

# MAYOR OF LONDON

**Councillor Carl Handley**  
**Councillor Liam Curran**  
London Borough of Lewisham  
Lewisham Civic Centre  
Catford  
London SE6 4RU

**Our Ref:** MGLA291116-4686

**Date:**

16 JAN 2017

*Dear Carl & Liam,*

## **Housing Zones in Lewisham**

Thank you for your letter of 16 November 2016 about Lewisham's two Housing Zones, which offer an important opportunity to unlock and accelerate new housing supply.

I am keen to support Housing Zones where they are effective, but I share your concerns about the amount of affordable housing being delivered across the programme. As you will know, all allocations were made under the previous Mayor and I recently instructed a review to try and increase the levels of affordable housing. The levels vary from one Housing Zone to another, but in Lewisham, New Bermondsey offers 10% and Catford Town Centre 35%.

Although the scheme at New Bermondsey has already been granted planning permission, and wider public benefits have been secured through the planning system, the level of affordable housing is unacceptably low. My officers are working closely with the Council to find a way of using our funding to secure more affordable housing. I would like this to be closer to 35% in the early phases, but the exact level and tenure will ultimately be for the local planning authority to determine in accordance with its adopted policies and local needs.

The level at Catford is based on the Council's planning policy, balanced with the need to fund significant infrastructure work to regenerate the town centre. These numbers will be revised over time based on new feasibility work and discussions with interested parties. As individual planning applications come forward, they will likely come to me as the strategic planning authority, by which time I expect my Affordable Housing and Viability SPG to be in place confirming a much more rigorous approach to viability and my emphasis on schemes including a mix of different types of genuinely affordable housing. My SPG offers a means by which developments meet a minimum threshold of 35%, then use funding to raise the level of affordable housing further.

I appreciate your concerns about due diligence, and I can confirm the Greater London Authority (GLA) undertakes robust due diligence before making its investment decisions.

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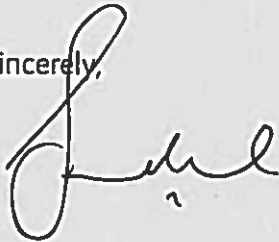
On New Bermondsey this has included satisfactory due diligence on the landowner and master developer Renewal. The controlling parties have been disclosed to the GLA, and a review has been made of the developer's financial viability and their capacity to deliver the proposed number of affordable homes and the wider scheme.

We have not yet commenced any formal due diligence on Catford Town Centre, but will do so in due course as the proposals take shape.

I hope this reassures you that Housing Zone funding is going to be used to achieve the best results for Lewisham residents, both present and future.

Thank you again for getting in touch and I look forward to working with your Council in the coming years.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sadiq Khan', written in a cursive style.

**Sadiq Khan**  
Mayor of London