

6.1 Introduction

6.1.1 This section explains our approach to the delivery and phasing of the development and the way that important infrastructure such as open spaces and certain community facilities will be provided.

6.2 Progressing committed developments

6.2.1 The transformational change of Canada Water which is our aim is already happening. A number of projects are underway or have recently been completed. These include

- Construction of 169 new homes, including affordable homes, retail and office space is currently underway on Site B2
- Completion in summer 2009 of a mixed use development incorporating 63 homes on site B1
- Planning permission has been granted for 668 homes on Site A
- Canada Water's new library which includes exhibition and performance space is currently being constructed and is due to open in 2011
- We have committed £2.3m to a complete refurbishment of the Surrey Docks watersports centre and work is currently in progress. The centre is due to reopen in January 2010
- New sports pitches and games courts have recently been completed at Bacon's College and Mellish Fields
- Construction of Phase 1 of the East London line is in progress. When it reopens in 2010 it will provide direct links between West Croydon and Dalston. The Mayor has recently confirmed funding arrangements for Phase 2 of the line
- The Jubilee line is currently being upgraded. Improved signalisation will increase capacity by 33%

6.2.2. There are also several projects that are currently in preparation. These include

- Rebuilding Southwark Park sports centre. Planning permission has recently been granted for the £5m redevelopment of the sports centre to provide a paralympic training facility. Funding is in place and construction is due to start in summer 2010
- We are currently considering planning applications for schemes on the Decathlon site and Leisure Park site
- Construction of the new plaza outside the library is due to take place in 2011

6.3 Working with partners

6.3.1 The process of bringing about regeneration at Canada Water has been and will continue to be very challenging and complex. The key sites are in different freehold ownerships, several occupiers have long leases and while there is potential to intensify development, significant public intervention is needed to upgrade infrastructure in the area.

- 6.3.2 To deliver the vision for Canada Water and implement the AAP, Southwark will play a coordinating role in providing a framework for development. We will take the lead role in ensuring that the necessary improvements are made to infrastructure, facilitating discussions between landowners and where necessary, using compulsory purchase powers to assemble sites and unlock potential for development. In 2002 Southwark appointed British Land Canada Quays (BLCQ) as its development partner at Canada Water. Under the terms of the agreement with BLCQ, while the council controls the planning process, the development partner has taken on the financial risk and the responsibility for promoting comprehensive redevelopment in the core area.
- 6.3.3 As is noted above, development is progressing on Sites A and B. A masterplan for comprehensive redevelopment was prepared in 2005 but was not adopted by the council as a planning document. The purpose of this AAP has been to review both the masterplan and previous designations in the Southwark Plan and provide a vehicle for further change and improvement.
- 6.3.4 Southwark itself has the freehold ownership of the shopping centre and Harmsworth Quays print works. In preparing the AAP we have had discussions with freeholders and leaseholders of key sites, including Conrad Phoenix, Frogmore/Aviva, Harmsworth Quays and Segro/Tesco. The feasibility work we have undertaken has been informed by the aspirations of landowners and at the same time has sought to identify opportunities and options which may help unlock development. These discussions will continue through the next phases of development.
- 6.3.5 A key objective of the AAP is the delivery of new homes. The majority of these will be built on sites that are owned by private developers where we do not have direct control. We will work in partnership with the Homes and Community Agency, registered social landlords and private developers, across the AAP area to bring forward new homes.
- 6.3.6 The support of the local community is critical to the success of the AAP. There is a thriving voluntary sector in Rotherhithe and strong community council. The Canada Water Consultative Forum was created to provide a forum for public discussion about the future development of the area. Groups including Friends of Southwark Park, Friends of Russia Dock Woodlands, BARGES, Living Streets, Southwark Cyclists and the many tenants and residents associations in the area have also made a huge contribution to the preparation of the AAP. We will continue to engage with the community to ensure that local people are actively involved in the development of their area.
- 6.3.7 Lower Road, although not part of the Transport for London Road Network is a strategic road and any changes to Lower Road require the agreement of TfL. The preferred options and draft AAP have been prepared following discussions involving TfL and Lewisham council and we will continue to meet regularly with them.

6.4 Infrastructure plan

- 6.4.1 Over the course of the next 15 years, we expect around 3,000 new homes to be built in Rotherhithe and the amount of shopping space to be significantly expanded. Existing infrastructure will need to be improved and new infrastructure provided to cope with the additional population.
- 6.4.2 We have divided the AAP delivery timescale into three phases of five years each. A schedule of new or improved infrastructure proposals, funding mechanisms and timing are set out in Table A6.1 in Appendix 6.

Transport

- 6.4.3 The AAP proposes several upgrades to the local road network, which includes the signalisation of the roundabout at the junction of Lower Road and Jamaica Road which would be funded by TfL, as well as a simplification of the Lower Road/Rotherhithe Old Road gyratory system. We have estimated the value of this project at about £9.75m. This includes the costs associated with purchasing a strip of land on the corner of Plough Way and Lower Road to increase capacity at the junction. We anticipate making an Area based Scheme (ABS) bid to TfL for a contribution to fund the project. The balance would be generated by s106 funding. We have £876,000 funding available from schemes with planning permission in the area and will apply a standard charge based on trip generation rates to future development in the area.
- 6.4.4 S106 funding will also be sought to implement a programme of improvement to walking and cycling routes in the area. Some funding is also currently available from Walk London and is anticipated through the Connect 2 project. Connect 2 aims to improve cycle and pedestrian links between Burgess Park, Bermondsey and Rotherhithe. Funded through a combination of National Lottery, TfL and s106 funding, the scheme is due to be completed by 2011.

Leisure

- 6.4.5 The refurbishment of the Surrey Docks Watersports centre is underway, and funding is now in place to rebuild Southwark Park sports centre, creating a training facility for the Paralympics in 2012. £150,000 has been committed through the council's 2009 capital refresh programme towards a refurbishment of the Seven Islands Leisure Centre and a bid for £500,000 has been submitted to the Department for Culture Media and Sport Free Swimming Capital Programme. A decision on this bid is expected later this year.

Public realm

- 6.4.6 The new plaza will create a new civic space in the town centre. The plaza is funded and due to complete in 2011. It is anticipated that s106 planning obligations would fund other vital improvements in the

town centre, including upgraded landscaping around the basin and improvements to Surrey Quays Road.

Open spaces

- 6.4.7 Funding has been allocated to landscape the fish farm, transforming it into an actively used open space. New open space is also proposed as part of the planning application on Site A. We are currently preparing an open spaces strategy, which updates our 2004 open spaces audit and which will be accompanied by a capital investment strategy. This will provide a framework to manage and improve open spaces across the borough. Once adopted, the strategy will be used to inform contributions to open space improvements generated through s106 planning obligations. Using our current charging system, we estimate that around £745,000 will be raised over the life of the plan through s106 to improve open spaces.

Energy and water

- 6.4.8 There is limited substation capacity to supply power to new development in the Core Area. EDF have estimated that an additional 13MVA power supply will be required to meet the needs of developments likely to come forward in the first phase. 4MVA are on order to supply the library and sites A and B and EDF have costed an option for supply of a further 9MVA. The point of connection to EDF's Energy Distribution Network will be the 11KV switchboard at the Verney Road main sub-station.
- 6.4.9 We have also assessed the most cost effective means of supplying low and zero carbon energy in the AAP area. Our Energy Study identified significant potential to establish a district heating network in the area, either through linking sites or connecting to SELCHP.
- 6.4.10 Southwark is currently in negotiations with Veolia who manage SELCHP to supply heat to 2,700 homes on Southwark estates to the south and west of Southwark Park. The new link could be extended into the core area via Lower Road. Anticipated costs of infrastructure are around £8.5m. We have estimated that sale of Renewables Obligations Certificates (ROCs) would provide a revenue of around £2m per year for Veolia which could fund all or part of that infrastructure. Post 2016, the Building Regulations will allow developments to contribute funding towards "allowable solutions" which reduce CO2 emissions elsewhere, instead of achieving carbon zero development on site. This is also likely to be a significant source of funding which could contribute towards setting up the network. Additional funding could be generated through s106 contributions in cases where developers are unable to meet energy targets on site.
- 6.4.11 Timing for this is critical as Veolia's current contract expires in 2032 which would limit the payback period on their investment. There may also be opportunities to phase implementation of infrastructure with road network improvements. These opportunities will be kept under review.

- 6.4.12 In 2005 Southwark undertook an assessment of the impact of a scheme of 30,000sqm of new retail space, 12,000sqm of office space and approximately 2,800 new homes on water supply and drainage capacity. At the time, Thames Water confirmed that both the water supply and foul trunk (main) sewer infrastructure should have capacity to serve development of this scale.
- 6.4.13 Southwark will monitor phasing and implementation of development and continue to share plans with infrastructure providers. Developers should also continue to liaise with providers to ensure that power and water can be supplied at the appropriate time to meet development needs.
- 6.4.14 In 2005, Thames Water also recommended that surface water discharge should be restricted to greenfield rates. Southwark has carried out a strategic flood risk assessment of the borough. Much of the AAP area lies in flood zone 3a (high probability of flooding in the event of a breach of flood defences), although the large mixed use development sites in the core area lie predominantly in zones 1 (low probability) and 2 (medium probability). Core strategy policy 13 states that Southwark will allow development to occur in zones 2 and 3a, providing it is designed to be safe and resilient to flooding. It also requires development to reduce the risk of flooding by reducing surface water run-off and using sustainable urban drainage systems. Further guidance is set out in our Sustainable Design and Construction and Sustainability Assessments SPDs.

Community facilities

- 6.4.15 The new library will help provide a civic heart for the town centre. It is currently under construction and is due to open in 2011. The library will provide performance and exhibition space and a venue for Southwark's Youth Forum. This approach is consistent with our Children and Young People's Plan which identifies significant opportunities to use capital investment in schools and other projects to improve services for young people. New youth services will be provided on the Rotherhithe primary school site.
- 6.4.16 In the east of the AAP area, Docklands Settlement currently provides a youth club, activities for older people, dance sessions and sports classes. It also lets out space to other community groups and businesses. The charity is preparing plans to improve and expand facilities on site to better serve the needs of users and make the centre more accessible. It would also partner with the Odessa Street Youth Centre providing space for an enhanced centre. The charity proposes to cross-fund the project by on-site residential development. A good example of this approach is the Salmon Road youth centre on Old Jamaica Road in Bermondsey.
- 6.4.17 Good schools are an essential part of our vision for the area. Under the Southwark Schools for the Future Initiative, we will build a new secondary school on the site of Rotherhithe primary school. Bacon's College have agreed to be the sponsor of this new school. The development will also allow us to rebuild Rotherhithe primary school.

- 6.4.18 We may also need to increase primary school capacity in the area. Albion Primary School is currently a single form of entry school and would have capacity to expand to accommodate two forms of entry. This is not currently funded within Southwark's Primary Capital Programme and we expect the bulk of funding to be generated by s106 planning obligations in the AAP area. We will use the AAP monitoring framework to keep the need to expand primary provision under review.
- 6.4.19 Southwark PCT are planning a new health centre on the Downtown site. This will be approximately 80% larger than the existing facility on the site and the PCT expect that this will accommodate need for additional services generated over the first phase of the plan. In the mid-term, the PCT have advised that a new site in the town centre will also be needed. There is physical capacity to provide a new site within a development on the shopping centre and overflow car park. While, funding arrangements for additional facilities are not currently in place, a significant sum of funding is expected to be generated from s106 planning obligations which could contribute.
- 6.4.20 The police have advised that they wish to provide a new Safer Neighbourhood Team base and front counter services at Canada Water, necessary to deliver a more effective locally based police service. This would make the existing police station surplus to requirements. The MPA are currently negotiating with Conrad Phoenix to occupy new space on the Decathlon site.

6.5 S106 Planning obligations

Policy 33: s106 Planning obligations

We will use s106 planning obligations to ensure the delivery of key infrastructure and to mitigate the impact of development. We will pool contributions towards infrastructure improvements that benefit all developments in the area, including improvements to the road network, walking and cycling routes and facilities, implementation of an extension to the CPZ, public realm and open spaces.

We will set out standard s106 charges in a revision of our s106 Planning Obligations SPD. Improvements to the road network will be our priority in negotiating planning obligations.

We are doing this because

- 6.5.1 With around 3,400 new homes and 35,000sqm of shopping space, the AAP area will experience significant growth over the life of the plan. In order to implement the AAP and accommodate this growth, it will also be necessary to make improvements to the road network, pedestrian and cycle infrastructure, public open spaces, sports facilities, play spaces, and new or larger health facilities and new school places.

6.5.2 We will secure funding to help implement strategic infrastructure proposals, through s106 planning obligations. Our current s106 Planning Obligations supplementary planning documents provides a set of standard charges which we make on all new large developments. It includes charges for school places, health facilities, employment support and training, strategic transport infrastructure, open spaces, play facilities, sports facilities and public realm. We will apply these policies to developments in the AAP area. Where appropriate, charges for physical infrastructure will be tailored to ensure that all developments contribute to necessary costs.

This includes

- Transport contributions to improve the local highway network around Lower Road
- Improvements to walking and cycling facilities
- Implementation of an extension to the CPZ at Canada water
- Improvements to strategically important public realm areas
- Upgrades to local open spaces
- Improvements to play facilities

6.5.3 Standard charges are a simple mechanism that provide developers with the certainty they require regarding development costs. They also allow Southwark, as the organisation responsible for coordinating the development, to pool the contributions and use them to provide necessary strategic and local infrastructure at an appropriate stage in the development process. Charges will be negotiated on a standard rate per residential units or per square metre of commercial floorspace. There may be instances where rather than pay Southwark a contribution, the developer carries out the work as part of the development.

6.5.4 Consistent with national planning policies, all charges will be reasonable and will relate to the scale of development. In preparing the AAP, we have tested the charges we currently envisage to ensure that they do not make developments unviable. There is more information on the standard charges we have assumed in preparing the AAP in appendix 7.

6.5.5 We will set out the standard charges in our s106 Planning Obligations SPD which in our LDS we have anticipated will be updated in 2010/11. They will be designed with flexibility in mind and will be updated in line with inflation and the changing needs of the regeneration of the area. This will also allow our approach to take account of the Community Infrastructure Levy (CIL) should this come into effect.

Fact Box: Planning obligations

These are agreements made between a developer and the council to help reduce the harm caused by a development. Planning obligations can be in the form of money provided to the council to fund things like open space improvements and community facilities, or a requirement for something to be provided in a scheme such as affordable housing or business space, an exhibition space, or streetscape improvements. By law, obligations must be related to reducing the impacts that the development will have.

The law that allows planning obligations to be made is Section 106 of the Town and Country Planning Act, which is why they are sometimes called “section 106 agreements”.

6.6 Regularly reviewing progress

- 6.6.1 Once the AAP has been adopted it will be important to ensure that the policies outlined in this document are meeting their objectives, that targets are being achieved, and that the assumptions behind the policies are still relevant and valid. We will therefore follow the progress of the AAP by monitoring how well it is achieving its objectives.
- 6.6.2 We have set out a monitoring framework for the AAP (see appendix 5) which establishes out the indicators and targets that will be used to monitor its progress. Where possible these are the same as those already used within our Annual Monitoring Report and Corporate Plan. However, there are also some more locally specific indicators and targets. The monitoring framework has also drawn upon the sustainability indicators and targets outlined in the sustainability appraisal scoping report.
- 6.6.3 Each year we will use this framework to monitor the AAP and the results will be reported in our Annual Monitoring Report. Where necessary, as a result of this monitoring process, actions will be taken to adjust or amend the AAP to ensure that the objectives outlined at the very start of this document are achieved.

6.7 Risk

6.7.1 The main risks to achieving the policies in the AAP are:

- Transport infrastructure
- Phasing of development

Transport infrastructure

6.7.2 The AAP proposes a number of significant improvements to transport infrastructure. Key risks include the fact that agreement with TfL will be necessary to implement improvements to the road network and that funding will need to be found to deliver the improvements.

6.7.3 We have reduced these risks by developing the Rotherhithe multi-modal traffic model which has been validated by TfL. We have used this model to demonstrate that growth of the scale we indicate and delivery of the London Plan targets will require investment in the road network. Using the model we have prepared a strategy to improve the network. We have also used it to prepare a rational and fair approach to negotiating planning obligations to help deliver improvements.

6.7.4 TfL are in agreement that investment in the network will be required to deliver growth. We meet regularly with TfL and are confident that using the model we will be able to agree improvements to the network.

6.7.5 There is some flexibility over funding. While we are confident that the levels of s106 planning obligations are affordable, if this changes, we have indicated in policy 33 that we will prioritise s106 obligations that contribute towards highways improvements.

6.7.6 While we are currently projecting a small funding gap to deliver highways improvements, given that we are not anticipating making the improvements until AAP phase 2, there is time to identify additional funding. As the funding gap is relatively small, it may be possible to cover it using future LIP allocations.

6.7.7 If ultimately, funding is not available, this would impact on the scale of growth which is delivered. It is likely that redevelopment of the shopping centre and overflow car parking would be slowed until funding becomes available. Policy 1 indicates that a significant expansion of retail space is dependant on improving the network.

Phasing of development

6.7.8 The majority of development sites in the area are in private ownership or have complicated leasehold arrangements. The success of the AAP requires the private sector to commit to significant levels of investment. Some of the key sites in and around the core area have planning

consent and applications are in preparation for others. There is some uncertainty over the intentions of the leaseholders of the shopping centre and overflow car park. However, we have tested proposals on this site and are confident that the amount of development and design principles we set out in the AAP are viable. The key sites in the core area could be developed independently. If one or more sites do not come forward for development, the phasing schedule we have set out in appendix 8 will be slowed.

- 6.7.9 Phasing will also be impacted by delivery of schemes in Lewisham. It may be necessary in future years to adjust the phasing of new housing, to avoid bringing too many new homes onto the market in any one year.
- 6.7.10 The rate at which development occurs in both Canada Water and Lewisham will also have an impact on the phasing of infrastructure.
- 6.7.11 We meet regularly with Lewisham council to share information and resources. Through monitoring development, we anticipate being able adjust the delivery of infrastructure. This would apply particularly to transport improvements and also to the need to upgrade utilities infrastructure. We have stated in Section 6 that we will share information with utilities and other provides to help ensure that necessary infrastructure improvements are delivered at the right time.