations;
- (i) an assessment of London Overground signage options including the location of the TfL Roundel on the building to be located on Plot 1 so that it is visible from Shoreditch High Street;

"Second Station Entrance" means a new publicly accessible secondary entrance to Shoreditch High Street Station from the 24/7 Access Route known as Middle Road, such entrance to connect with existing lifts and stairs within the station (with such modifications as may be necessary) in order to provide a public access at ground floor level having a gate-line which is no larger than the existing gate-line to Shoreditch High Street Station and comprising no less than two standard width ticket gates and one wider disabled-access ticket gate plus space for ticket machines and such ancillary infrastructure as may be necessary for a safe and fully accessible secondary station entrance;

"Station Entrance Lease" means a lease to TfL of the Second Station Entrance either by way of an amendment to the existing lease of the Shoreditch High Street Station box or by way of a new lease on substantially similar terms;

"Station Entrance Safeguarded Zone" means the area within the building to be located on Plot 1 shown indicatively cross-hatched red on Plan 13 that shall be designed to accommodate a Second Station Entrance;

"Station Escalators" means two ascending and descending escalators within the building to be constructed on Plot 1 and which connect ground floor level to either platform-level or mezzanine-level within Shoreditch High Street Station;

"Station Escalators Lease" means a lease to TfL of the Station Escalators either by way of an amendment to the existing lease of the Shoreditch High Street Station box or by way of a new lease on substantially similar terms;

"Station Escalators Safeguarded Zone" means the areas within the building to be located on Plot 1 shown indicatively cross-hatched green on Plan 13 that shall be designed to accommodate the Station Escalators;

"Shoreditch High Street Station" means the existing London Overground station located in Plot 1 shown shaded dark grey and labelled "Shoreditch High Street Station" on Plan 5;

"TfL Roundel" means TfL's standard bar and circle logo signifying to members of the public the existence and location of Shoreditch High Street Station.

2. **SAFEGUARDING**

2.1 The Owner covenants that Plot 1 shall include passive provision for a Second Station Entrance within the Station Entrance Safeguarded Zone and that (subject to paragraphs 7.3 to 7.5 (inclusive) of Schedule 12) pedestrian and wheelchair access to and from such Second Station Entrance to the public highway is provided for the life of the Development.

2.2 The Owner covenants that Plot 1 shall include passive provision for Station Escalators within the Station Escalators Safeguarded Zone and that (subject to paragraphs 7.3 to 7.5 (inclusive) of Schedule 12) pedestrian and wheelchair access to and from the Station Escalators to the public highway is provided for the life of the Development.

2.3 Subject to paragraph 3 below, the Owner shall not:

- (a) apply for any reserved matters approval pursuant to the Planning Permission for the detailed design of Plot 1;
- (b) apply for any variation or amendment to the Planning Permission or any subsequently granted reserved matters approval;
- (c) apply for any other planning permission or statutory consent in relation to the Development; or
- (d) carry out any development or works

the effect of which would be to prevent the future provision of a Second Station Entrance or the Station Escalators within the Station Entrance Safeguarded Zone or Station Escalators Safeguarded Zone respectively.

3. FEASIBILITY STUDY

3.1 Subject to paragraph 3.2 below, the Owner shall not apply for any reserved matters approval pursuant to the Planning Permission for Plot 1 unless:

- (a) it has held an inception meeting with TfL to confirm the scope, programme, deliverables and engineering assurances to be achieved by the Feasibility Study and to confirm TfL's Approval of the consultant who will be appointed by the Owner to carry out the Feasibility Study;
- (b) it has procured the preparation of the Feasibility Study by the Approved consultant at the Owner's cost having first received requested the necessary passenger data from TfL to inform such study (and the Owner shall provide TfL with no less than four (4) weeks to collate such data);
- (c) it has submitted the Feasibility Study to TfL for Approval and TfL has provided its Approval of the Feasibility Study in accordance with clause 28 (and to the extent that any referral is made to a Specialist in accordance with clause 22 that Specialist shall be a rail expert with at least ten years' experience in station design) and confirmed whether it requires a Second Station Entrance and Station Escalators to be included within a reserved matters application;
- (d) it has paid the reasonable and proper costs incurred by TfL and its consultants in attending the inception meeting, collating passenger data and reviewing, commenting on the Feasibility Study;
- (e) the detailed design for Plot 1 complies with the Approved Feasibility Study (including the location of the TfL Roundel and the provision of a Second Station Entrance and Station Escalators); and
- (f) save where TfL confirms that it does not require either a Second Station Entrance and/or Station Escalators to be provided in accordance with paragraph 3.1(c) of this Schedule, the reserved matters approval sought in the application includes the location of the TfL Roundel and the detailed design of the Second Station Entrance and/or the Station Escalators (as required by TfL).

3.2 Following the initial grant of reserved matters approval for Plot 1, paragraph 3.1 shall not apply where the Owner demonstrates to TfL's reasonable satisfaction that a subsequent application for reserved matters approval for Plot 1 has no impact on the Station Entrance Safeguarded Zone and the Station Escalators Safeguarded Zone.

4. REDUCTION OF THE STATION ENTRANCE SAFEGUARDED ZONE

4.1 Without prejudice to paragraph 2.3 above, if the Feasibility Study Approved by TfL under paragraph 3.1 concludes that the Second Station Entrance no longer requires the full extent of the Station Entrance Safeguarded Zone to be safeguarded then TfL and the Owner may agree in writing to reduce the Station Entrance Safeguarded Zone in accordance with the Approved Feasibility Study and the parties may agree to record such reduction by way of a variation to this Deed PROVIDED THAT a part of the Station Entrance Safeguarded Zone capable of accommodating a Second Station Entrance shall remain safeguarded until such time as the Second Station Entrance has been provided.

5. PROVISION OF THE SECOND STATION ENTRANCE

- 5.1 At any point after all reserved matters for the Second Station Entrance have been approved TfL may provide the Owner with not less than 12 months' written notice of its intention to provide the Second Station Entrance within the Station Entrance Safeguarded Zone pursuant to the relevant reserved matters approvals.
- 5.2 As soon as reasonably practicable following service of a notice under paragraph 5.1, TfL shall appoint a contractor for the delivery of the Second Station Entrance and such appointment shall place the contractor under a duty to cooperate with the Owner and to minimise disruption to the Owner and Occupiers while the works to construct the Second Station Entrance are undertaken.
- 5.3 The Owner shall only Occupy or permit Occupation of the Station Entrance Safeguarded Zone for appropriate uses and any such units shall be let on a temporary rolling basis (with each letting capable of being determined by the Owner giving not more than six months' notice) until TfL serves written notice on the Owner under paragraph 5.1.
- 5.4 In the event that notice is served under paragraph 5.1, the Owner shall within 12 months of the date of such notice procure vacant possession of the Station Entrance Safeguarded Zone and shall enter into the Station Entrance Lease with TfL and grant sufficient rights for the construction, operation and maintenance of the Second Station Entrance at no cost to TfL.

6. PROVISION OF STATION ESCALATORS

- 6.1 At any point after all reserved matters for the Station Escalators have been approved TfL may provide the Owner with not less than six months' written notice of its intention to provide the Station Escalators within the Station Escalators Safeguarded Zone pursuant to the relevant reserved matters approvals.
- 6.2 As soon as reasonably practicable following service of a notice under paragraph 6.1, TfL shall appoint a contractor for the delivery of the Station Escalators and such appointment shall place the contractor under a duty to cooperate with the Owner and to minimise disruption to the Owner and Occupiers while the works to construct the Station Escalators are undertaken.
- 6.3 The Owner shall only Occupy or permit Occupation of the Station Escalators Safeguarded Zone for appropriate uses and any such units shall be let on a temporary rolling basis (with each letting capable of being determined by the Owner giving not more than three months' notice) until TfL serves written notice on the Owner under paragraph 6.1.
- 6.4 In the event that notice is served under paragraph 6.1, the Owner shall within six months of the date of such notice procure vacant possession of the Station Escalators Safeguarded Zone and shall enter into the Station Escalators Lease with TfL and grant sufficient rights for the construction, operation and maintenance of the Station Escalators at no cost to TfL.

7. PROVISION OF TfL ROUNDEL

- 7.1 The Owner shall as soon as reasonably practicable following the Approval by TfL of the Feasibility Study (and in any event prior to First Occupation of Plot 1) grant to TfL (without any cost to TfL) all such necessary rights and consents as may be reasonably required by TfL in order for TfL to be able to install, retain, maintain, renew and replace the TfL Roundel for the duration of the beneficial use of the Development and the Owner shall not First Occupy or permit First Occupation of Plot 1 until such rights and consents have been granted to TfL.
- 7.2 The Owner shall provide TfL with all reasonably necessary access to the Site and assistance to install the TfL Roundel.

SCHEDULE 10

Site-Wide Delivery and Servicing Strategy

1. DEFINITIONS

1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"Bethnal Green Road Service Yard" means the 6 bay service yard for Plot 1 as shown hatched blue and grey on Plan 14;

"Braithwaite Street Service Yard" means the 8 bay service yard for Plot 2 and Plot 8 as shown hatched red and grey on Plan 14;

"DSS Contribution" means the sum of up to £1,000,000 (Indexed) payable by the Owner in accordance with paragraph 5 of this schedule 10 and to be used by the Authorities for the purpose of promoting schemes to mitigate the delivery and servicing impacts of the Development and to reduce vehicle dominance while improving public realm and the environment for vulnerable road users within the vicinity of the Site and such schemes may include or relate to (without limitation) public realm improvement works, Healthy Streets, Vision Zero and the Zero Emissions Network;

"DSS Monitoring Data" means data on the number of DSS Trips (including through the use of CCTV) for each Service Yard;

"DSS Monitoring Period" means the period beginning with the date of First Occupation of the Development and ending on the tenth anniversary of the date on which the final Service Yard is brought into use;

"DSS Monitoring Report" means a monitoring report enclosing DSS Monitoring Data and measuring such trips against the DSS Trip Caps (including any exceedances) and setting out how measures in the Approved DSS or any Approved Updated DSS (as applicable) are performing against that document's objectives and the DSS Trip Reduction Target;

"DSS Trips" means movements generated by motorised vehicles making servicing and delivery trips to/from each Service Yard;

"DSS Trip Cap" means subject to the DSS Trip Reduction Target the following maximum number of DSS Trips as predicted in the Transport Assessment:

Service Yard	Total daily two way trips
Bethnal Green Road	126
Braithwaite Street	300
London Road	84
Middle Road	116
Slater Street	156

"DSS Trip Reduction Target" means reducing the number of DSS Trips by 20% below the daily DSS Trip Cap by no later than the tenth anniversary of the date on which the Development is First Occupied;

"London Road Service Yard" means the 2 bay service yard for Plot 3 as shown hatched orange and grey on Plan 14;

"Middle Road Service Area" means the servicing area for Plot 7 as shown indicated with a dashed blue line on Plan 14;

"Sclater Street Service Yard" means the 5 bay service yard for Plot 4, Plot 5 and Plot 10 as shown hatched pink and grey on Plan 14;

"Service Yard(s)" means together the Bethnal Green Road Service Yard, Braithwaite Street Service Yard, London Road Service Yard, Middle Road Service Area and the Sclater Street Service Yard and a reference to any Service Yard shall be to the relevant Service Yard as the context so requires;

"Site-Wide DSS" means a site-wide delivery and servicing strategy detailing a package of best practice measures to be adopted by the Owner for the management of the deliveries and servicing at all times to the Development the objectives of which shall be to ensure that the DSS Trip Cap shall not be exceeded, that the DSS Trip Reduction Target is achieved, securing coordination between Service Yards, the consolidation of deliveries and servicing where possible, enabling pedestrian and cycle portage where appropriate, the minimisation of conflicts between service vehicle and car and pedestrian movements and the minimisation of damage to amenity from such servicing and deliveries and identifying efficiency and sustainability measures which shall include *inter alia* the following:

- (a) a requirement for delivery vehicles to unload from a specific suitably located area with secure off street loading and drop off facilities;
- (b) details of the person(s) responsible for directing and receiving deliveries to the Development and booking systems;
- (c) measures to avoid a number of delivery vehicles arriving at the same time;
- (d) measures to encourage servicing and delivery vehicle movements to occur outside of peak usage of the relevant Service Yard;
- (e) likely frequency and duration of servicing movements and measures to be taken to avoid any conflict;
- (f) in respect of the Commercial Units, the likely nature of goods to be delivered;
- (g) in respect of the Commercial Units, the likely size of the delivery vehicles entering the Site;
- (h) measures taken to ensure pedestrian management and public safety during servicing including a statement setting out how highway safety will be maintained during servicing movements;
- (i) measures taken to address servicing movements on and around the Site with a view *inter alia* to combining and/or reducing servicing and minimising the demand for the same;
- (j) provision of swept path drawings to ascertain manoeuvring when entering and exiting the Site in accordance with the drawings submitted to and Approved by the Approval Panel;
- (k) details of arrangements for refuse storage and servicing;
- (l) in respect of the Commercial Units, the use of operators committed to best practice; and

- (m) identifying means of ensuring the provision of information to the Approval Panel and provision of a mechanism for review and update as required from time to time;
- (n) steps to achieve the DSS Trip Reduction Target and consequential reductions to the DSS Trip Cap against which monitoring is carried out;
- (o) a methodology for tracking, monitoring and recording the number of motorised vehicles making delivery and/or servicing trips to the Development on a daily basis, the nature of Monitoring Data and a template DSS Monitoring Report;

"Transport Assessment" means the transport assessment dated September 2019 as amended by an addendum dated February 2020 prepared by WSP on behalf of the Developer and submitted to the Authorities as part of the Applications.

2. **SUBMISSION AND APPROVAL**

2.1 The Owner shall:

- (a) submit a draft Site-Wide DSS to the Approval Panel for Approval prior to First Occupation of the Development and use of any Service Yard;
- (b) not First Occupy nor permit First Occupation of the Development or use any Service Yard until the Site-Wide DSS has been Approved (the **"Approved DSS"**); and
- (c) implement and procure compliance with the Approved DSS for the duration of the beneficial use of the Development (subject to such amendments or updates as may be agreed pursuant to this schedule) and shall not exceed the DSS Trip Cap.

2.2 The Owner shall:

- (a) submit an updated draft Site-Wide DSS (an **"Updated DSS"**) to the Approval Panel for Approval prior to First Occupation and use of each subsequent Service Yard, such Updated DSS to have due regard to any DSS Monitoring Reports submitted to or amendments proposed by the Approval Panel pursuant to paragraph 3 below;
- (b) not First Occupy or use nor permit First Occupation and use of the relevant Service Yard until the Updated DSS has been Approved (the **"Approved Updated DSS"**); and
- (c) implement and procure compliance with the Approved Updated DSS for the duration of the beneficial use of the Development (subject to such amendments or updates as may be agreed pursuant to this schedule) and shall not exceed the DSS Trip Cap.

2.3 The Owner shall ensure that all Updated DSS submitted pursuant to this schedule shall take account of and have due regard to the Approved DSS and all prior Approved Updated DSS submitted pursuant to this schedule.

2.4 An Approved Updated DSS shall supersede the Approved DSS and any prior Approved Updated DSS.

3. **MONITORING**

3.1 The Owner shall submit a DSS Monitoring Report to the Approval Panel on a quarterly basis from First Occupation of the Development and throughout the DSS Monitoring Period.

3.2 If requested by the Approval Panel, the Owner shall provide the raw data files and CCTV footage relating to the DSS Monitoring Data enclosed in the relevant DSS Monitoring Report within 5 Working Days of such request.

3.3 In the event that the Approval Panel considers (acting reasonably) that the Approved DSS or an Approved Updated DSS (as applicable) is not operating effectively, it shall specify such amendments as it considers reasonably necessary to ensure that effective operation and the Owner shall thereafter implement such amendments as soon as reasonably practicable PROVIDED THAT any dispute as to the proposed amendments shall be resolved in accordance with clause 22.

4. **DSS TRIP REDUCTION TARGET**

4.1 The Owner shall achieve the DSS Trip Reduction Target by no later than the tenth anniversary of the date on which the Development is First Occupied and from the date on which the DSS Trip Reduction Target is first achieved in respect of the relevant Service Yard the Owner shall be under a continuing obligation to ensure the DSS Trips do not exceed the revised DSS Trip Cap for that Service Yard.

5. **DSS CONTRIBUTION**

5.1 Prior to First Occupation of the Development the Owner shall pay £150,000 of the DSS Contribution into an interest bearing escrow account the details of which shall first be Approved in writing by the Approval Panel (the "**Escrow Account**") and a condition of which shall be that:

- (a) within 10 Working Days of service of a DSS Contribution Demand Notice pursuant to paragraph 5.6 below the amount stated in such demand notice plus any interest accrued shall be released and transferred to the Authorities in accordance with the details specified in the DSS Demand Notice; and
- (b) within 10 Working Days of the expiry of the DSS Monitoring Period any part of the DSS Contribution held in the Escrow Account plus any interest accrued shall be released and transferred to the party which paid such funds into the Escrow Account.

5.2 The Owner shall not First Occupy the Development until the first £150,000 instalment of the DSS Contribution has been paid into the Escrow Account and evidence of the same has been provided to the Approval Panel and confirmed in writing as satisfactory.

5.3 In the event that:

- (a) the Owner fails to achieve the DSS Trip Reduction Target;
- (b) the Owner fails to submit a DSS Monitoring Report to the Approval Panel in accordance with paragraph 3.1 above; and/or
- (c) a DSS Monitoring Report (or other monitoring data secured independently by the Authorities) evidences that the DSS Trip Cap has been exceeded,

the Approval Panel shall serve written notice on the Owner ("**DSS Breach Notice**") specifying the excess trips and requiring the Owner to take such measures as the notice may specify and to ensure that the number of DSS Trips does not exceed the DSS Trip Cap.

5.4 Within 20 Working Days of receiving a DSS Breach Notice, the Owner shall submit a written report to the Approval Panel appending DSS Monitoring Data and demonstrating how it has implemented the measures set out in the DSS Breach Notice to remedy the specified breach and evidence that DSS Trips no longer exceed the DSS Trip Cap.

5.5 If requested by the Approval Panel, the Owner shall provide the raw data files and CCTV footage relating to the DSS Monitoring Data enclosed in any report submitted pursuant to paragraph 5.4 within 5 Working Days of such request.

5.6 Following receipt of a report pursuant to paragraph 5.4 above and subject to paragraph 5.7 below, if the Approval Panel is not satisfied in its absolute discretion that a DSS Breach Notice has been remedied then it may serve a written demand on the escrow agent of the Escrow Account (with copy to the Owner) requiring payment of the DSS Contribution (or part thereof) ("**DSS Contribution Demand Notice**").

5.7 A DSS Contribution Demand Notice shall specify:

- (a) the basis on which the Approval Panel is not satisfied that the relevant DSS Breach Notice has been remedied;
- (b) the mitigation measures that the Approval Panel consider would mitigate the excess DSS Trips identified in the relevant DSS Breach Notice and how those measures would mitigate the breach identified;
- (c) the estimated cost of such mitigation measures to be covered by the DSS Contribution;
- (d) details of the basis on which the Approval Panel considers that the mitigation measures proposed and the cost of such measures to be funded by the DSS Contribution are reasonable, necessary and proportionate having regard to the nature and extent of the breach identified;
- (e) an anticipated programme for the implementation of the mitigation measures; and
- (f) the amount of any DSS Contribution (or part thereof) to be paid, to which of the Authorities and in what proportions,

PROVIDED THAT the Approval Panel may not serve a DSS Contribution Demand Notice following the expiry of the DSS Monitoring Period.

5.8 Within 10 Working Days of a DSS Contribution Demand Notice being served the Owner shall transfer into the Escrow Account a further instalment of the DSS Contribution to ensure that £150,000 is held in the Escrow Account and provide satisfactory evidence of the same to the Approval Panel PROVIDED THAT the Owner shall not be obliged to make any transfer to the Escrow Account that would exceed the DSS Contribution.

5.9 Having regard to the terms of the relevant DSS Contribution Demand Notice served under paragraph 5.6 above, the Authorities shall in their absolute discretion apply any part of the DSS Contribution received to mitigation measures.

5.10 The Authorities shall:

- (a) provide details of any mitigation measures that differ materially from those specified in the relevant DSS Contribution Demand Notice to the Owner as soon as reasonably practicable; and
- (b) give the Owner not less than 20 Working Days written notice of their intention to implement mitigation measures.

5.11 Notwithstanding any payment of the DSS Contribution (or part thereof), the Owner shall be under a continuing obligation to comply with the Approved DSS or an Approved Updated DSS (as applicable and subject to such amendments or updates as may be agreed pursuant to this schedule).

SCHEDULE 11

Construction

1. INTERPRETATION

- 1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"Code of Considerate Practice" means the code developed by the Considerate Constructors Scheme (as amended from time to time) and annexed at Part 2 of this schedule;

"Considerate Constructors Scheme" means the national initiative set up by the construction industry to improve its image which involves the registration and monitoring of construction sites in accordance with the Code of Considerate Practice, more information on which can be found at <https://www.ccscheme.org.uk/ccs-ltd/code-of-considerate-practice-2/>;

"Construction Management Monitoring Fee" means the sum of £8,750 Indexed to be paid by the Owner to the LB Hackney and applied towards the monitoring of adherence to the Construction Logistics and Community Safety (CLOCS) Standard.

Part 1 - Obligations

2. CONSIDERATE CONSTRUCTORS SCHEME

- 2.1 The Owner shall not Implement suffer or permit Implementation of the Development unless:
- (a) the Owner has registered the Development with the Considerate Constructors Scheme; and
 - (b) the Owner has provided sufficient evidence to the Councils to demonstrate compliance with paragraph 2.1(a) of this schedule.
- 2.2 The Owner shall construct the Development in accordance with the Code of Considerate Practice.
- 2.3 The Owner shall not Occupy, suffer or permit Occupation of the Development or part of it unless it has obtained an assessment from a representative of the Considerate Constructors Scheme of the performance of the construction of the relevant part of the Development against the Code of Considerate Practice and reported the results of the assessment to the relevant Council within seven (7) days of receipt.

3. CONSTRUCTION MANAGEMENT MONITORING FEE

- 3.1 The Owner shall pay the Construction Management Monitoring Fee to LB Hackney prior to the Implementation of the Development.
- 3.2 The Owner shall not Implement the Development until the Construction Management Monitoring Fee has been paid to LB Hackney.

Part 2 – Code of Considerate Practice

Code of Considerate Practice

Considerate constructors seek to improve the image of the construction industry by striving to promote and achieve best practice under the Code.

The Code of Considerate Practice outlines the Scheme's expectations and describes those areas that are considered fundamental for registration with the Scheme.

The Code is in five parts and contains a series of bullet points. Each section of the Code contains an aspirational supporting statement and four bullet points which represent the basic expectations of registration with the Scheme.

The Code of Considerate Practice applies to all registered sites, companies and suppliers regardless of size, type or location.

Care about Appearance

Constructors should ensure sites appear professional and well managed

- Ensuring that the external appearance of sites enhances the image of the industry.
- Being organised, clean and tidy.
- Enhancing the appearance of facilities, stored materials, vehicles and plant.
- Raising the image of the workforce by their appearance.

Respect the Community

Constructors should give utmost consideration to their impact on neighbours and the public

- Informing, respecting and showing courtesy to those affected by the work.
- Minimising the impact of deliveries, parking and work on the public highway.
- Contributing to and supporting the local community and economy.
- Working to create a positive and enduring impression, and promoting the Code.

Protect the Environment

Constructors should protect and enhance the environment

- Identifying, managing and promoting environmental issues.
- Seeking sustainable solutions, and minimising waste, the carbon footprint and resources.
- Minimising the impact of vibration, and air, light and noise pollution.
- Protecting the ecology, the landscape, wildlife, vegetation and water courses.

Secure everyone's Safety

Constructors should attain the highest levels of safety performance

- Demonstrating positive practices and approaches which care for the safety of the public, visitors and the workforce during construction activity.
- Minimising security risks to neighbours.
- Having initiatives for continuous improvements for occupational health and safety.
- Embedding the right attitudes and behaviours that enhance occupational health and safety performance.

Value their Workforce

Constructors should provide a supportive and caring working environment

- Providing a workplace where everyone is respected, treated fairly, encouraged and supported.
- Identifying personal development needs and promoting training.
- Caring for the health and wellbeing of the workforce.
- Providing and maintaining high standards of welfare.

SCHEDULE 12

Public Realm

1. INTERPRETATION

1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"24/7 Access Routes" means Route 1, Route 2, Route 3 and Route 4 each marked by a broken green line on Plan 17(1);

"Approved Estate Management Strategy" shall have the meaning given in paragraph 2.1(b) of this schedule;

"Controlled Access Routes" means Route 5, Route 6, Route 7, Route 8, Route 9, Route 10, Route 11 and Route 12 each marked by a broken red line on Plan 17(1) as well as the routes through the Park each marked by a broken red line on Plan 17(2);

"Estate Management Strategy" means a written plan for the management, maintenance, renewal, cleaning, servicing, security and fire safety of the Park and Public Spaces, including the play spaces, equipment, trees (where appropriate), lighting, heritage features, seating and other furniture, to include:

- (a) measures for the maintenance of any hard and soft landscaping seating or other furniture and any other equipment or facilities within the Park and Public Spaces and to ensure the Park and Public Spaces are kept safe and in a useable condition and in good and substantial repair free from hazards obstacles and obstructions and fit in all respects for use by the public;
- (b) details of the management, waste control, cleaning, draining, servicing and upkeep and details of how the Owner will coordinate maintenance of the Park and the Public Spaces with adjoining property owners (if relevant);
- (c) the incorporation of measures (including details of operation of safety measures and equipment, lighting, CCTV and fire safety) in the Park and the Public Spaces and any interface with adjoining public highway to secure public safety to minimise anti-social behaviour;

"LBTH Playspace Contribution" means the sum of £200,000 to be used by LB Tower Hamlets towards the provision of play equipment in public open space within the vicinity of the LBTH Site including Allen Gardens and Weavers Fields;

"Park" means the Park (Platform Level Central), the Park (Platform Level East), the Park (Platform Level West) and the Park Routes (Platform Level);

"Park Access Points" means the locations at which the public may access the Park and Park Routes (Platform Level) from the Pedestrian Routes at ground level as shown indicatively marked with an orange dot on Plan 17(2);

"Park (Platform Level Central)" means that part of the Site shown indicatively cross-hatched red and marked "Zone 2" on the Plan 15 (and any Park Routes (Platform Level) within this area) to be laid out and provided as a park for public recreation free of charge in perpetuity;

"Park (Platform Level East)" means that part of the Site shown indicatively cross-hatched blue and marked "Zone 3" on the Plan 15 (and any Park Routes (Platform Level)

within this area) to be laid out and provided as a park for public recreation free of charge in perpetuity;

"Park (Platform Level West)" means that part of the Site shown indicatively cross-hatched green and marked "Zone 1" on the Plan 15 (and any Park Routes (Platform Level) within this area) to be laid out and provided as a park for public recreation free of charge in perpetuity;

"Park Routes (Platform Level)" means the pedestrian routes within the Park shown indicatively by a broken red line on Plan 17(2);

"Pedestrian Routes" means the 24/7 Access Routes and the Controlled Access Routes but excluding the Park Routes (Platform Level);

"Public Spaces" means the Public Squares and the Pedestrian Routes;

"Public Squares" means Square 1 and Square 2;

"Public Toilets" means the standard-sized "Changing Places" toilet facilities comprised in the Development which comply with the requirements in section 18.6 of BS 8300-2:2018 ("Design of an accessible and inclusive built environment. Buildings – Code of practice");

"Route 1" means the pedestrian route shown indicatively dashed red and marked "1" on Plan 16;

"Route 2" means the pedestrian route shown indicatively dashed green and marked "2" on Plan 16;

"Route 3" means the pedestrian route shown indicatively dashed green and marked "3" on Plan 16;

"Route 4" means the pedestrian route shown indicatively dashed green and marked "4" on Plan 16;

"Route 5" means the pedestrian route shown indicatively dashed cyan and marked "5" on Plan 16;

"Route 6" means the pedestrian route shown indicatively dashed cyan and marked "6" on Plan 16;

"Route 7" means the pedestrian route shown indicatively dashed yellow and marked "7" on Plan 16;

"Route 8" means the pedestrian route shown indicatively dashed yellow and marked "8" on Plan 16;

"Route 9" means the pedestrian route shown indicatively dashed purple and marked "9" on Plan 16;

"Route 10" means the pedestrian route shown indicatively dashed purple and marked "10" on Plan 16;

"Route 11" means the pedestrian route shown indicatively dashed purple and marked "11" on Plan 16;

"Route 12" means the pedestrian route shown indicatively dashed orange and marked "12" on Plan 16;

"Square 1" means the public square shown indicatively cross-hatched green and marked "1" on Plan 16; and

"Square 2" means the public square shown indicatively cross-hatched pink and marked "2" on Plan 16;

2. **ESTATE MANAGEMENT STRATEGY**

2.1 The Owner shall:

- (a) submit a draft Estate Management Strategy to the Approval Panel for Approval prior to First Occupation of the Development (and for the avoidance of doubt and without prejudice to any other provision of this Deed, the Approval Panel shall consult with TfL in respect of the draft Estate Management Strategy);
- (b) not First Occupy nor permit First Occupation of the Development until the Estate Management Strategy has been Approved (the **"Approved Estate Management Strategy"**); and
- (c) implement and procure compliance with the Approved Estate Management Strategy for the duration of the beneficial use of the Development.

2.2 The Owner shall on the first anniversary of the First Occupation of the Development and on each subsequent anniversary thereafter until the date of the Occupation of 75 per cent of the final Phase submit a monitoring report to the Approval Panel setting out and reviewing how effectively the Approved Estate Management Strategy has operated in the previous 12 months.

2.3 In the event that the Approval Panel considers (acting reasonably) that an Approved Estate Management Strategy is not operating effectively, it shall specify such amendments as it considers reasonably necessary to ensure the effective operation of the Approved Estate Management Strategy and the Owner shall thereafter implement such amendments as soon as reasonably practicable PROVIDED THAT any dispute as to the proposed amendments shall be resolved in accordance with clause.

3. **PARK**

3.1 Subject to paragraphs 3.4 to 3.6 (inclusive) the Owner shall:

- (a) Practically Complete the Park (Platform Level West) including the relevant Park Access Points and bring it into beneficial use and provide access to members of the public prior to First Occupation of the Office Floorspace in Plot 2; and
- (b) not First Occupy nor permit First Occupation of the Office Floorspace in Plot 2 until the Park (Platform Level West) has been Practically Completed and brought into beneficial use and made accessible to members of the public including the relevant Park Access Points.

3.2 Subject to paragraphs 3.4 to 3.6 (inclusive) the Owner shall:

- (a) Practically Complete the Park (Platform Level Central) including the relevant Park Access Points and bring it into beneficial use and provide access to members of the public prior to First Occupation of the Retail Floorspace and Hotel in Plot 8B and Plot 8C as well as the Open Market Housing Units and Retail Floorspace in Plot 10A; and
- (b) not First Occupy nor permit First Occupation of the Retail Floorspace and Hotel in Plot 8B and Plot 8C as well as the Open Market Housing Units and Retail Floorspace in Plot 10A until the Park (Platform Level Central) including the relevant Park Access

Points has been Practically Completed and brought into beneficial use and made accessible to members of the public

PROVIDED THAT the Park Access Point located in Plot 10A shall not be provided on Practical Completion of Plot 10A with temporary alternative access to be provided for the period between Practical Completion of the Park (Platform Level Central) and Practical Completion of Plot 10A in accordance with details Approved in writing by LB Tower Hamlets.

3.3 Subject to paragraphs 3.4 to 3.6 (inclusive) the Owner shall:

- (a) Practically Complete the Park (Platform Level East) including the relevant Park Access Points and bring it into beneficial use and provide access to members of the public prior to First Occupation of the Retail Floorspace in Plot 7C, Plot 7D, Plot 10B and Plot 10C; and
- (b) not First Occupy nor permit First Occupation of the Retail Floorspace in Plot 7C, Plot 7D, Plot 10B and Plot 10C until the Park (Platform Level East) has been Practically Completed and brought into beneficial use and made accessible to members of the public including the relevant Park Access Points

PROVIDED THAT the two Park Access Points located in Plot 10B and 10C respectively shall not be provided on Practical Completion of Plot 10B and Plot 10C (as applicable) with temporary alternative access to be provided for the period between Practical Completion of the Park (Platform Level East) and Practical Completion of Plot 10B and Plot 10C (as applicable) in accordance with details Approved in writing by LB Tower Hamlets.

3.4 The Owner may request in writing from the Approval Panel an extension to the deadline by which any part of the Park is to be Practically Completed, brought into beneficial use and made available to members of the public if it produces to the Approval Panel:

- (a) evidence that the relevant part of the Park is required temporarily to accommodate the carrying out of Infrastructure Works;
- (b) details of the nature and scope of the Infrastructure Works and their implications for the Owner's ability to Practically Complete the relevant part of the Park in accordance with this paragraph 3; and
- (c) details of the anticipated programme for the carrying out and completion of those Infrastructure Works.

3.5 If the Approval Panel is satisfied (acting reasonably) with the evidence produced pursuant to paragraph 3.4 it shall confirm in writing to the Owner (with a copy to LB Hackney and LB Tower Hamlets) a revised deadline by which the relevant part of the Park is to be Practically Completed, brought into beneficial use and made available to members of the public.

3.6 The Owner shall Practically Complete the relevant part of the Park and bring it into beneficial use and provide access to members of the public in accordance with the revised deadline confirmed pursuant to paragraph 3.5.

4. **PUBLIC SQUARES**

4.1 Subject to paragraphs 4.3 to 4.5 (inclusive) the Owner shall:

- (a) Practically Complete Square 1 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 1 and Plot 2 to be First Occupied; and

- (b) not First Occupy nor permit First Occupation of the last of Plot 1 and Plot 2 until Square 1 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 4.2 Subject to paragraphs 4.3 to 4.5 (inclusive) the Owner shall:
 - (a) Practically Complete Square 2 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 6, Plot 7D and Plot 10C to be Occupied; and
 - (b) not First Occupy nor permit First Occupation of the last of Plot 6, Plot 7D and Plot 10C until Square 2 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 4.3 The Owner may request in writing from the Approval Panel an extension to the deadline by which any Public Square is to be Practically Completed, brought into beneficial use and made accessible to members of the public if it produces to the Approval Panel:
 - (a) satisfactory evidence that the relevant Public Square is required temporarily to accommodate the carrying out of Infrastructure Works;
 - (b) details of the nature and scope of the Infrastructure Works and their implications for the Owner's ability to Practically Complete the relevant Public Square in accordance with this paragraph 4;
 - (c) details of the anticipated programme for the carrying out and completion of those Infrastructure Works; and
 - (d) where reasonably necessary, details demonstrating any interim public realm treatment and/or measures to ensure safe and secure access and connectivity through the Development.
- 4.4 If the Approval Panel is satisfied (acting reasonably) with the evidence produced pursuant to paragraph 4.3 it shall (acting reasonably) confirm in writing to the Owner (with a copy to LB Hackney and LB Tower Hamlets (as the case may be)) whether the programme and other details proposed pursuant to paragraph 4.3 are agreed and for the avoidance of doubt this confirmation shall not be capable of being referred to the Specialist in accordance with clause 22.
- 4.5 The Owner shall Practically Complete the relevant Public Square and bring it into beneficial use and provide access to members of the public in accordance with the details Approved pursuant to paragraph 4.4.

5. **PEDESTRIAN ROUTES**

- 5.1 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:
 - (a) Practically Complete Route 1 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 1 and Plot 2 to be First Occupied; and
 - (b) not First Occupy nor permit First Occupation of the last of Plot 1 and Plot 2 until Route 2 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.2 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:

- (a) Practically Complete Route 2 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 7B North and Plot 10A to be First Occupied; and
 - (b) not First Occupy nor permit First Occupation of the last of Plot 7B North and Plot 10A until Route 2 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.3 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:
- (a) Practically Complete Route 3 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 7C North and Plot 10B to be First Occupied; and
 - (b) not First Occupy nor permit First Occupation of the last of Plot 7C North and Plot 10B until Route 3 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.4 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:
- (a) Practically Complete Route 4 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 7D North and Plot 10C to be First Occupied; and
 - (b) not First Occupy nor permit First Occupation of the last of Plot 7D North and Plot 10C until Route 4 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.5 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:
- (a) Practically Complete Route 5 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 4, Plot 5, Plot 10A and 10B to be First Occupied; and
 - (b) not First Occupy nor permit First Occupation of the last of Plot 4, Plot 5, Plot 10A and 10B until Route 5 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.6 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:
- (a) Practically Complete Route 6 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 7B North, Plot 7B South, Plot 7C North and Plot 7C South to be First Occupied; and
 - (b) not First Occupy nor permit First Occupation of the last of Plot 7B North, Plot 7B South, Plot 7C North and Plot 7C South until Route 6 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.7 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:
- (a) Practically Complete Route 7 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 5, Plot 6, Plot 10B and Plot 10C to be First Occupied; and
 - (b) not First Occupy nor permit First Occupation of the last of Plot 5, Plot 6, Plot 10B and Plot 10C until Route 7 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.8 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:

- (a) Practically Complete Route 8 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 7C North, Plot 7C South, Plot 7D North and Plot 7D South to be First Occupied; and
 - (b) not First Occupy nor permit First Occupation of the last of Plot 7C North, Plot 7C South, Plot 7D North and Plot 7D South until Route 8 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.9 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:
- (a) Practically Complete Route 9 and bring it into beneficial use and provide access to members of the public prior to First Occupation of the last of Plot 7B South and Plot 7E to be First Occupied; and
 - (b) not First Occupy nor permit First Occupation of the last of Plot 7B South and Plot 7E until Route 9 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.10 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:
- (a) Practically Complete Route 10 and bring it into beneficial use and provide access to members of the public prior to First Occupation of Plot 7C South; and
 - (b) not First Occupy nor permit First Occupation of Plot 7C South until Route 10 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.11 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:
- (a) Practically Complete Route 11 and bring it into beneficial use and provide access to members of the public prior to First Occupation of Plot 7D South; and
 - (b) not First Occupy nor permit First Occupation of Plot 7D South until Route 11 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.12 Subject to paragraphs 5.13 to 5.15 (inclusive) the Owner shall:
- (a) Practically Complete Route 12 and bring it into beneficial use and provide access to members of the public prior to First Occupation of any Retail Floorspace fronting Route 12; and
 - (b) not First Occupy nor permit First Occupation of any Retail Floorspace fronting Route 12 until Route 12 has been Practically Completed and brought into beneficial use and made accessible to members of the public.
- 5.13 The Owner may request in writing from the Approval Panel an extension to the deadline by which any Pedestrian Route is to be Practically Completed, brought into beneficial use and made accessible to members of the public if it produces to the Approval Panel:
- (a) satisfactory evidence that the relevant Pedestrian Route is required temporarily to accommodate the carrying out of Infrastructure Works;
 - (b) details of the nature and scope of the Infrastructure Works and their implications for the Owner's ability to Practically Complete the relevant Pedestrian Route in accordance with this paragraph 5; and
 - (c) details of the anticipated programme for the carrying out and completion of those Infrastructure Works; and

- (d) where reasonably required, details demonstrating any interim public realm treatment and/or measures to ensure safe and secure access and connectivity through the Development.

5.14 If the Approval Panel is satisfied (acting reasonably) with the evidence produced pursuant to paragraph 5.14 it may in its absolute discretion confirm in writing to the Owner (with a copy to LB Hackney and LB Tower Hamlets) whether the programme and other details proposed pursuant to paragraph 5.13 are agreed and for the avoidance of doubt this confirmation shall not be capable of being referred to the Specialist in accordance with clause 22.

5.15 The Owner shall Practically Complete the relevant Pedestrian Route and bring it into beneficial use and provide access to members of the public in accordance with the revised details Approved pursuant to paragraph 5.14.

6. **PUBLIC TOILETS**

6.1 The Owner shall:

- (a) Practically Complete the Public Toilets prior to First Occupation of any Retail Floorspace in the last of Plot 10A, Plot 10B and Plot 10C to be First Occupied;
- (b) not First Occupy nor permit First Occupation of any Retail Floorspace in the last of Plot 10A, Plot 10B and Plot 10C to be First Occupied until the Public Toilets have been Practically Completed; and
- (c) ensure that the Public Toilets are made and remain available for use by the public free of charge during the trading hours of the Retail Floorspace and no later than 11 p.m. within the Plot within which they are situated.

7. **PUBLIC ACCESS**

7.1 The Owner shall:

- (a) ensure that the Park and Park Access Points remain available for public recreation and access free of charge in perpetuity from the date they are brought into beneficial use and made available for access by the public;
- (b) subject to paragraphs 7.4 and 7.5 ensure that the Park and Park Access Points remain open for public access free of charge every day from 7 a.m. until 11 p.m. (or such alternative times as may be agreed in writing with the Councils from time to time); and
- (c) not permit the Park to be used for any purpose (other than cleaning, maintenance or repairs) at a time when the Park is closed to public access and for the avoidance of doubt Occupiers of the Development may not use the Park at a time when the Park is closed to public access.

7.2 Subject to paragraphs 7.4 and 7.5 below, the Owner shall ensure that the Controlled Access Routes are retained and maintained in good working order for the life of the Development from the date that they are brought into beneficial use and shall remain open for public access free of charge every day from 7 a.m. until the earlier of 11 p.m. or the time at which the last unit of Retail Floorspace accessed from the relevant Red Route closes for trading (or such alternative times as may be agreed in writing with the Councils from time to time).

7.3 Subject to paragraphs 7.4 and 7.5 below, the Owner shall ensure that the 24/7 Access Routes and the Public Squares are retained in perpetuity from the date that they are brought into beneficial use and shall be accessible to the public 24 hours a day and from the date that they are brought into beneficial use the public shall be permitted continuous,

unrestricted access to pass and re-pass free of charge on foot and by wheelchair and/or with a baby pram or pushchair (or similar carrier).

7.4 The Owner shall be permitted to temporarily close any part of the Public Spaces and the Park if such closure is with the prior written approval of the Councils and where such temporary closure is reasonably necessary in the interests of public safety, is required for the purposes of essential maintenance, repair, cleansing, renewal or resurfacing of the Public Spaces or the Park in accordance with the Approved Estate Management Strategy or is required in connection with any necessary maintenance to any operational railway assets in the vicinity of the relevant Park or Public Square PROVIDED THAT:

- (a) the Owner shall re-open the Public Spaces or the Park (as applicable) as soon as reasonably practicable thereafter in accordance with a programme and timescales previously approved by the Councils;
- (b) the closure shall not inhibit public access to the remainder of the Public Spaces and Park and an alternative route shall be provided that is suitable, safe and convenient for access on foot, by wheelchair and/or with a baby pram or pushchair (or similar carrier) and diversion signage shall be installed;
- (c) the Owner shall use reasonable endeavours to ensure that essential maintenance, repair, cleansing, renewal or resurfacing of the Public Spaces or the Park takes place during times which minimise impact on public use of the Public Spaces and/or the Park while also minimising any noise or other disturbance of nearby residents; and
- (d) such closure shall not prevent access by and on behalf of TfL and Network Rail to their respective infrastructure for operations, maintenance and in an emergency.

7.5 The Owner and the Councils may agree in writing to restrict access to any of the Public Spaces and the Park (whether by reference to access times or otherwise) in the event that it is deemed to be reasonably necessary (for example, in order to prevent antisocial behaviour).

8. **LBTH PLAYSPLACE CONTRIBUTION**

8.1 The Owner shall:

- (a) pay the LBTH Playspace Contribution to LB Tower Hamlets prior to First Occupation of the last Plot containing Residential Units to be First Occupied; and
- (b) not First Occupy nor permit First Occupation of the last Plot containing Residential Units to be First Occupied until the LBTH Playspace Contribution has been paid in full to LB Tower Hamlets.

SCHEDULE 13

Office Floorspace and Affordable Workspace

1. **INTERPRETATION**

1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"Affordable Workspace" means Office Floorspace at the Development to be made available at a discount from Open Market Rents and shall comprise LBH Affordable Workspace and/or LBTH Affordable Workspace (as the case may be) to be provided in the following Buildings:

GIA (sq.m.)				
All areas excluding plant				
Building	LBH Total B1 floorspace (sq m)	LBTH total B1 floorspace (sq m)	LBH AW offer (7.5%) (sq m) (percentages indicate amount of discount)	LBTH AW offer (10%) (sq m) (percentages indicate amount of discount)
1 Indicative	39,681	11,174	2,976	1,117
2	62,540	321	4,691	32
3 Indicative	5,332	8,658	400	866
5 Indicative	0	366	0	37

the precise location of which will be agreed in accordance with Approved Affordable Workspace Strategy;

"Affordable Workspace Lease" means a lease of all or part of the Affordable Workspace to be entered into between the Owner and an Affordable Workspace Provider in substantially and materially the same form as the Approved Framework Affordable Workspace Lease;

"Affordable Workspace Provider" means:

- (a) for LB Hackney a provider of Affordable Workspace who is on LB Hackney's list of approved bodies (the current list can be found here: <https://investinhackney.org/workspace>) or such other provider as may be Approved by LB Hackney in accordance with paragraph 2.5(d) of this schedule; and
- (b) for LB Tower Hamlets a provider of Affordable Workspace Approved by LB Tower Hamlets;

"Affordable Workspace Statement" means a statement prepared for each Plot containing Affordable Workspace that sets out the details of how the required Affordable Workspace for the relevant Plot will be delivered in line with the Affordable Workspace Strategy and thereafter managed, including:

- (a) current occupants;
- (b) the occupant's sector/industry;
- (c) re-provision of floor space for the occupants or the same sector/industry;
- (d) allocation format (desk allocation or membership etc.);
- (e) what facilities and services the workspace includes;
- (f) how the workspace is deemed to meet market trends business needs;
- (g) flexibility of floorspace for alternatives;
- (h) industries targeted and evidence that local demand being considered;
- (i) estimated capacity;
- (j) length of lease and memberships on offer;
- (k) estimated cost per desk to end user and cost to workspace providers; and
- (l) management arrangements of lease, membership, etc;

"Affordable Workspace Strategy" means a written overarching strategy for each of the LBH Site and the LBTH Site setting out how the Owner intends to provide Affordable Workspace within the relevant parts of the Development and shall include but not be limited to:

- (a) indicative proposals as to the quantum and location of the Affordable Workspace to be provided within the relevant part of the Development;
- (b) indicative details of the proposed configuration of the Affordable Workspace;
- (c) the proposed strategy for marketing the Affordable Workspace;
- (d) a commitment to fitting out the Affordable Workspace to at least Category A and to an equivalent standard as the other Office Floorspace located within the Development (including in respect of fit out for Occupation) and for service charges levied to be fair and reasonable and no more than the actual cost of the services provided; and
- (e) an overarching strategy for flexibility in terms of the quantum of discount to be applied to rental payments which will result in the overall aggregate of discount being 60 per cent for LBH Affordable Workspace and 10 per cent for LBTH Affordable Workspace;

"Approved Affordable Workspace Statement" shall have the meaning given in paragraphs 2.1(d) and 2.2(d) of this schedule;

"Approved Affordable Workspace Strategy" means the Affordable Workspace Strategy which has been submitted to and Approved by LB Hackney and/or LB Tower Hamlets (as appropriate);

"Approved Framework Affordable Workspace Lease" shall have the meaning given in paragraph 2.1(e) of this schedule;

"Framework Affordable Workspace Lease" means the form of lease that the Owner intends to enter into with an Affordable Workspace Provider in respect of the relevant part

of the Affordable Workspace, such lease to be substantially in accordance with the following heads of terms:

- (a) rents (fully inclusive of any premium) at a LBH Discount or a LBTH Discount (as the case may be);
- (b) service charges and to be capped at the maximum level (subject to annual increases to reflect indexation in accordance with the CPI) Approved from time to time pursuant to paragraphs 2.1(f) and 2.2(f) of this schedule (as the case may be) and to be fair and reasonable and no more than the actual cost of the services provided having regard to service charges at comparable premises within the wards of Hoxton East and Shoreditch, Hoxton West, Haggerston, Spitalfields and Banglatown, Weavers and Bethnal Green;
- (c) term length comparable to that offered to prospective tenants of the Office Floorspace that is not Affordable Workspace;
- (d) permitted user shall be within Class B1 of the Use Classes Order;
- (e) contracted out of Landlord and Tenant Act 1954;
- (f) tenant shall not be permitted to assign other than to an alternative Affordable Workspace Provider;

"LBH Affordable Workspace" means 7.5 per cent of the LBH Office Floorspace to be made available at the LBH Discount;

"LBH Discount" means an aggregate 60 per cent discount from Open Market Rent in respect of the Affordable Workspace in Perpetuity;

"LBH Office Floorspace" means the Office Floorspace comprised in the LBH Development;

"LBTH Affordable Workspace" means 10 per cent of the LBTH Office Floorspace to be made available at the LBTH Discount;

"LBTH Discount" means a 10 per cent discount from Open Market Rent in Perpetuity;

"LBTH Office Floorspace" means the Office Floorspace comprised in the LBTH Development;

"Local Enterprise Business Support and Inclusive Workspace Contribution" means the sum of £500,000 to be used by LB Hackney towards a range of measures aimed at encouraging local businesses to occupy and provide services to the Development including:

- (a) supporting local businesses;
- (b) working with the Owner;
- (c) practically promoting the benefits of the Development;
- (d) working with incoming commercial tenants of the Development and LB Hackney's Employment and Skills Teams;

"Open Market Rent" means the average of the figure considered by each of two Independent Valuers to be the best rent at which the Affordable Workspace could have been let on the date of valuation (to be the date of the last valuation or such other date as is agreed with LB Hackney or LB Tower Hamlets (as the case may be)) for a term (either specified in the Approved Affordable Workspace Statement or Approved Framework Affordable Workspace Lease as applicable or otherwise to be agreed by LB Hackney or LB

Tower Hamlets (as the case may be)) for a use within unrestricted Class B1 of the Use Classes Order (but not as Affordable Workspace) between a willing lessor and a willing lessee in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion and as if the Affordable Workspace restrictions contained in the Deed did not apply, and having regard to open market rents for comparable premises within the wards of Hoxton East and Shoreditch, Hoxton West, Spitalfields and Banglatown and Weavers;

"Workspace Return" means a written report detailing and recording the following:

- (a) how many businesses/organisations are currently operating from the Affordable Workspace;
- (b) which sectors are these businesses/organisations from;
- (c) how long has each business/organisation been operating from the Affordable Workspace for and how much do they pay per month including all service charges and what does this cover in terms of floorspace, desk space, use of meeting rooms and business support services;
- (d) how many people do each of the businesses employ and where do the employees live; and
- (e) the further requirements set out in the Workspace Return Criteria attached hereto at annex 1 to this schedule 13.

2. **AFFORDABLE WORKSPACE**

2.1 The Owner shall in respect of the LBH Office Floorspace:

- (a) submit a draft Affordable Workspace Strategy to LB Hackney in respect of the LBH Affordable Workspace prior to Commencement of the first Plot which will contain LBH Office Floorspace;
- (b) not Commence nor permit Commencement of the first Plot which contains LBH Office Floorspace unless and until LB Hackney has Approved the Affordable Workspace Strategy (the **"Approved Affordable Workspace Strategy"**) and shall thereafter comply at all times with the Approved Affordable Workspace Strategy (subject to such amendments as may be specified by LB Hackney from time to time in accordance with paragraph 2.10 of this schedule);
- (c) submit a draft Affordable Workspace Statement to LB Hackney in respect of each Plot which contains LBH Affordable Workspace prior to First Occupation of each Plot which will contain LBH Affordable Workspace;
- (d) not First Occupy nor permit First Occupation of any Plot which contains LBH Affordable Workspace unless and until LB Hackney has Approved the Affordable Workspace Statement (the **"Approved Affordable Workspace Statement"**) for that Plot and shall thereafter comply at all times with each Approved Affordable Workspace Statement in respect the relevant Plot (subject to such amendments as may be specified by LB Hackney as from time to time in accordance with paragraph 2.10 of this schedule);
- (e) submit a draft Framework Affordable Workspace Lease to LB Hackney for Approval prior to Commencement of any Plot which contains LBH Office Floorspace and not Commence nor permit Commencement of any Plot which contains LBH Office Floorspace unless and until a Framework Affordable Workspace Lease has been submitted to and Approved by LB Hackney (the **"Approved Framework Affordable Workspace Lease"**);

- (f) not First Occupy nor permit First Occupation of any LBH Affordable Workspace unless in respect of that LBH Affordable Workspace the maximum initial amount of service charges which may be levied has been submitted to and Approved in writing by LB Hackney and such maximum amount may not be increased above the maximum Approved pursuant to this paragraph 2.1(f) (other than annual increases to reflect indexation and inflation) without the prior written Approval of LB Hackney;

2.2 The Owner shall in respect of the LBTH Office Floorspace:

- (a) submit a draft Affordable Workspace Strategy to LB Tower Hamlets in respect of the LBTH Affordable Workspace prior to Commencement of the first Plot which will contain LBTH Office Floorspace;
- (b) not Commence nor permit Commencement of the first Plot which contains LBTH Office Floorspace unless and until LB Tower Hamlets has Approved the Affordable Workspace Strategy (the "**Approved Affordable Workspace Strategy**") and shall thereafter comply at all times with the Approved Affordable Workspace Strategy (subject to such amendments as may be specified by LB Tower Hamlets from time to time in accordance with paragraph 2.10 of this schedule);
- (c) submit a draft Affordable Workspace Statement to LB Tower Hamlets in respect of each Plot which contains LBTH Affordable Workspace prior to First Occupation of each Plot which will contain LBTH Affordable Workspace;
- (d) not First Occupy nor permit First Occupation of any Plot which contains LBTH Affordable Workspace unless and until LB Tower Hamlets has Approved the Affordable Workspace Statement (the "**Approved Affordable Workspace Statement**") for that Plot and shall thereafter comply at all times with each Approved Affordable Workspace Statement in respect the relevant Plot (subject to such amendments as may be specified by LB Tower Hamlets as from time to time in accordance with paragraph 2.10 of this schedule);
- (e) submit a draft Framework Affordable Workspace Lease to LB Tower Hamlets for Approval prior to Commencement of any Plot which contains LBTH Office Floorspace and not Commence nor permit Commencement of any Plot which contains LBTH Office Floorspace unless and until a Framework Affordable Workspace Lease has been submitted to and Approved by LB Tower Hamlets (the "**Approved Framework Affordable Workspace Lease**");
- (f) not First Occupy nor permit First Occupation of any LBTH Affordable Workspace unless in respect of that LBTH Affordable Workspace the maximum initial amount of service charges which may be levied has been submitted to and Approved in writing by LB Tower Hamlets and such maximum amount may not be increased above the maximum Approved pursuant to this paragraph 2.2(f) (other than annual increases to reflect indexation and inflation) without the prior written Approval of LB Tower Hamlets.

2.3 The Owner shall not First Occupy nor permit First Occupation of any Office Floorspace in a Plot which contains Affordable Workspace unless and until the Owner has Practically Completed the Affordable Workspace within that Plot.

2.4 The Owner shall:

- (a) provide no less than 7.5 per cent of the total LBH Office Floorspace as LBH Affordable Workspace in accordance with the Approved Affordable Workspace Strategy and an Affordable Workspace Lease;

- (b) not Occupy nor cause nor permit the Occupation of any LBH Affordable Workspace other than in accordance with the Approved Affordable Workspace Strategy and an Affordable Workspace Lease;
- (c) provide no less than 10 per cent of the total LBTH Office Floorspace as LBTH Affordable Workspace in accordance with the Approved Affordable Workspace Strategy and an Affordable Workspace Lease; and
- (d) not Occupy nor cause nor permit the Occupation of any LBTH Affordable Workspace other than in accordance with the Approved Affordable Workspace Strategy and an Affordable Workspace Lease.

2.5 The Owner shall use reasonable endeavours to enter into one or more Affordable Workspace Leases (or agreements to enter into an Affordable Workspace Lease) for the entirety of the Affordable Workspace in a particular Plot, such reasonable endeavours to be used for an initial period of at least 12 continuous months beginning no later than six months prior to the anticipated date of Practical Completion of the relevant Affordable Workspace ("**Marketing Period**") and in so doing the Owner shall:

- (a) provide the Relevant Council with regular written reports throughout the Marketing Period summarising the progress made in marketing the LBH Affordable Workspace and the LBTH Affordable Workspace in accordance with the Approved Affordable Workspace Strategy;
- (b) have regard to any reasonable recommendations made by a Relevant Council with regard to the marketing process or suggestions as to alternative Affordable Workspace Providers that could be approached;
- (c) if requested by a Relevant Council, afford the Relevant Council the opportunity to attend meetings between the Owner and any Affordable Workspace Provider; and
- (d) in respect of the LBH Affordable Workspace the Owner shall:
 - (i) market exclusively to Affordable Workspace Providers included on LB Hackney's approved list for the first six months of the Marketing Period;
 - (ii) before any marketing to Affordable Workspace Providers who are not on LB Hackney's approved list begins, submit to LB Hackney for its written Approval a report demonstrating the marketing undertaken pursuant to paragraph 2.5(d)(i) above was in accordance with the Approved Affordable Workspace Strategy;
 - (iii) only market to Affordable Workspace Providers who are not on LB Hackney's approved list during the second six months of the Marketing Period and only if such providers have first been Approved in writing by LB Hackney;
 - (iv) notwithstanding any marketing undertaken pursuant to paragraph 2.5(d)(iii) above to market to Affordable Workspace Providers included on LB Hackney's approved list throughout the Marketing Period;
 - (v) submit to LB Hackney for its written Approval a report demonstrating the marketing undertaken pursuant to paragraphs 2.5(d)(iii) and (iv) above was in accordance with the Approved Affordable Workspace Strategy within 10 Working Days of the end of the Marketing Period;
 - (vi) not Occupy any Plot within which the relevant LBH Affordable Workspace is located until LB Hackney has Approved the marketing report submitted under paragraph 2.5(d)(v);

- (vii) where LB Hackney does not Approve the marketing report submitted pursuant to paragraph 2.5(d)(v), undertake further marketing to such Affordable Workspace Providers and for such period as LB Hackney may specify (acting reasonably) and in this scenario paragraphs 2.5(v) and (vi) shall apply mutatis mutandis to any further marketing.

2.6 Where in respect of LBH Affordable Workspace LB Hackney does not Approve a report submitted to it pursuant to paragraphs 2.5(d)(ii) or 2.5(d)(vi) LB Hackney shall contemporaneously notify the Owner of the reasons for its decision and the way in which LB Hackney considers any non-compliance with the Approved Affordable Workspace Strategy may be remedied.

2.7 Where:

- (a) in respect of LBH Affordable Workspace, LB Hackney Approves a marketing report pursuant to paragraph 2.5(d)(vi) and is satisfied that the Owner has used reasonable endeavours to enter into an Affordable Workspace Lease in accordance with paragraph 2.5; and/or
- (b) in respect of LBTH Affordable Workspace, LB Tower Hamlets is satisfied that the Owner has used reasonable endeavours to enter into an Affordable Workspace Lease in accordance with paragraph 2.5

but the Owner has been unable to enter into an Affordable Workspace Lease in respect of a particular area of Affordable Workspace then the Owner (or one of its wholly owned subsidiaries) shall be permitted by the Relevant Council to operate the Affordable Workspace as an Affordable Workspace Provider.

2.8 In the event that the Owner is permitted to become the Affordable Workspace Provider pursuant to paragraph 2.7 above the Owner covenants with LB Hackney and LB Tower Hamlets (as appropriate) to operate the Affordable Workspace in accordance with the Approved Affordable Workspace Strategy and the Approved Affordable Workspace Statement.

2.9 The Owner shall provide LB Hackney and LB Tower Hamlets (as appropriate) with the completed Workspace Return on the first anniversary of First Occupation of any Plot which contains Affordable Workspace on an annual basis for the duration of the Development in Perpetuity.

2.10 In the event that LB Hackney and/or LB Tower Hamlets (as appropriate) considers (acting reasonably) that the Approved Affordable Workspace Strategy and/or Approved Affordable Workspace Statement is/are not operating effectively, it shall specify such amendments as it considers reasonably necessary to ensure the effective operation of that Approved Affordable Workspace Strategy and/or Approved Affordable Workspace Statement and the Owner shall thereafter implement such amendments as soon as reasonably practicable PROVIDED THAT any dispute as to the proposed amendments shall be resolved in accordance with clause 22.

3. **AFFORDABLE WORKSPACE CONTRIBUTION**

3.1 The Owner shall:

- (a) pay 25 per cent of the Local Enterprise Business Support and Inclusive Workspace Contribution to LB Hackney prior to Commencement of the first Plot which contains LBH Affordable Workspace and not to Commence nor permit Commencement of the first Plot which contains LBH Affordable Workspace until 25 per cent of the Local Enterprise Business Support and Inclusive Workspace Contribution has been paid to LB Hackney;

- (b) pay a further 25 per cent of the Local Enterprise Business Support and Inclusive Workspace Contribution to LB Hackney prior to First Occupation of the first Plot which contains LBH Affordable Workspace and not First Occupy nor permit First Occupation of the first Plot which contains LBH Affordable Workspace until the further 25 per cent of the Local Enterprise Business Support and Inclusive Workspace Contribution has been paid to LB Hackney;
- (c) pay a further 25 per cent of the Local Enterprise Business Support and Inclusive Workspace Contribution to LB Hackney prior to First Occupation of the second Plot which contains LBH Affordable Workspace and not First Occupy nor permit First Occupation of the second Plot which contains LBH Affordable Workspace until the further 25 per cent of the Local Enterprise Business Support and Inclusive Workspace Contribution has been paid to LB Hackney; and
- (d) pay the remaining 25 per cent of the Local Enterprise Business Support and Inclusive Workspace Contribution to LB Hackney on the fifth anniversary of the First Occupation of the second Plot which contains LBH Affordable Workspace.

Annex 1 to Schedule 13

The Workspace Return Criteria

At the appropriate stage, LB Hackney/LB Tower Hamlets shall provide the form to be completed with details of the following:

1. The name of the business(es) or organisation(s) occupying the Affordable Workspace;
2. The sector/field within which the business or organisation operates;
3. Length of time that the operations have been carried out;
4. Monthly fee(s) including service charges that are levied;
5. Amount of floorspace included in the membership;
6. Services and amenities available to business or organisation as part of membership;
7. Support services received by the business or organisation as part of membership; and
8. Number of employees and whether they are Hackney/Tower Hamlets residents or not.

SCHEDULE 14

Retail Floorspace

1. INTERPRETATION

1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"Affordable Retail Lease" means the form of lease that the Owner intends to enter into with a prospective tenant of an Affordable Retail Unit such lease to be substantially in accordance with the following heads of terms:

- (a) Demise: the Affordable Retail Unit to Shell and Core and with such other rights as may be agreed by the Owner and the tenant
- (b) Rent: no requirement for payment of a premium or rent exceeding Affordable Retail Rent as set out in the Approved Retail Marketing and Management Strategy;
- (c) Term: term length comparable to that offered to prospective tenants of the Retail Floorspace that is not Affordable Retail Units or Independent Retail Units;
- (d) Permitted User: permitted user shall be within Classes A1, A2, A3 or A5 of the Use Classes Order (whether or not expressed by reference to the Use Classes Order);
- (e) Rent Review: from first letting rent reviews shall be upwards only and annual rent increases shall not exceed CPI + 1%;
- (f) Alienation: subletting of whole or part to be prohibited;
- (g) Repairs: Tenant to be responsible for all internal and non-structural repairs pursuant to payment of a fair and reasonable service charge. Tenant also to be responsible for dilapidations at the end of the lease or on the occasion of a lease break or upon vacating the unit;
- (h) Security of Tenure: security of tenure under the Landlord and Tenant Act 1954 to be excluded;
- (i) Service Charges: to be capped at the maximum level (subject to annual increases to reflect indexation in accordance with the CPI) as may be Approved from time to time pursuant to paragraph 3.3 of this schedule) and having regard to open service charges at comparable premises within the wards of Hoxton East and Shoreditch, Hoxton West, Haggerston, Spitalfields and Banglatown, Weavers and Bethnal Green; and
- (j) Assignment: as set out in the Approved Retail Management Strategy;

"Affordable Retail Rent" means a rent that is not more than 60% (sixty percent) of Open Market Rent;

"Affordable Retail Unit" means an Independent Retail Unit let to Micro Retailers and Start-Up Retailers by way of an Affordable Retail Lease;

"Approved Retail Marketing and Management Strategy" shall have the meaning given in paragraph 2.1(b) of this schedule;

"Independent Retail Units" means those units within the Development comprising Retail Floorspace that when aggregated are equal to (10%) ten per cent of total GIA Retail Floorspace to be provided in the Development;

"Independent Retailer" means a retail business who on first Occupation does not:

- (a) operate more than ten similar retail outlets nationally;
- (b) operate any single similar retail outlet nationally exceeding 200 sqm GIA; and
- (c) employ more than 250 persons (full time equivalent);

"Micro Retailer" means a retailer who, on first Occupation of the relevant Independent Retail Unit, meets no fewer than two of the following criteria:

- (a) an annual turnover of no more than £632,000;
- (b) assets on its balance sheet of no more than £316,000;
- (c) employs no more than ten persons (full time equivalent);

"Open Market Rent" means the average of the figure considered by each of two Independent Valuers to be the best price at which the Affordable Retail Unit could have been let on the date of valuation (to be the date of the last valuation or such other date as is agreed with the Approval Panel) for a term (specified in the Approved Retail Marketing and Management Strategy) for a comparable use within Classes A1, A2, A3 or A5 of the Use Classes Order between a willing lessor and a willing lessee in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion, as if the restrictions contained in this Deed did not apply, and having regard to open market rents for comparable premises within the wards of Hoxton East and Shoreditch, Hoxton West, Spitalfields and Banglatown and Weavers;

"Retail Marketing and Management Strategy" means a written strategy setting out how the Owner intends to market and manage and monitor the letting and occupation of the Retail Floorspace, such strategy to include without limitation:

- (a) the proposed Affordable Retail Rent and supporting documentary evidence of it has been calculated with reference to Open Market Rent;
- (b) retail mix within the Retail Floorspace including the Independent Retail Units and Affordable Units (including how assignment of Independent Retail Units and Affordable Units will be managed);
- (c) identification of locations for the provision of Independent Retail Units and Affordable Retail Units and estimated rental value per unit;
- (d) a marketing strategy which includes details of:
 - (i) target tenants;
 - (ii) a range of methodologies for promoting the availability of the Independent Retail Units including site notices, website publications, adverts, the use of marketing and estate agencies and targeted mail and which sets out the specification of the Independent Retail Floorspace available and the proposed terms on which it is available;
 - (iii) priority periods of not less than 3 months applying to first lettings of Independent Retail Units and subsequent lettings where the tenant intends to vacate during which the relevant Independent Retail Unit shall be marketed exclusively to Micro Retailers or Start-Up Retailers at Affordable Retail Rent;
 - (iv) a process for evidencing and reporting quarterly on the marketing of the Independent Retail Units and Affordable Retail Units;

- (e) a management plan setting out operational requirements of the Retail Floorspace including without limitation:
 - (i) hours of use;
 - (ii) items which will be subject of the service charge to be apportioned at a reasonable and equitable basis to tenants of Retail Floorspace and the basis upon which the apportionment is calculated;
 - (iii) details of loading and unloading facilities to be provided for tenants;
 - (iv) how prospective tenants of Independent Retail Floorspace will be assessed as being in need of an Independent Retail Unit and satisfying the Independent Retail Requirement and the criteria to be applied and how prospective tenants of occupiers will otherwise be assessed;
 - (v) voids and rolling temporary lettings by the Owner;
 - (vi) such other matters as the Approval Panel and the Owner may agree should be included in the management plan;
 - (vii) the collection of orders by delivery riders so as to ensure minimal disturbance to the amenity of the area; and
 - (viii) end-user refuse arising in connection with the Class A5 use;
- (f) a methodology for monitoring and recording implementation of this strategy;

"Start-Up Retailer" means a retailer who, on first Occupation of the relevant Affordable Retail Unit, has traded for no more than five calendar years.

2. **RETAIL MARKETING AND MANAGEMENT STRATEGY**

2.1 The Owner shall:

- (a) submit a draft Retail Marketing and Management Strategy to the Approval Panel for Approval prior to Commencement of the first Plot containing Retail Floorspace;
- (b) not Commence nor permit Commencement of the first Plot containing Retail Floorspace until the Retail Marketing and Management Strategy (setting out indicative details of the information required to be submitted pursuant to limbs (a), (b) and (c) of the definition of Retail Marketing and Management Strategy) has been Approved in writing by the Approval Panel (an **"Approved Retail Marketing and Management Strategy"**);
- (c) submit an update to the Approved Retail Marketing and Management Strategy (containing full details of the information required to be submitted pursuant to limbs (a), (b) and (c) of the definition of Retail Marketing and Management Strategy) to the Approval Panel for Approval no later than 12 months prior to the anticipated date of First Occupation of the first Plot containing Retail Floorspace;
- (d) implement and comply with the Approved Retail Marketing and Management Strategy for the duration of the beneficial use of the Development (subject to such amendments as may be agreed in writing with the Approval Panel from time to time).

2.2 The Owner shall on the first anniversary of the First Occupation of a Phase containing Retail Floorspace and on each subsequent anniversary thereafter until the date that is the fifth anniversary of the date of the Occupation of (75%) seventy five per cent of the final Phase submit a monitoring report to the Approval Panel setting out and reviewing how effectively

the Approved Retail Marketing and Management Strategy has operated in the previous 12 months.

- 2.3 In the event that the Approval Panel considers (acting reasonably) that the Approved Retail Marketing and Management Strategy is not operating effectively, it shall specify such amendments as it considers reasonably necessary to ensure the effective operation of the Approved Retail Marketing and Management Strategy and the Owner shall thereafter implement such amendments as soon as reasonably practicable PROVIDED THAT any dispute as to the proposed amendments shall be resolved in accordance with clause 22.

3. INDEPENDENT AND AFFORDABLE RETAIL REQUIREMENT

- 3.1 The Owner shall not First Occupy nor suffer or permit First Occupation of any Retail Floorspace in a Plot which contains Independent Retail Units unless and until the Owner has Practically Completed the Independent Retail Units within that Plot.

- 3.2 Subject to paragraph 3.4 below, the Owner shall not Occupy nor cause nor permit the Occupation of any Independent Retail Units other than by Independent Retailers in accordance with the Approved Retail Marketing and Management Strategy and in addition the Owner shall:

- (a) provide no less than (30%) thirty per cent GIA of the Independent Retail Units as Affordable Retail Units in accordance with the Approved Retail Marketing and Management Strategy and an Affordable Retail Lease; and
- (b) not Occupy nor cause nor permit the Occupation of any Affordable Retail Units other than in accordance with the Approved Retail Marketing and Management Strategy and an Affordable Retail Lease;

- 3.3 The Owner shall enter into Affordable Retail Leases (or agreements to enter into an Affordable Retail Lease) with Start-Up Retailers and/or Micro Retailers for the Affordable Retail Units in a particular Plot but shall not enter into such Affordable Retail Leases (or agreements to enter into an Affordable Retail Lease) unless in respect of the relevant Affordable Retail Unit the maximum initial amount of service charge which may be levied has been submitted to and Approved in writing by the Approval Panel and such maximum amount may not be increased above the maximum amount Approved pursuant to this paragraph 3.3 (other than annual increases to reflect indexation and inflation) without the prior written Approval of the Approval Panel.

- 3.4 Subject to paragraph 3.5 below, in the event that the Owner has been unable to let an Independent Retail Unit to an Independent Retailer having used reasonable endeavours for a continuous period of at least six (6) months and subject to the Approval Panel being reasonably satisfied that there is no demand for the relevant Independent Retail Unit the Owner having provided all relevant documentation demonstrating such fact (including marketing evidence) and such satisfaction being confirmed in writing, the Owner may permit the relevant Independent Retail Unit to be Occupied on a rolling temporary basis (subject to a 12 month landlord's break option) as Retail Floorspace free from the restrictions in paragraph 3.2 above during any period where the Owner and the Approval Panel agree (acting reasonably and providing each other with copies of all relevant documentation and evidence) that there is no demand for Independent Retail Units from Independent Retailers and on expiry of such period the relevant unit shall continue to be marketed, managed and maintained in accordance with the Approved Retail Marketing and Management Strategy and the requirements of paragraph 3.2 of this schedule.

- 3.5 Irrespective of any temporary letting Approved pursuant to paragraph 3.4 the Owner hereby acknowledges and agrees that it shall be under a continuing obligation to market the Independent Retail Units to Independent Retailers in accordance with the Approved Retail Marketing and Management Strategy (with reasonable evidence of the same provided to

the Approval Panel on request) with a view to letting the Independent Retail Units to an appropriate Occupier upon expiration or termination of any temporary tenancy Approved pursuant to clause 3.4.

- 3.6 Subject to paragraph 3.7 below, in the event that the Owner has been unable to let an Affordable Retail Unit to a Micro Retailer or Start-Up Retailer pursuant to an Affordable Retail Lease having used reasonable endeavours for at least six (6) months and subject to the Approval Panel being reasonably satisfied that there is no demand for the relevant Affordable Retail Unit the Owner having provided all relevant documentation demonstrating such fact (including marketing evidence) and such satisfaction being confirmed in writing, the Affordable Retail Unit may be temporarily let to an Occupier Approved in writing by the Approval Panel for a term of no longer than 12 months (or such other longer period as may be Approved in writing by the Approval Panel having regard to the relevant documentation provided by the Owner demonstrating the lack of demand for the relevant Affordable Retail Unit) as Retail Floorspace free from the restrictions in paragraph 3.2 above.
- 3.7 Irrespective of any temporary letting Approved pursuant to paragraph 3.6 the Owner hereby acknowledges and agrees that it shall be under a continuing obligation to market the Affordable Retail Units to Micro Retailers and Start-Up Retailers in accordance with the Approved Retail Marketing and Management Strategy (with reasonable evidence of the same provided to the Approval Panel on request) with a view to letting the Affordable Retail Units to an appropriate Occupier upon expiration or termination of any temporary tenancy Approved pursuant to clause 3.6.

4. **RESTAURANT AND HOT FOOD TAKE-AWAY USES**

4.1 The Owner shall:

- (a) not permit any more than (40%) forty per cent of the Retail Floorspace to be Occupied for the purposes of a use falling with Class A3 and/or Class A5 of the Use Classes Order;
- (b) not permit any more than (5%) five per cent of the Retail Floorspace to be Occupied for the purposes of a use falling within Class A5 of the Use Classes Order and to ensure that any such Class A5 use is subject to measures to manage:
 - (i) the collection of orders by delivery riders so as to ensure minimal disturbance to the amenity of the area; and
 - (ii) end-user refuse arising in connection with the Class A5 usein accordance with the Approved Retail Management Strategy.

SCHEDULE 15

Public Art, Cultural Strategy and Heritage

1. INTERPRETATION

1.1 In this schedule, the following words and phrases shall have, unless the context otherwise requires, the following meanings:

"Air Quality and Noise Mitigation Measures" means additional measures necessary to mitigate the air quality and noise effects impacting the Cultural Floorspace in Plot 3 identified in the Environmental Statement and which may include sealed facades and mechanical ventilation;

"Community Floorspace" means 400 sqm GIA in Plot 6 shown on Plan 18 for community use to be constructed and fitted out in accordance with the Community Floorspace Specification so that it is available for beneficial use to a maximum cost to the Owner of the Community Floorspace Sum and let at a peppercorn rent in Perpetuity;

"Community Floorspace Operator" means an operator for the Community Floorspace Approved in writing by LB Tower Hamlets;

"Community Floorspace Specification" means a specification for the fitting out of the Community Floorspace to be agreed between the Owner, the Community Floorspace Operator and LB Tower Hamlets;

"Community Floorspace Sum" means the sum of £500,000;

"Cultural Floorspace" means the minimum of 1,480 sqm (GIA) and maximum of 1,648 sqm (GIA) in Plot 3 and the minimum of 1,124 sqm GIA and maximum of 1,654 sqm (GIA) in Plot 6;

"Cultural Floorspace Specification" means a specification for the construction and fitting out of:

- (a) the Cultural Floorspace in Plot 6 to Shell and Core; and
- (b) the Cultural Floorspace in Plot 3 to Shell and Core including Air Quality and Noise Mitigation Measures

"Cultural Panel" means a panel comprising representatives of the Owner, LB Hackney, LB Tower Hamlets and local community groups the objective of which shall be the identification and selection of a preferred operator of the Cultural Floorspace;

"Cultural Strategy" means a site-wide arts led strategy to encourage use by community groups and Occupiers in creative and cultural industries which shall include without limitation:

- (a) the constitution, participants, structure and terms of reference of the Cultural Panel;
- (b) the nature of cultural Occupiers;
- (c) the selection process for Occupiers of Cultural Floorspace;
- (d) the community benefit objectives and how these will be secured during the selection process for Occupiers of the Cultural Floorspace;

"Environmental Statement" means the Environment Statement Addendum prepared by Temple Group Ltd and submitted in support of the Applications;

"Oriel Gateway" means the grade II listed structures located on the LBH Site fronting Shoreditch High Street and which includes an entrance to the former goods yard known as the Oriel Gate and opening, listed gates and gate posts, weighbridge office structure and which is entered on the National Heritage List for England administered by Historic England under list entry number 1235316 "Forecourt wall and gates to old Bishopsgate Goods Station, Shoreditch High Street E1" and which is also registered on the Heritage At Risk Register administered by Historic England and shown on Plan 19;

"Oriel Gateway Certificate" means a certificate issued by LB Hackney certifying that the Oriel Gateway Works have been carried out to its reasonable satisfaction;

"Oriel Gateway Works" means the works to the Oriel Gateway authorised by listed building consent 2014/2427;

"Public Art" means permanent and/or temporary works of art, installations and/or performances which are visible and accessible to members of the public free of charge;

"Public Art Strategy" means a written strategy setting out the Owner's proposals for the provision within the Development of Public Art to a minimum value of £150,000 including without limitation:

- (a) a contextual, spatial and historic analysis of the Site;
- (b) a record of the characteristics of the Site and its opportunities;
- (c) identification of and justification for types of Public Art considered best suited to the Site and the Development;
- (d) identification of key stakeholders and partners who will be consulted in connection with the strategy's preparation and the associated consultation and community involvement process;
- (e) priorities for the commission (based on stakeholder engagement);
- (f) identity of and suitability and qualifications of a public art consultant to assist in the implementation of the strategy and achievement of its objectives;
- (g) the delivery of Public Art within the Development including without limitation:
 - (i) community engagement activities;
 - (ii) types of suitable commissions;
 - (iii) roles for artists in wider design team;
 - (iv) proposed governance arrangements involving key stakeholders;
 - (v) allocation of budget for delivery of Public Art;
 - (vi) funding;
 - (vii) maintenance arrangements;
 - (viii) the proposed timetable for delivery of Public Art, which shall include initial Phases and for the avoidance of doubt shall not all be provided within the final Phase to Commence;

"Shell and Core" means:

- (a) provision of a wind and water tight building envelope with all elements of outside walls and roofs, where relevant, complete;
- (b) spaces with exposed walls floors and soffits;
- (c) installation of mains services including electricity, water, telecommunications and broadband internet connection including meters;
- (d) provision of a connection to a building-wide sprinkler system where required as part of the fire strategy for the building;
- (e) provision for connection to Site Wide Energy Network/decentralised energy network and hot water supply;
- (f) provision of shop fronts;
- (g) all external access ways will be included up to the main entrance door only and all further fire lobbies or compartmentation within a building shall be completed as part of the tenant's fit out; and
- (h) compliance with relevant building regulations insofar as they apply to such space.

2. **PUBLIC ART STRATEGY**

2.1 The Owner shall:

- (a) submit a draft Public Art Strategy to the Approval Panel for Approval prior to First Occupation of any Plot;
- (b) not First Occupy nor permit First Occupation of any Plot until the Public Art Strategy for the Development has been Approved (the "**Approved Public Art Strategy**") and a public art consultant has been appointed to assist in its implementation;
- (c) implement the Approved Public Art Strategy in consultation with the appointed public art consultant in accordance with the programme set out therein; and
- (d) not First Occupy nor permit First Occupation of the final Plot until the Approved Public Art Strategy has been implemented in full.

3. **CULTURAL PANEL AND CULTURAL FLOORSPACE**

3.1 The Owner shall submit a draft Cultural Strategy to the Approval Panel for Approval prior to the Commencement of the earlier of Plot 3 and Plot 6.

3.2 The Owner shall not Commence either Plot 3 or Plot 6 until the draft Cultural Strategy has been Approved ("**Approved Cultural Strategy**").

3.3 The Owner shall implement the Approved Cultural Strategy (including procuring the operation of the Cultural Panel) for the life of the Development and shall not suffer or permit the Occupation of the Cultural Floorspace by any entity other than an entity the nature of which is envisaged by the Approved Cultural Strategy and approved in writing by the Cultural Panel.

3.4 The Owner shall include a Cultural Floorspace Specification in any application for reserved matters approval for Plot 3 and/or Plot 6.

3.5 The Owner shall Practically Complete the Cultural Floorspace in Plot 3 in accordance with the Cultural Floorspace Specification prior to First Occupation of more than 50% of the Office Floorspace in Plot 2 that is not Affordable Workspace.

- 3.6 The Owner shall not First Occupy more than 50% of the Office Floorspace in Plot 2 that is not Affordable Workspace until the Cultural Floorspace in Plot 3 has been Practically Completed in accordance with the Cultural Floorspace Specification.
- 3.7 The Owner shall Practically Complete the Cultural Floorspace in Plot 6 in accordance with the Cultural Floorspace Specification prior to First Occupation of more than 150 Open Market Housing Units or more than 50% of the Office Floorspace in Plot 2 that is not Affordable Workspace (whichever occurs first).
- 3.8 The Owner shall not First Occupy more than 150 Open Market Housing Units or more than 50% of the Office Floorspace in Plot 2 that is not Affordable Workspace (whichever occurs first) until the Cultural Floorspace in Plot 6 has been Practically Completed in accordance with the Cultural Floorspace Specification.

4. **COMMUNITY FLOORSPACE**

- 4.1 The Owner shall Practically Complete the Community Floorspace to Shell and Core prior to First Occupation of more than 150 Open Market Housing Units or more than 50% of the Office Floorspace in Plot 2 that is not Affordable Workspace (whichever occurs first).
- 4.2 The Owner shall not First Occupy more than 150 Open Market Housing Units or more than 50% of the Office Floorspace in Plot 2 that is not Affordable Workspace (whichever occurs first) until the Community Floorspace has been Practically Completed to Shell and Core.
- 4.3 The Owner shall not appoint a Community Floorspace Operator unless the identity of such Community Floorspace Operator has first been Approved in writing by LB Tower Hamlets.
- 4.4 Subject to paragraph 4.5 below the Owner shall use reasonable endeavours to:
- (a) enter into an agreement with the Community Floorspace Operator Approved pursuant to paragraph 4.3 for the operation by the said Community Floorspace Operator of the Community Floorspace;
 - (b) agree with the Community Floorspace Operator and LB Tower Hamlets the Community Floorspace Specification; and
 - (c) agree with the Community Floorspace Operator and LB Tower Hamlets a programme for the Practical Completion of the Community Floorspace in accordance with the Community Floorspace Specification

prior to First Occupation of more than 150 Market Housing Units or more than 50% of the Office Floorspace in Plot 2 that is not Affordable Workspace (whichever occurs first).

- 4.5 The Owner shall Practically Complete the Community Floorspace in accordance with the Community Floorspace Specification and the programme agreed pursuant to paragraph 4.4.
- 4.6 If, despite having used reasonable endeavours to do so, the Owner has been unable to enter into an agreement with a Community Floorspace Operator in accordance with paragraph 4.4 above and subject to LB Tower Hamlets being reasonably satisfied that the Owner has used such reasonable endeavours:
- (a) the Owner shall pay the Community Floorspace Sum into an interest bearing escrow account (the terms and details of which shall first be Approved in writing by LB Tower Hamlets) to be held until a Community Floorspace Operator is secured at which point the Community Floorspace Sum shall be released from the escrow account for the purpose of enabling the Practical Completion of the Community Floorspace in accordance with the Community Floorspace Specification; and

- (b) the Owner shall continue to comply with its obligations pursuant to paragraph 4.4 above (save for the restrictions on Occupation which shall cease to have effect).
- 4.7 The Owner covenants that the Community Floorspace shall in Perpetuity be let at a peppercorn rent with fair and reasonable service charges that do not exceed the actual costs of the services provided.
- 5. **ORIEL GATEWAY WORKS**
- 5.1 The Owner shall Practically Complete the Oriel Gateway Works prior to the First Occupation of Plot 2.
- 5.2 Upon Practical Completion of the Oriel Gateway Works the Owner shall serve written notice on LB Hackney enclosing satisfactory written evidence of the same.
- 5.3 Within twenty (20) Working Days of receipt of the notice under paragraph 5.2, LB Hackney shall inspect the Oriel Gateway Works for the purpose of assessing whether the works have been carried out to its reasonable satisfaction and the Owner shall afford LB Hackney such access to the LBH Site as is necessary for such inspection to be carried out.
- 5.4 Following its inspection pursuant to paragraph 5.3:
 - (a) where LB Hackney is satisfied with the Oriel Gateway Works it shall issue the Oriel Gateway Certificate within 10 Working Days of the site inspection; or
 - (b) where LB Hackney is not satisfied with the Oriel Gateway Works it shall identify any defects with reasons so that the Owner can take steps to remedy such defects.
- 5.5 Where LB Hackney identifies defects in the Oriel Gateway Works pursuant to paragraph 5.4(b) then the Owner shall resubmit evidence of Practical Completion of the works and paragraphs 5.1 to 5.4 shall apply mutatis mutandis until LB Hackney is satisfied that the Oriel Gateway Works have been satisfactorily completed SAVE THAT any dispute or disagreement between LB Hackney and the Owner in this regard may be referred to a Specialist pursuant to clause 22 such Specialist having no less than 10 years' post qualification experience in the renovation of listed buildings.
- 5.6 The Owner shall not First Occupy Plot 2 until the Oriel Gateway Works have been Practically Completed and LB Hackney has issued the Oriel Gateway Certificate (or any dispute has been finally determined).

SCHEDULE 16

Employment and Local Procurement

1. INTERPRETATION

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

"Apprentice(s)" means an LBH Resident or an LBTH Resident aged 16 years or over who is undertaking on-the-job training and who is studying for a nationally recognised qualification or an NVQ;

"Apprentices Monitoring Report" means a written report setting out the number of individual Apprentices provided on the Site during the Construction Period;

"Apprentices Payment" means a payment of £7,000 per Apprentice paid in accordance with paragraphs 9.4 and 9.6 of this schedule to be used by the Councils towards the provision of Apprentices and local employment initiatives;

"Employment and Skills Strategy" means a written strategy which:

- (a) sets out the partnership arrangements for how the Owner and its sub-contractors will work with the Joint Borough Employment Officer and any local employment or training agencies as part of an employment and training consortium, such arrangements to include appropriate reporting and review mechanisms; and
- (b) sets out agreed protocols and processes for joint working between the Owner and the Councils and the Joint Borough Employment Officer specifically around vacancy sharing for the purposes of recruiting LBH Residents and LBTH Residents to vacancies to include an agreed approach to the forecasting of future job opportunities and skills requirements to ensure an adequate pipeline of candidates;

"Employment and Training Officer Contribution" means the sum of £500,000 Indexed to be used by LB Hackney towards the provision of Joint Borough Employment Officer;

"End-User Apprentice(s)" means an LBH Resident or an LBTH Resident aged 16 years or over who is undertaking on-the-job training and who is studying for a nationally recognised qualification or an NVQ;

"End-User Phase" means the period starting from First Occupation of a Commercial Unit and running for the life of the Development;

"Joint Borough Employment Officer" means the officer role that shall remain available for a period of ten (10) years from Implementation of the Development such role to be accommodated by LB Hackney for administrative purposes but which shall otherwise have equal duties and responsibilities to both LB Hackney and LB Tower Hamlets and such role shall include without limitation:

- (a) approval, administration and monitoring of the Employment and Skills Strategy;
- (b) reporting to both LB Hackney and LB Tower Hamlets and attendance at monthly joint borough meetings;
- (c) administering the LBH Construction Phase Employment, Skills and Training Contribution, LBTH Construction Phase Employment, Skills and Training Contribution, LBH End-User Phase Employment, Skills and Training Contribution and the LBTH End-User Phase Employment, Skills and Training Contribution and any Apprentices Payment;

"LBH Business(es)" means any business, trade, service, profession or industry whose established place of business is within the London Borough of Hackney;

"LBH Construction Phase Employment, Skills and Training Contribution" means a financial contribution (capped at an aggregate maximum of £581,013 Indexed (five hundred and eighty one thousand and thirteen pounds)) to be used for employment, skills and training initiatives within the London Borough of Hackney and calculated in accordance with the following formula: cost of training and support (£4,500) x Gross internal areas/1000;

"LBH End-User Phase Employment, Skills and Training Contribution" means a financial contribution (capped at an aggregate maximum of £3,282,603.92 Indexed (three million two hundred and eight two thousand six hundred and three pounds and ninety two pence) to be used for employment, skills and training initiatives within the London Borough of Hackney and calculated in accordance with the following formula: (£4,500) X Employee Yield of the development X 0.24 (Employees resident in Hackney) X 0.29 (Employees potentially requiring training and support) Employee yields to be as per the Appendix 1 in the LBH Planning Contributions SPD;

"LBH Minimum Construction Phase Contribution" means the LBH Construction Phase Employment, Skills and Training Contribution when calculated based upon the parameters permitted within the LBH Development which would give rise to the smallest value for that contribution;

"LBH Minimum End-User Phase Contribution" means 50% (fifty percent) of the LBH End-User Phase Employment, Skills and Training Contribution when calculated based upon the parameters permitted within the LBH Development which would give rise to the smallest value for that contribution;

"LBH Resident(s)" means a person who is resident in the London Borough of Hackney, such residency to be proven by the production of two valid proofs of address which are no more than three months old, for example:

- (a) council tax statement;
- (b) utility bills;
- (c) bank statements; or
- (d) other correspondence from government or state bodies;

"LBTH Business(es)" means any business, trade, service, profession or industry whose established place of business is within the London Borough of Tower Hamlets;

"LBTH Construction Phase Employment, Skills and Training Contribution" means a financial contribution (capped at an aggregate maximum of £412,692 Indexed (four hundred thousand six hundred and ninety two pounds)) to be used for employment, skills and training initiatives within the London Borough of Hamlets and calculated in accordance with the following formula: £4 x sqm of the total new development floorspace (GIA);

"LBTH End-User Phase Employment, Skills and Training Contribution" means a financial contribution (capped at an aggregate maximum of £945,521.32 Indexed (nine hundred and forty five thousand five hundred and twenty one pounds and thirty two pence)) to be used for employment, skills and training initiatives within the London Borough of Hamlets and calculated in accordance with the following formula: employee yield of the Development x LB Tower Hamlets' aspirational local labour target (20%) x cost of training and support per person (£2,040);

"LBTH Minimum Construction Phase Contribution" means the LBTH Construction Phase Employment, Skills and Training Contribution when calculated based upon the

parameters permitted within the LBTH Development which would give rise to the smallest value for that contribution;

"LBTH Minimum End-User Phase Contribution" means 50% (fifty percent) of the LBTH End-User Phase Employment, Skills and Training Contribution when calculated based upon the parameters permitted within the LBTH Development which would give rise to the smallest value for that contribution;

"LBTH Resident(s)" means a person who is resident in the London Borough of Tower Hamlets, such residency to be proven by the production of two valid proofs of address which are no more than three months old, for example:

- (a) council tax statement;
- (b) utility bills;
- (c) bank statements; or
- (d) other correspondence from government or state bodies; and

"London Living Wage" means the hourly rate of pay for Greater London calculated on behalf of and published from time to time by the Living Wage Foundation, the current rate as at the date of this Deed being £11.05 per hour.

2. **EMPLOYMENT AND TRAINING OFFICER CONTRIBUTION**

2.1 The Owner shall:

- (a) pay to LB Hackney no later than six (6) months prior to Commencement of the Development 25% of the Employment and Training Officer Contribution; and
- (b) not Commence nor suffer or permit the Commencement of the Development until 25% of the Employment and Training Officer Contribution has been paid to LB Hackney

2.2 The Owner shall:

- (a) pay to LB Hackney on the 30 month anniversary of the payment paid under paragraph 2.1 a further 25% of the Employment and Training Officer Contribution;
- (b) pay to LB Hackney on the 30 month anniversary of the payment paid under paragraph 2.2(a) a further 25% of the Employment and Training Officer Contribution; and
- (c) pay to LB Hackney on the 30 month anniversary of the payment paid under paragraph 2.2(b) the final 25% of the Employment and Training Officer Contribution.

3. **LBH EMPLOYMENT, SKILLS AND TRAINING CONTRIBUTION**

3.1 The Owner shall:

- (a) pay to LB Hackney prior to Commencement of the Development the LBH Minimum Construction Phase Contribution;
- (b) not Commence nor permit the Commencement of the Development until the LBH Minimum Construction Phase Contribution has been paid to LB Hackney;
- (c) pay to LB Hackney prior to Commencement of the Development the LBH Minimum End-User Phase Contribution;

- (d) not Commence nor permit the Commencement of the Development until the LBH Minimum End-User Phase Contribution has been paid to LB Hackney.

3.2 The Owner shall, in respect of each Phase to be Commenced within the LBH Site:

- (a) pay to LB Hackney prior to Commencement of the relevant Phase the outstanding portion of the LBH Construction Phase Employment, Skills and Training Contribution attributable to that part of the Phase which is within the LBH Site (the sum due being adjusted to reflect and offset the amount of the LBH Minimum Construction Phase Contribution attributable to the relevant Phase);
- (b) not Commence nor permit the Commencement of the relevant Phase until the outstanding portion of the LBH Construction Phase Employment, Skills and Training Contribution attributable to that part of the Phase which is within the LBH Site has been paid in full to LB Hackney;
- (c) pay to LB Hackney prior to Commencement of the relevant Phase the outstanding portion of the LBH End-User Phase Employment, Skills and Training Contribution attributable to that part of the Phase which is within the LBH Site (the sum due being adjusted to reflect and offset the amount of LBH Minimum End-User Phase Contribution attributable to the relevant Phase); and
- (d) not Commence nor permit the Commencement of the relevant Phase until the outstanding portion of the LBH End-User Phase Employment, Skills and Training Contribution attributable to that part of the Phase which is within the LBH Site has been paid in full to LB Hackney

PROVIDED THAT the Owner shall not be required to pay more than the aggregate maximum of the LBH Construction Phase Employment, Skills and Training Contribution or the LBH End-User Phase Employment, Skills and Training Contribution in each case including all payments made in respect of the LBH Minimum Construction Phase Contribution and the LBH Minimum End-User Phase Contribution.

4. **LBTH EMPLOYMENT, SKILLS AND TRAINING CONTRIBUTION**

4.1 The Owner shall:

- (a) pay to LB Tower Hamlets prior to Commencement of the Development the LBTH Minimum Construction Phase Contribution;
- (b) not Commence nor permit the Commencement of the Development until the LBTH Minimum Construction Phase Contribution has been paid to LB Tower Hamlets;
- (c) pay to LB Tower Hamlets prior to Commencement of the Development the LBTH Minimum End-User Phase Contribution; and
- (d) not Commence nor permit the Commencement of the Development until the LBTH Minimum End-User Phase Contribution has been paid to LB Tower Hamlets.

4.2 The Owner shall, in respect of each Phase to be Commenced within the LBTH Site:

- (a) pay to LB Tower Hamlets prior to Commencement of the relevant Phase the outstanding portion of the LBTH Construction Phase Employment, Skills and Training Contribution attributable to that part of the Phase which is within the LBTH Site (the sum due being adjusted to reflect and offset the amount of the LBTH Minimum Construction Phase Contribution attributable to the relevant Phase);
- (b) not Commence nor permit the Commencement of the relevant Phase until the outstanding portion of the LBTH Construction Phase Employment, Skills and Training

Contribution attributable to that part of the Phase which is within the LBTH Site has been paid in full to LB Tower Hamlets;

- (c) pay to LB Tower Hamlets prior to Commencement of the relevant Phase the outstanding portion of the LBTH End-User Phase Employment, Skills and Training Contribution attributable to that part of the Phase which is within the LBTH Site (the sum due being adjusted to reflect and offset the amount of LBTH Minimum End-User Phase Contribution attributable to the relevant Phase); and
- (d) not Commence nor permit the Commencement of the relevant Phase until the outstanding portion of the LBTH End-User Phase Employment, Skills and Training Contribution attributable to that part of the Phase which is within the LBTH Site has been paid in full to LB Tower Hamlets

PROVIDED THAT the Owner shall not be required to pay more than the aggregate maximum of the LBTH Construction Phase Employment, Skills and Training Contribution or the LBTH End-User Phase Employment, Skills and Training Contribution in each case including all payments made in respect of the LBTH Minimum Construction Phase Contribution and the LBTH Minimum End-User Phase Contribution.

5. **EMPLOYMENT AND SKILLS STRATEGY**

5.1 The Owner shall:

- (a) submit a draft Employment and Skills Strategy to the Approval Panel for Approval in consultation with the Joint Borough Employment Officer prior to Commencement of the Development;
- (b) not Commence nor permit the Commencement of the Development until the draft Employment and Skills Strategy has been Approved (the "**Approved Employment and Skills Strategy**"); and
- (c) thereafter implement and comply with the Approved Employment and Skills Strategy for the life of the Development.

5.2 The Owner shall on the first anniversary of the Commencement of the Development and on each subsequent anniversary thereafter until the date that is the tenth anniversary of the date of the First Occupation of the Development submit a monitoring report to the Approval Panel (with copy to the Joint Borough Employment Officer) setting out and reviewing how effectively the Approved Employment and Skills Strategy has operated in the previous 12 months.

5.3 In the event that the Approval Panel (in consultation with the Joint Borough Employment Officer) considers (acting reasonably) that the Approved Employment and Skills Strategy is not operating effectively, it shall specify such amendments as it considers reasonably necessary to ensure the effective operation of the Approved Employment and Skills Strategy and the Owner shall thereafter implement such amendments as soon as reasonably practicable PROVIDED THAT any dispute as to the proposed amendments shall be resolved in accordance with clause 22.

6. **LOCAL LABOUR – CONSTRUCTION PERIOD**

6.1 The Owner shall (and its agents, employees, contractors and sub-contractors and supply chains generally shall) use reasonable endeavours to secure that during the Construction Period:

- (a) 12.5 per cent of people employed in the construction of the Development are LBH Residents; and

- (b) 12.5 per cent of people employed in the construction of the Development are LBTH Residents,

PROVIDED THAT in the event that it is not possible to secure this, the Owner shall use reasonable endeavours to secure that 25 per cent of people employed in the construction of the Development are either LBH Residents and/or LBTH Residents.

7. **LOCAL LABOUR – END-USER PHASE**

7.1 The Owner shall use reasonable endeavours to secure that during the End-User Phase of the Development and for the life of Development:

- (a) 12.5 per cent of people employed in the End-User Phase of the Development are LBH Residents; and
- (b) 12.5 per cent of people employed in the End-User Phase of the Development are LBTH Residents,

PROVIDED THAT in the event that it is not possible to secure this, the Owner shall use reasonable endeavours for the life of the Development to secure that 25 per cent of people employed in the End-User Phase of the Development are LBH Residents and/or LBTH Residents.

8. **LOCAL PROCUREMENT**

8.1 The Owner shall no later than three months prior to Commencement of a Phase provide the Joint Borough Employment Officer with a schedule of the construction contracts and suppliers required during the Construction Period for that Phase, such schedule to:

- (a) include the estimated value/budget of packages, expected start and completion timeframes and any additional health and safety requirements for specific packages; and
- (b) show all opportunities for contracted and sub-contracted supplies and services.

8.2 The Owner shall use reasonable endeavours to ensure that throughout the Construction Period:

- (a) no less than 10 per cent of the total value of the goods and services procured pursuant to contracts with a value in excess of £5,000,000 shall be procured from LBH Businesses; and
- (b) no less than 10 per cent of the total value of the goods and services procured pursuant to contracts with a value in excess of £5,000,000 shall be procured from LBTH Businesses,

PROVIDED THAT in the event that it is not possible to secure this, the Owner shall use reasonable endeavours to ensure that throughout the Construction Period no less than 20 per cent of the total value of goods and services procured pursuant to contracts with a value in excess of £5,000,000 shall be procured from LBH Businesses and/or LBTH Businesses.

8.3 The Owner shall report the value of all orders placed with LBH Businesses and/or LBTH Businesses to the Joint Borough Employment Officer on the completion of the tendering stage for the Construction Period.

9. **APPRENTICES – CONSTRUCTION PERIOD**

9.1 The Owner shall use reasonable endeavours to engage 150 individual Apprentices across the Site during the Construction Period, such Apprentices to be employed for a period of

not less than 52 weeks (or such other duration as may be Approved by the Approval Panel in consultation with the Joint Borough Employment Officer).

- 9.2 The Owner shall ensure that all Apprentices employed during the Construction Period shall be paid the London Living Wage.
- 9.3 The Owner shall submit an Apprentices Monitoring Report to the Approval Panel (with copy to the Joint Borough Employment Officer prior to Practical Completion of the Second Office Building (the "**First Apprentices Monitoring Report**").
- 9.4 In the event that the First Apprentices Monitoring Report demonstrates that fewer than 90 individuals across the Site have been engaged as Apprentices in the construction of the Development up to that point, the Owner shall pay to the Councils within 30 days of written request by the Councils an Apprentices Payment in respect of the shortfall in Apprentices provided (such that following payment the equivalent of 90 Apprentices will be deemed to have been provided), such payment to be split by the Approval Panel (in consultation with the Joint Borough Employment Officer) equally between the Councils, and the Owner shall not First Occupy nor permit First Occupation of the Second Office Building to be Occupied until such Apprentices Payment has been paid in full.
- 9.5 The Owner shall submit an Apprentices Monitoring Report to the Approval Panel (with copy to the Joint Borough Employment Officer) prior to Practical Completion of the penultimate building forming part of the Development (the "**Second Apprentices Monitoring Report**").
- 9.6 Subject to paragraph 9.7, in the event that the Second Apprentices Monitoring Report demonstrates that fewer than 60 new individuals across the Site have been engaged as Apprentices in the construction of the Development since the submission of the First Apprentices Monitoring Report, the Owner shall pay to the Councils within 30 days of written request by the Councils an Apprentices Payment in respect of the shortfall in Apprentices provided (such that following payment the equivalent of 60 new Apprentices will be deemed to have been provided), such payment to be split equally by the Approval Panel (in consultation with the Joint Borough Employment Officer) between the Councils, and the Owner shall not First Occupy nor permit First Occupation of the penultimate building forming part of the Development until such Apprentices Payment has been paid in full.
- 9.7 In the event that the First Apprentices Monitoring Report demonstrates that more than 90 Apprentices have been provided by that stage, the target of 60 new individuals referred to in paragraph 9.6 shall be reduced by a figure equal to the number of Apprentices demonstrated by the First Apprentices Monitoring Report as having been provided in excess of 90 Apprentices.
- 9.8 For the avoidance of doubt, in the event that the Second Apprentices Monitoring Report demonstrates that throughout the Construction Period the overall target of 150 Apprentices has been met, the Owner shall not be entitled to a repayment of any Apprentices Payment paid pursuant to paragraph 9.4 above.

10. **END-USER APPRENTICES**

The Owner shall use reasonable endeavours to provide or procure the provision of no fewer than eight End-User Apprentices during the End-User Phase of the Development.

SCHEDULE 17

Phasing

1. PHASING

- 1.1 The Owner shall at all times carry out the Development in strict accordance with the Phasing Plan commencing each Phase sequentially starting with Phase 1 through to Phase 8 unless otherwise Approved by the Councils in consultation with the GLA and TfL (and subject to the assessment of any environmental impacts arising from changes to the Phasing Plan) PROVIDED THAT in the event that TfL considers that a change to the Phasing Plan directly impacts any of the covenants given by the Owner to TfL under this Deed, TfL's Approval shall also be required.
- 1.2 The Owner acknowledges and accepts that in the event it requires an amendment to the Phasing Plan the Councils in consultation with the GLA and TfL shall have the opportunity to consider whether any amendments are necessary to the planning obligations contained herein as a direct consequence of any changes to the phasing of the Development and if the Councils consider (acting reasonably and in consultation with the GLA and TfL) that amendments are necessary a deed of variation will be required to amend the terms of this Deed.

SCHEDULE 18

Energy and Carbon Emissions Reduction

1. INTERPRETATION

- 1.1 In this schedule the following words and phrases shall have the following meanings unless the context otherwise requires:

"Application Stage Energy Statement" means the site-wide Energy Strategy dated September 2019 submitted by the Owner as part of the Applications demonstrating that the Development will achieve the Predicted Site-Wide Carbon Dioxide Emissions Reduction as part of a wider strategy to achieve the Zero Carbon Target;

"ASHP Plant" means air source heat pump plant and technology that will be the primary heat generating technology for the Development;

"Carbon Offset Contribution" means a financial contribution for each Plot to off-set any shortfall of the carbon emissions from the relevant Plot in meeting the Zero Carbon Target the amount of such contribution to be £2,850 per tonne of shortfall (being £95 per tonne multiplied by 30 years) Indexed as calculated in an Energy Assessment Approved for that Plot in accordance with this schedule PROVIDED THAT the maximum aggregate liability shall not exceed £4,859,250;

"Defects Liability Period" means such period of time following Practical Completion of a Building in which a contractor may remedy defects as may be included in the building contract for the relevant Building;

"District Heating Network" means existing or planned decentralised energy networks providing low carbon energy, heating, electricity and hot water in the locality of the Site;

"District Heating Network Assessment" means an assessment that assumes a default position of the Development connecting to an identified District Heating Network unless such connection is demonstrated to be significantly worse than a no-connection scenario such assessment to take into account factors including:

- (a) a carbon assessment to include a first year carbon intensity assessment and a 30 year carbon emissions lifetime assessment for both (i) where the Development is connected to the District Heating Network and (ii) where the Development is not connected to the District Heat Network;
- (b) the proposed costs, terms and conditions of the connection being offered by the operator of the District Heating Network applying a "whole life" costing methodology over a thirty year period, comparing the capital and operational costs for connection and supply of heating energy from the network (including resident heat costs) compared to the alternative supply of heating from on-site plant and associated infrastructure;
- (c) the capability of the District Heating Network to supply sufficient heating to the Development; and
- (d) details of the service level agreement being offered in respect of the relevant District Heating Network;

"Dynamic Thermal Modelling" means dynamic thermal modelling demonstrating that in respect of a relevant Detailed Plot it follows the methodology set out within CIBSE TM59 overheating criteria using CIBSE TM49 weather files for London and in respect of a relevant Outline Plot follows the methodology and meets the criteria set out within CIBSE TM59 overheating criteria using CIBSE TM49 weather files for London;

"Energy Assessment" means a detailed energy assessment for a Plot to demonstrate how the relevant Plot accords with the Application Stage Energy Statement and contributes to the Zero Carbon Target and the On Site Carbon Dioxide Emissions Reduction Target within the framework of the Energy Hierarchy and which includes as a minimum:

- (a) default assumptions that the Plot will be connected to a Site Wide Heating Network that is in turn connected to a District Heating Network;
- (b) a calculation of the energy demand and regulated carbon dioxide emissions to the baseline contained within Part L of the Building Regulations (as in force from time to time or any substitution or replacement methodology for Part L as may be published from time to time) and, separately, the energy demand and carbon dioxide emissions from any other part of the relevant Phase, including plant or equipment, that are not included within Part L Building Regulations at each stage of the Energy Hierarchy;
- (c) demonstrates how the relevant Plot contributes to the achievement of the Predicted Site-Wide Carbon Dioxide Emissions Reduction and whether or not the Predicted Site-Wide Carbon Dioxide Emissions Reduction has been or is on course to be achieved;
- (d) demonstrates how the relevant Plot contributes to the On Site Carbon Dioxide Emissions Reduction Target and whether or not the On Site Carbon Dioxide Emissions Reduction Target will be achieved for that Phase through:
 - (i) proposals to reduce carbon dioxide emissions through the energy efficient design of the Site, buildings and services;
 - (ii) proposals to further reduce carbon dioxide emissions through the use of decentralised energy where feasible, such as district heating and cooling and combined heat and power; and
 - (iii) proposals to further reduce carbon dioxide emissions through the use of on-site renewable energy technologies;
- (e) a calculation of the amount of the Carbon Offset Contribution payable in respect of the relevant Plot and in respect of Plot 1 and Plot 3 how such sum is to be apportioned between LB Hackney and LB Tower Hamlets;

"Energy Assessment Update" means an update of the Application Stage Energy Statement in respect of Plot 2 submitted as part of the LBH Application;

"Energy Hierarchy" means the four-step approach to minimising carbon dioxide emissions contained in policy SI 2 of the London Plan;

"Energy Monitoring" means the submission of accurate and verified information at different stages in the life of the Development Approved under the terms of this Deed for monitoring the energy performance of a building against the criteria set out in the GLA 'Be seen' energy monitoring guidance document;

"Energy Monitoring Guidance" means the 'Be seen' energy monitoring guidance document published by the Mayor of London (or any document that may update or replace it from time to time);

"Energy Monitoring Portal" means the 'Be seen' webpage of the GLA's website and the email address ZeroCarbonPlanning@london.gov.uk, or any other such method of submission that may replace this as notified by the GLA;

"London Heat Network Manual" means the London Heat Network Manual Issue 1 Revision 0 published by the GLA in April 2014;

"On Site Carbon Dioxide Emissions Reduction Target" means achieving on-site reductions to regulated carbon dioxide emissions of at least 45% beyond the carbon dioxide improvements baseline contained within Part L 2013 of the Building Regulations;

"Predicted Site-Wide Carbon Dioxide Emissions Reduction" means reductions to regulated carbon dioxide emissions of at least 36% beyond the carbon dioxide improvements baseline contained within Part L 2013 of the Building Regulations as predicted by the Owner in the Application Stage Energy Statement;

"Reportable Unit" means a Reportable Unit (Energy Centre), Reportable Unit (Residential) or Reportable Unit (Non-Residential);

"Reportable Unit (Energy Centre)" means either a connection to a 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 (Residential)" means a block or building containing five or more Residential Units;

"Reportable Unit (Non-Residential)" means a block or building containing Retail Floorspace, Office Floorspace, Commercial Units or communal areas associated with Residential Units with a single occupier/tenant or multiple tenants;

"Site-Wide Energy Framework" means a strategic site-wide document which shall accord and promote the objectives set out in the Application Stage Energy Statement and any Approved Energy Assessments and which shall be prepared in accordance with the London Heat Network Manual and which shall include as a minimum:

- (a) an assessment of the anticipated energy demand for the Development and how it could be met by the Site-Wide Heat Network;
- (b) the location and specification of any ASHP Plant forming part of a Site-Wide Heat Network proposed within each Phase;
- (c) details of how energy performance at the Development is to be monitored and assessed;
- (d) how the energy demands of the Development will be met prior to the activation of the Site-Wide Heat Network;
- (e) how provision will be made for the implementation of the Site-Wide Heat Network, at the time the Development is carried out, in the design, construction and operation of each Phase of the Development;
- (f) how the Development, including any Site-Wide Heat Network, will be designed to facilitate connection to a District Heating Network including design for low flow and return temperatures and safeguarding internal and external routes for pipework and plant required to effect a connection to a District Heating Network, including a route from the single point of the connection to the Site boundary;
- (g) the procedure for approaching the market with regard to possible connection into the Site-Wide Heat Network (once implemented) outlining the approach for how such connections would be designed, built, financed and operated with confirmation that such connections will not preclude connection to a District Heating Network;
- (h) how the Development will meet the requirements of the CP1 – Heat Networks: Code of Practice for the UK published by the Chartered Institution of Building Services Engineers;

- (i) how the Development will comply with the Heat Trust Scheme;
- (j) details of investigations and copies of correspondence with any potential District Heating Network providers;

"Site-Wide Energy Framework Update" means a full update of the Site-Wide Energy Framework which includes as a minimum:

- (a) an options appraisal of the potential low carbon technologies proposed and any implications on other parts of the Development;
- (b) for the relevant Phase, a plan showing the proposed location and specification of the ASHP Plant and the remaining parts of the Site-Wide Heat Network;
- (c) how provision will be made for the Site-Wide Heat Network in the design, construction and operation of the relevant Phase of the Development;
- (d) the procedure for approaching adjacent developments with regard to possible connection into the Site-Wide Heat Network (if implemented);
- (e) provide for when the Development is likely to be able to connect to a District Heating Network depending upon when a District Heating Network is likely to be operational; and
- (f) details of investigations and copies of correspondence with any potential District Heating Network providers;

"Site-Wide Heat Network" means a Site-wide system supplied primarily from ASHP Plant via an ambient loop and which provides decentralised low carbon energy, heating, electricity and hot water to the Development which connects all uses in all buildings authorised by the Planning Permissions and which ensures that each Residential Unit and Commercial Unit is fitted with isolation valves and meters so that energy consumption can be monitored and which safeguards and can accommodate all known or expected and reasonable service entry routes including sleeves, pipework, meters, materials and other technology, reasonable access and space necessary for the purpose of connecting to a District Heating Network;

"Site-Wide Heat Network Assessment" means an assessment that assumes a default position of the Development implementing a Site Wide Heat Network unless it is demonstrated to be significantly worse than Plot-by-Plot energy servicing and such assessment to take into account factors including:

- (a) a carbon assessment to include a first year carbon intensity for the each Phase and a 30 year carbon emissions lifetime for (i) where the Development has a Site-Wide Heat Network and (ii) where the Development adopts a Plot-by-Plot energy servicing approach; and
- (b) a "whole life" costing over a 30 year period comparing the capital and operational costs of implementation and supply of heating energy from the Site-Wide Heat Network compared to Plot-by-Plot energy servicing; and
- (c) projections of potential energy price charges for the end consumer (residential or business) for each option;

"Superstructure Works" means the part of a Plot above its foundations (excluding core(s)) and which for the avoidance of doubt does not include foundations, piling or other sub-structure works;

"Zero Carbon Target" means the requirement for the Development to be net zero-carbon by reducing greenhouse gas emissions in operation and minimising peak energy demand in accordance with the Energy Hierarchy.

2. **CARBON OFFSET CONTRIBUTION**

All Plots

2.1 In the design construction and operation of the Development the Owner shall follow the Energy Hierarchy in order to achieve the Predicted Site Wide Carbon Dioxide Emissions Reduction.

LB Hackney Plots

2.2 Prior to the commencement of Superstructure Works on Plot 2 the Owner shall submit to LB Hackney for its Approval the Energy Assessment Update.

2.3 The Owner shall not commence Superstructure Works on Plot 2 until the relevant Energy Assessment Update has been Approved and the applicable amount of the Carbon Offset Contribution has been paid to LB Hackney.

2.4 The Owner shall implement and fully comply with the Energy Assessment Update Approved by LB Hackney pursuant to paragraph 2.2.

LB Tower Hamlets Plots

2.5 As part of any application for reserved matters approval for the Outline Plots located on the LBTH Site (Plot 4, Plot 5, Plot 6, Plot 7, Plot 8, Plot 9, Plot 10 and Plot 11) the Owner shall include with its application an Energy Assessment for approval by LB Tower Hamlets.

2.6 The Owner shall not Commence any Plot identified in paragraph 2.5 until:

- (a) an Energy Assessment for that Plot has been approved by LB Tower Hamlets as part of a reserved matters approval for that Plot; and
- (b) the applicable amount of the Carbon Offset Contribution has been paid to LB Tower Hamlets for that Plot in accordance with the Energy Assessment forming part of the reserved matters approval for that Plot.

2.7 The Owner shall implement and fully comply with the Energy Assessments approved by LB Tower Hamlets pursuant to paragraph 2.5.

Approval Panel Plots

2.8 Concurrent with any application for reserved matters approval for Plot 1 and Plot 3 the Owner shall submit an Energy Assessment for the relevant Plot to the Approval Panel for Approval pursuant to clause 27 of this Deed.

2.9 The Owner shall not Commence either Plot 1 or Plot 3 until:

- (a) a reserved matters approval has been granted for the relevant Plot by the GLA or both LB Hackney and LB Tower Hamlets (as applicable);
- (b) an Energy Assessment for the relevant Plot has been Approved by the Approval Panel; and
- (c) the applicable amount of the Carbon Offset Contribution has been paid to LB Hackney and/or LB Tower Hamlets for that Plot (as apportioned and directed by the Approval Panel in its Approval of the relevant Energy Assessment).

2.10 The Owner shall implement and fully comply with the Energy Assessments Approved by the Approval Panel pursuant to paragraph 2.8.

3. **SITE WIDE ENERGY FRAMEWORK**

3.1 The Owner shall submit the Site-Wide Energy Framework to the Approval Panel for Approval prior to Commencement and at the same time a copy of the Site-Wide Energy Framework shall be submitted to the GLA.

3.2 The Owner shall not Commence unless and until an Approval for the Site-Wide Energy Framework has been obtained.

3.3 The Owner shall submit a Site-Wide Energy Framework Update to the Approval Panel for Approval prior to the Commencement of any Phase that includes a Detailed Plot (excluding Phase 1) and at the same time a copy of the relevant Site-Wide Energy Framework Update shall be submitted to the GLA.

3.4 The Owner shall not Commence any further Phase that includes a Detailed Plot (excluding Phase 1) unless and until an Approval for the relevant Site-Wide Energy Framework Update has been obtained.

3.5 The Owner shall submit a Site-Wide Energy Framework Update to the Approval Panel for Approval prior the submission of any application for reserved matters for any Phase that includes an Outline Plot and at the same time a copy of the relevant Site-Wide Energy Framework Update shall be submitted to the GLA.

3.6 The Owner shall not submit an application for reserved matters approval in respect of any Phase that includes an Outline Plot unless and until an Approval for the relevant Site-Wide Energy Framework Update has been obtained.

3.7 The Approval Panel shall fully consult the GLA prior to granting any Approval for the Site-Wide Energy Framework or any Site-Wide Energy Framework Update and shall take into account all representations of the GLA.

3.8 The Owner shall design construct and operate the Development in accordance with the Approved Site-Wide Energy Framework and each Approved Site-Wide Energy Framework Update.

3.9 Subject to paragraph 3.13, the Owner shall submit a Site-Wide Heat Network Assessment to the Approval Panel for Approval prior to the Commencement of any Phase that includes a Detailed Plot.

3.10 Subject to paragraph 3.13, the Owner shall not Commence any Phase that includes a Detailed Plot unless and until an Approval for the relevant Site-Wide Heat Network Assessment has been obtained.

3.11 Subject to paragraph 3.13, the Owner shall submit a Site-Wide Heat Network Assessment to the Approval Panel for Approval prior to the submission of any application for reserved matters for any Phase that includes an Outline Plot.

3.12 Subject to paragraph 3.13, the Owner shall not Commence any Phase that includes an Outline Plot unless and until an Approval for the relevant Site-Wide Heat Network Assessment has been obtained.

3.13 Where an Approved Site-Wide Heat Network Assessment concludes:

- (a) that implementing the Site-Wide Heat Network would be significantly worse than implementing Plot-by-Plot energy servicing, the Owner:

- (i) shall construct Site-Wide Heat Network within the relevant Phase at that time; but
 - (ii) shall not implement the Site Wide Heat Network until a subsequently Approved Site Wide Heat Network Assessment concludes that there is an overall benefit in its implementation;
 - (b) that implementing the Site-Wide Heat Network would not be significantly worse than implementing Plot-by-Plot energy servicing, the Owner shall:
 - (i) implement the Site-Wide Heat Network when carrying out and operating the whole Development; and
 - (ii) be released from the obligations in paragraphs 3.9 – 3.12 in respect of all other Phases.
- 3.14 Where provision is made for a District Heating Network within the vicinity of the Site either LB Hackney or LB Tower Hamlets (as applicable) may serve notice on the Owner requesting that the Owner carries out a District Heating Network Assessment.
- 3.15 Where the Owner received a notice pursuant to paragraph 3.14 it shall submit a District Heating Network Assessment to the Approval panel for Approval within six months of receipt of the relevant notice.
- 3.16 Where an Approved District Heating Network Assessment concludes:
- (a) that connecting the Development to the District Heating Network would be significantly worse than not connecting, the Owner shall be required to take no further action; or
 - (b) that connecting the Development to the District Heating Network would not be significantly worse than not connecting, the Owner shall effect such connection as soon as reasonably practicable and no later than 24 months following Approval of the District Heating Network Assessment by the Approval Panel and shall provide the Approval Panel with regular written updates during such period together with written notice once a connection has been made.
4. **OVERHEATING**
- 4.1 The Owner shall undertake Dynamic Thermal Modelling for each Outline Plot containing Residential Units which shall:
- (a) include units that have ventilation restrictions due to noise, air quality or security (ground floor) concerns and any assumptions on ventilation strategy shall be detailed;
 - (b) include both affordable housing units and market units (if applicable);
 - (c) demonstrate that reasonable measures have been implemented to mitigate the risk of overheating; and
 - (d) demonstrate that the design of elevations has been informed by the Dynamic Thermal Modelling.
- 4.2 In respect of an Outline Plot containing Residential Units, the Owner shall submit the Dynamic Thermal Modelling to the relevant determining authority alongside submission of any application for approval of reserved matters for the relevant Outline Plot and at the same time a copy of the relevant Dynamic Thermal Modelling shall be submitted to the GLA.

- 4.3 The Owner shall not submit any application for approval of reserved matters for any Outline Plot containing Residential Units unless such submission includes Dynamic Thermal Modelling and a copy has been submitted to the GLA.
- 4.4 LB Hackney and/or LB Tower Hamlets (as appropriate) shall fully consult the GLA prior to granting any reserved matters approval for which Dynamic Thermal Modelling has been submitted and shall take into account all representations of the GLA.
- 4.5 The Owner shall design construct and operate the Development and accordance with the approved Dynamic Thermal Modelling.
5. **ENERGY MONITORING**
- 5.1 Within eight weeks of the grant of a reserved matters approval for each Plot, the Owner shall submit to the Energy Monitoring Portal accurate and verified estimates of the 'Be seen' energy performance indicators for the Plot in accordance with the 'Planning stage' section / chapter of the Energy Monitoring Guidance.
- 5.2 Prior to Occupation of each Plot, the Owner shall upload to the Energy Monitoring Portal:
- (a) updated accurate and verified 'as-built' design estimates of the 'Be seen' energy performance indicators for each Reportable Unit of the relevant Plot, as per the methodology outlined in the 'As-built stage' chapter / section of the Energy Monitoring Guidance; and
 - (b) evidence 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 Energy Monitoring Guidance.
- 5.3 On the first anniversary of the Occupation Date for each Plot or following the end of the relevant Plot's Defects Liability Period (whichever is the later) (the "**Energy Performance Date**") the Owner shall upload to the Energy Monitoring Portal 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 Energy Monitoring Guidance.
- 5.4 The Owner shall submit to the Energy Monitoring Portal accurate and verified updates of the information specified in paragraph 5.3 on the first, second, third and fourth anniversaries of the Energy Performance Date for each Plot.
- 5.5 In the event that the in-use energy performance information submitted under paragraphs 5.3 and 5.4 demonstrates that the as-built energy performance estimates submitted under paragraph 5.2 have not been or are not being met, the Owner 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' spreadsheet through Energy Monitoring Portal.
- 5.6 An action plan comprising measures identified in paragraph 5.5 shall be submitted to the Approval Panel for Approval pursuant to clause 27 with copy to the GLA identifying measures which would be reasonably practicable to implement and a proposed timescale for implementation. The Approval Panel shall fully consult the GLA prior to granting Approval for any action plan submitted and shall take into account all representations of the GLA. The action plan and measures so Approved shall be fully implemented by the Owner in accordance with the time-scales set out in the Approved action plan.

SCHEDULE 19

Councils' Obligations

1. LB TOWER HAMLETS' OBLIGATIONS

- 1.1 LB Tower Hamlets covenants to spend any financial contributions received pursuant to this Deed for the sole purpose for which such contribution is expressed to be paid and so as to mitigate (directly or indirectly) the impact of the Development.
- 1.2 In the event LB Tower Hamlets has not spent or committed any financial contribution in accordance with paragraph 1.1 above within fifteen years of the date of payment, LB Tower Hamlets will return any unexpended or uncommitted portion of any financial contribution to the party which made such payment (or its nominee) with any interest accrued.
- 1.3 When Approving any documents or information submitted for its Approval pursuant to this Deed, LB Tower Hamlets shall have regard to any relevant documents or information Approved by LB Hackney or the Approval Panel pursuant to this Deed.

2. LB HACKNEY'S OBLIGATIONS

- 2.1 LB Hackney covenants to spend any financial contributions received pursuant to this Deed for the sole purpose for which such contribution is expressed to be paid and so as to mitigate (directly or indirectly) the impact of the Development.
- 2.2 In the event LB Hackney has not spent or committed any financial contribution in accordance with paragraph 2.1 above within fifteen years of the date of payment, LB Hackney will return any unexpended or uncommitted portion of any financial contribution to the party which made such payment (or its nominee) with any interest accrued.
- 2.3 When Approving any documents or information submitted for its Approval pursuant to this Deed, LB Hackney shall have regard to any relevant documents or information Approved by LB Tower Hamlets or the Approval Panel pursuant to this Deed.

SCHEDULE 20

GLA's Obligations

The GLA shall use reasonable endeavours to issue the Planning Permissions within ten Working Days of completion of this Deed.

IN WITNESS whereof this Deed has been executed and delivered as a deed on the date first above written

Executed and delivered for and on behalf)
of **THE GREATER LONDON**)
AUTHORITY by:)

Authorised Signatory:

Name (BLOCK CAPITALS):
Position:

Authorised Signatory:

Name (BLOCK CAPITALS):
Position:

The common seal of **THE MAYOR AND**)
BURGESSES OF THE LONDON)
BOROUGH OF HACKNEY was hereunto)
affixed by Order:)

Authorised Signatory

The common seal of **THE MAYOR AND**)
BURGESSES OF THE LONDON)
BOROUGH OF TOWER HAMLETS was)
hereunto affixed in the presence of:)

Authorised Signatory

Executed as a Deed by affixing the)
Common Seal of **NETWORK RAIL**)
INFRASTRUCTURE LIMITED in the)
presence of:

Authorised Signatory

Signed as a deed by **BISHOPSGATE**)
GOODSYARD REGENERATION)
LIMITED acting by a director and its)
secretary/two directors:)

Director

Director/Secretary

The common seal of **TRANSPORT FOR**)
LONDON was hereunto affixed in the)
presence of:)

Authorised Signatory

Signed as a deed by **BALLYMORE**)
PROPERTIES LIMITED acting by a)
director and its)
secretary/two directors:)

Director

Director/Secretary

Signed as a deed by **HAMMERSON UK**)
PROPERTIES PLC acting by a director and)
its)
secretary/two directors:)

Director

Director/Secretary

APPENDIX 1

LBTH Notice for Financial Contributions

NOTIFICATION OF PAYMENT OF A FINANCIAL CONTRIBUTION UNDER S106 AGREEMENT

Planning Permission Reference	
Site Address	
Date legal agreement signed	
Name of Development and Developer/Other	
Signatory	
Contact name	
Position	
Telephone number	
Address	
Relevant clause(s) in legal agreement	
Amount paid	
Indexed amount paid	
Penalty amount paid	
Method of Payment	BACS/CHAPS
Index Used (CPI or BCIS All-in Tender Price Index as applicable)	Please provide calculation of the payment used for indexation

***Method of Payment**

BACS/CHAPS - Please quote reference: S106 Legal Agreement

Account Name: London Borough of Tower Hamlets
Sort Code: 60-03-19
Account Number: 75666952

Please return this form to:
London Borough of Tower Hamlets
Section 106 Monitoring Officer
Town Hall
Mulberry Place, 2nd Floor
5 Clove Crescent, London, E14 2BG

APPENDIX 2

Approval Panel Terms of Reference

APPROVAL PANEL TERMS OF REFERENCE

LAND KNOWN AS BISHOPSGATE GOODSYARD, SHOREDITH, LONDON E1

PLANNING APPLICATIONS PA/14/02011 AND 2014/2425

1 PANEL OBJECTIVES

- 1.1 The purpose of the Approval Panel is to determine any applications received by the Owners for an Approval within the terms and timescales specified in the section 106 agreement.

2 APPROVAL PANEL

- 2.1 The Approval Panel consists of:

2.1.1 The Planning Delivery Team Leader (or equivalent position should that position or title no longer exist) or an officer within the Planning Delivery Team as may be delegated by the Planning Delivery Team Leader within the LB Hackney; and

2.1.2 The Infrastructure Planning Team Leader (or equivalent position should that position or title no longer exist) or an officer within the Infrastructure Planning Team as may be delegated by the Infrastructure Planning Team Leader within the LB Tower Hamlets.

3 PROCESS OF APPROVAL

- 3.1 A request for an application for Approval shall be in the form attached and submitted in the first instance in writing to:

3.1.1 The Head of Planning at the LB Hackney; and

3.1.2 The Head of Planning at the LB Tower Hamlets

copied to the Approval Panel officers specified in paragraph 2.

- 3.2 Each Head of Planning will acknowledge receipt of each application for Approval made pursuant to paragraph 3.1 within five Working Days of receipt of such application.