

Meeting Name:	Planning Committee (Major Applications) B
Date:	10 September 2025
Report title:	To release £5,078,652.01 from Section 106 agreements to TfL to deliver improvements to bus services on Old Kent Road and Elephant and Castle (Bakerloop bus)
Ward(s) or groups affected:	Old Kent Road, Chaucer, North Walworth, South Bermondsey, Faraday
Classification:	Open
Reason for lateness (if applicable):	No
From:	Director of Planning and Growth

RECOMMENDATION

1. That the Planning Committee (Major Applications) B approves the release of the funds amounting to £5,078,652.01 to TfL, which were received by the council (pursuant to the terms of the s106 agreements pertaining to the planning applications noted in Table 1, below) and are to be applied to improving bus services on Old Kent Road and Elephant and Castle.

Table 1 - Section 106 Contributions to be released to TfL

Planning application reference	Profit centre	Spend category	Ward	Address	S106 Contribution	Indexation	Total Amount
12/AP/1092	W06635	Bus contributions	North Walworth	Heygate Estate	£1,100,000	£270,769.24	£1,370,769.24
17/AP/3757	W08425	Bus contributions	Old Kent Road	60A And 62 Hatcham Road	£56,600.90	£1,546.36	£58,147.26
20/AP/0039	W09125	Bus contributions	Old Kent Road	43 Glengall Road And 1 Bianca Road	£729,000	£51,118.90	£780,118.90
18/AP/2895	W08785	Bus contributions	Old Kent Road	2 Varcoe Road	£17,760	£3,782.99	£21,542.99
22/AP/1221	W09415	Bus contributions	Old Kent Road	Tustin Estate Land (Phase 1)	£329,400.00	n/a	£329,400.00
19/AP/1773	W09195	Bus contributions	Old Kent Road	227-255 Ilderton Road	£683,100	£180,358.72	£863,458.72
20/AP/1329	W09475	Bus contributions	Old Kent Road	313-349 Ilderton Road	£156,600	£28,646.34	£185,246.34
22/AP/0554	W09785	Bus contributions	Old Kent Road	The Ledbury Estate	£64,800	£3,031.06	£67,831.06
20/AP/2701	W09495	Bus contributions	Old Kent Road	671-679 Old Kent Road	£288,900	£42,723.65	£331,623.65

Planning application reference	Profit centre	Spend category	Ward	Address	S106 Contribution	Indexation	Total Amount
17/AP/4612	W08525	Bus contributions	Old Kent Road	49-53 Glengall Road	£162,900	£29,814.89	£192,714.89
19/AP/1322	W09385	Bus contributions	Old Kent Road	840 Old Kent Road	£592,281.24	£0	£592,281.24
19/AP/5389	W09745	Bus contributions	Chaucer	221 New Kent Road	£234,000	£51,517.72	£285,517.72
Total							5,078,652.01

BACKGROUND INFORMATION

2. Planning obligations are the legal obligations secured for the purposes of mitigating the impacts of a development proposal and can contribute to providing the infrastructure and facilities necessary to achieve sustainable communities. These obligations are secured in legal agreements (often referred to as section 106 agreements), which are entered into by parties with proprietary interests in the development site to which they relate. This is to ensure that they bind the owners of the site including the developers (should they have or subsequently acquire such interests). Moreover, planning obligations can take the form of a variety of different things including the requirement to pay (to the council) financial contributions.
3. The council's former S106 and CIL Supplementary Planning Document (SPD) 2015 (updated November 2020) provided detailed guidance on the council's use of planning obligations and CIL. On 7 July 2025 the Cabinet resolved that the new Section 106 (S106) and Community Infrastructure Levy (CIL) Supplementary Planning Document (SPD) be adopted.
4. The draft Old Kent Road AAP and Southwark Plan 2022 dictate a phased approach to the provision of housing in the Old Kent Road Opportunity Area. 9,500 homes can be accommodated through an upgrade to existing transport infrastructure, including bus services and improved conditions for walking and cycling. A second phase of 10,500 homes is reliant on the Bakerloo Line Extension (BLE).
5. In 2022 the council and TfL commissioned a bus demand and capacity study for the Old Kent Road which found that additional services would be required to support anticipated growth in homes in phase 1. To date, almost 9,500 homes have been consented in the Old Kent Road opportunity area and there are 3,242 under construction or completed since 2018. In accordance with the draft AAP, the council has been collecting funds for improvements to bus services from new developments, with developers paying £2,700 per home as a contribution.
6. Between January and March 2025 TfL consulted on a new Bakerloo bus service. This will be an express service between Waterloo and Lewisham, stopping at Elephant and Castle and future stations at Burgess Park (Old Kent Road junction with Dunton Road), Old Kent Road (junction with Ilderton Road), New Cross and Lewisham (see Figure 1). It will be part of the TfL's superloop bus services, running 7 days a week, operating between 05:00 and 00:30, providing 5 buses per hour from Monday to Saturday (every 12 minutes) and 4 buses per hour on Sundays.
7. Most the buses will be decorated with Bakerloo Line livery with the aim of keeping the extension proposals at the forefront of people's attention and signalling a key improvement made to the local bus network.
8. Following consultation carried out earlier in 2025 TfL are aiming to launch the service in autumn 2025.

Figure 1 Proposed Bakerloop route map



9. The Bakerloop is not intended as a replacement for the proposed Bakerloo Line Extension but as an interim measure to improve transport prior to the opening of the line.
10. The council is promoting the Bakerloo Line Upgrade and Extension with GLA, TfL, Lewisham and north London boroughs. In 2020 Southwark contributed £7,500,000 towards an enlarged ticket hall at Elephant and Castle station, ensuring it has the capacity to accommodate the Bakerloo Line Extension. Subsequently, in 2021 the Secretary of State for Transport safeguarded the tunnel alignment and station locations required for the extension.
11. TfL have a funded team working on the project who have been developing the design. In 2024, with contributions of £250,000 each from Southwark and Lewisham, TfL appointed Weston Williamson architects to undertake the feasibility design of the stations. In the same year Southwark, Lewisham, TfL and Central London Forward jointly contributed to a funding study which aimed to assess the contribution which London could make towards the construction of the extension. This investigated a variety of funding sources including local and Mayoral CIL, a London-wide business rate supplement (currently being used to help fund the Elizabeth line) and ring fencing of growth in revenue from business rates. Using a range of sources, the study estimates that London could raise over 50% of the funds required.

12. TfL and Southwark are working to a timetable that would see the project submitted to Parliament for a Transport and Works Act Order in 2028, with construction starting around 2030 and the extension opening in 2038.

CONSULTATION

13. Consultation has been undertaken by TfL in relation to the proposed Bakerloop bus service. Consultation took place over 6 weeks, closing on 14 March 2025. In June 2025, TfL published a consultation report. There were 1,298 responses to the consultation. The Majority of feedback from residents and local stakeholders was positive and the proposals were widely supported, with many respondents stating that a new route BL1 would:
 - Be more convenient (82 per cent)
 - Result in a quicker bus journey time (79 per cent)
 - Be used between a few days and every day per week (55 per cent)

KEY ISSUES FOR CONSIDERATION

14. The draft Old Kent Road AAP identifies the need for additional bus services to help accommodate growth associated with phase 1 of development. As is noted above, Phase 1 is well underway with almost 9,500 homes consented and 3,242 recently completed and under construction. Developments around the Old Kent Road contribute funds to improve bus services and c£5,000,000 has been collected to date. TfL is aiming to run the service for 7 years at least and the council's contribution would comprise approximately 15% of the total commitment.
15. The developments in Table 1 above are all located in the Old Kent Road ward, with the exception of 221 New Kent Road and the former Heygate development. The proposed stops on the new Bakerloop service will all be located within a short walk of the developments identified and within the expected catchment of the new service. It is also worth noting that the funds would support previous investment by Southwark and TfL in improving the Northern Line Ticket Hall and Elephant and Castle northern roundabout, both of which are necessary to support development in the Old Kent Road opportunity area and the proposed Bakerloop.
16. In making contributions towards improving bus services, the monies will be spent in accordance with the terms identified in the relevant s106 agreements.

Policy framework implications

17. The proposal aligns with the draft Old Kent Road AAP which has identified a need to improve bus services to support development of 9,500 homes in phase 1. Funds have been collected accordingly from all consented and implemented developments in the Old Kent Road opportunity area.

Community, equalities (including socio-economic) and health impacts

Community impact statement

18. There is no community impact in relation to this report recommendation.

Equalities (including socio-economic) impact statement

19. The Public Sector Equality Duty is set out in section 149 of the Equality Act 2010, which requires the council to have due regard to the need to:
- eliminate discrimination, harassment and victimisation and any other conduct prohibited by the Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and those who do not;
 - foster good relations between persons who share a relevant protected characteristic and those who do not.
20. The Public Sector Equality Duty requires public bodies to consider those with protected characteristics (which includes age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) when carrying out their day-to-day work, in shaping policy and delivering services. It applies to every aspect of local government decision making.
21. TfL have completed an initial Equalities Impact Assessment of the new service. TfL do not expect it to have negative impacts on groups with protected characteristics. The new service could benefit all passengers, including the elderly people, those with disabilities, and people on low incomes. The anticipated benefits include faster journey times, extra space on buses, encouraging more sustainable journeys and with the “Hopper fare”, the ability to take a second bus journey at no extra cost. Council officers have reviewed TfL’s Equalities Impact Assessment and, having considered the information provided, are satisfied it is sufficient for the purposes of discharging the council’s Public Sector Equality Duty under the Equality Act 2010.

Health impact statement

22. There is no health impact related to the recommendations of this report.

Climate change implications

23. The project will encourage travel by public transport, helping reduce car journeys. TfL anticipates that the Bakerloop service will operate with electric vehicles, although it may not be possible at the time of its launch.

Resource implications

24. All staff resourcing implications and the project managing will be contained within the existing resources.

Financial implications

25. Southwark's contribution to the service would be £5,078,652.01 from the s106 contributions listed in Table 1. This represents approximately 14% of the total cost of delivering the service over a 7-year period. TfL' will commit the balance of the funding required. The funding will be subject to a grant award with TfL. Should the service cease to operate, Southwark would be entitled to reclaim funds not spent.
26. Once this report is approved, a new capital cost code will be created for the Bakerloop service with the appropriate budget.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Assistant Chief Executive – Governance and Assurance

27. The Planning Committee has the authority to determine the recommendations in this report. Part 3F of the council's constitution states that one of the functions of planning committee (major applications) is to consider expenditure of funds over £100,000 of strategic importance secured through s106 agreements.
28. The report sets out the rationale for the expenditure of funds secured through legal agreements under s106 of the Town and Country Planning Act 1990, towards improving TfL bus services on Old Kent Road and Elephant and Castle.
29. Funds secured through section 106 agreements must be spent in accordance with the terms of the relevant legal agreement.
30. The planning committee must have due regard to the public sector equality duty in making this decision. Officers have considered the duty at paragraphs 19 to 21 above and the committee should take into account in its deliberations.
31. Article 1.3(i) of the council's constitution confirms that all decisions made by the Council will consider the climate and equality (including socio-economic disadvantage and health inequality) consequences of taking that decision. This has been considered in paragraphs 22 to 23.

Strategic Director of Resources

32. This report seeks approval to release £5,078,652.01 of S106 agreements to fund the project outlined above in this report.
33. The strategic director of resources notes the resource implications in paragraph 24 and confirms that the council has received the related funds listed in Table 1 and that they are available for the purposes outlined in this report.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
TfL Bakerloop proposal	TfL, Palestra, 197 Blackfriars Road, London SE1 8NJ	Dermot Hanney Email: dermot.hanney@tfl.gov.uk
Link: New express 'Bakerloop' bus route to begin this autumn - Transport for London		
TfL consultation report	TfL, Palestra, 197 Blackfriars Road, London SE1 8NJ	Dermot Hanney Email: dermot.hanney@tfl.gov.uk
Link: Documents BL1 – Proposed express bus route between Waterloo and Lewisham town centre Have Your Say Transport for London		
Old Kent Road bus demand capacity study 2022	Southwark Council 160 Tooley Street London SE1 2QH	Tim Cutts Tel: 020 7525 5380
Link: https://www.southwark.gov.uk/sites/default/files/2024-12/OKRBusStudy080322.pdf		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Lead Officer	Colin Wilson, Assistance Director Strategic Development		
Report Author	Tim Cutts, Head of Regeneration Old Kent Road		
Version	Final		
Dated	27 August 2025		
Key Decision?	No		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBERS			
Officer Title	Comments Sought	Comments Included	
Assistant Chief Executive – Governance and Assurance	Yes	Yes	
Strategic Director of Resources	Yes	Yes	
Date final report sent to Constitutional Team		27 August 2025	