

## PLANNING COMMITTEE B

Date of Meeting: **THURSDAY, 26 APRIL 2018 TIME 7.30 PM**

PLACE: **COMMITTEE ROOMS 1 & 2 - CIVIC SUITE**

Members of the Committee are summoned to attend this meeting:

**Membership  
Councillors:**

**Joan Reid (Chair)  
Olurotimi Ogunbadewa (Vice-Chair)  
Mark Ingleby  
Jim Mallory  
Hilary Moore  
John Muldoon  
Gareth Siddorn  
Susan Wise  
Sophie McGeevor  
Maja Hilton**

The public are welcome to attend our committee meetings, however, occasionally committees may have to consider some business in private. Copies of reports can be made available in additional formats on request.

**Janet Senior  
Acting Chief Executive  
Lewisham Town Hall  
London SE6 4RU  
Date: Tuesday, 17 April 2018**

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Committee	PLANNING COMMITTEE B	
Report Title	DECLARATIONS OF INTERESTS	
Class	PART 1	Date: 26 APRIL 2018

Members are asked to declare any personal interest they have in any item on the agenda.

**(1) Personal interests**

There are three types of personal interest referred to in the Council's Member Code of Conduct :-

- (a) Disclosable pecuniary interests
- (b) Other registerable interests
- (c) Non-registerable interests

**(2) Disclosable pecuniary interests** are defined by regulation as:-

- (a) Employment, trade, profession or vocation of a relevant person\* for profit or gain.
- (b) Sponsorship –payment or provision of any other financial benefit (other than by the Council) within the 12 months prior to giving notice for inclusion in the register in respect of expenses incurred by you in carrying out duties as a member or towards your election expenses (including payment or financial benefit from a Trade Union).
- (c) Undischarged contracts between a relevant person\* (or a firm in which they are a partner or a body corporate in which they are a director, or in the securities of which they have a beneficial interest) and the Council for goods, services or works.
- (d) Beneficial interests in land in the borough.
- (e) Licence to occupy land in the borough for one month or more.
- (f) Corporate tenancies – any tenancy, where to the member's knowledge, the Council is landlord and the tenant is a firm in which the relevant person\* is a partner, a body corporate in which they are a director, or in the securities of which they have a beneficial interest.
- (g) Beneficial interest in securities of a body where:-
  - (a) that body to the member's knowledge has a place of business or land in the borough; and
  - (b) either
    - (i) the total nominal value of the securities exceeds £25,000 or 1/100 of the total issued share capital of that body; or

- (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person\* has a beneficial interest exceeds 1/100 of the total issued share capital of that class.

\*A relevant person is the member, their spouse or civil partner, or a person with whom they live as spouse or civil partner.

### (3) Other registerable interests

The Lewisham Member Code of Conduct requires members also to register the following interests:-

- (a) Membership or position of control or management in a body to which you were appointed or nominated by the Council;
- (b) Any body exercising functions of a public nature or directed to charitable purposes, or whose principal purposes include the influence of public opinion or policy, including any political party;
- (c) Any person from whom you have received a gift or hospitality with an estimated value of at least £25.

### (4) Non registerable interests

Occasions may arise when a matter under consideration would or would be likely to affect the wellbeing of a member, their family, friend or close associate more than it would affect the wellbeing of those in the local area generally, but which is not required to be registered in the Register of Members' Interests (for example a matter concerning the closure of a school at which a Member's child attends).

### (5) Declaration and Impact of interest on member's participation

- (a) Where a member has any registerable interest in a matter and they are present at a meeting at which that matter is to be discussed, they must declare the nature of the interest at the earliest opportunity and in any event before the matter is considered. The declaration will be recorded in the minutes of the meeting. If the matter is a disclosable pecuniary interest the member must take no part in consideration of the matter and withdraw from the room before it is considered. They must not seek improperly to influence the decision in any way. **Failure to declare such an interest which has not already been entered in the Register of Members' Interests, or participation where such an interest exists, is liable to prosecution and on conviction carries a fine of up to £5000**
- (b) Where a member has a registerable interest which falls short of a disclosable pecuniary interest they must still declare the nature of the interest to the meeting at the earliest opportunity and in any event before the matter is considered, but they may stay in the room, participate in consideration of the matter and vote on it unless paragraph (c) below applies.

- (c) Where a member has a registerable interest which falls short of a disclosable pecuniary interest, the member must consider whether a reasonable member of the public in possession of the facts would think that their interest is so significant that it would be likely to impair the member's judgement of the public interest. If so, the member must withdraw and take no part in consideration of the matter nor seek to influence the outcome improperly.
- (d) If a non-registerable interest arises which affects the wellbeing of a member, their, family, friend or close associate more than it would affect those in the local area generally, then the provisions relating to the declarations of interest and withdrawal apply as if it were a registerable interest.
- (e) Decisions relating to declarations of interests are for the member's personal judgement, though in cases of doubt they may wish to seek the advice of the Monitoring Officer.

**(6) Sensitive information**

There are special provisions relating to sensitive interests. These are interests the disclosure of which would be likely to expose the member to risk of violence or intimidation where the Monitoring Officer has agreed that such interest need not be registered. Members with such an interest are referred to the Code and advised to seek advice from the Monitoring Officer in advance.

**(7) Exempt categories**

There are exemptions to these provisions allowing members to participate in decisions notwithstanding interests that would otherwise prevent them doing so. These include:-

- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception);
- (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor;
- (c) Statutory sick pay; if you are in receipt;
- (d) Allowances, payment or indemnity for members;
- (e) Ceremonial honours for members;
- (f) Setting Council Tax or precept (subject to arrears exception).

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Committee	PLANNING COMMITTEE B	
Report Title	MINUTES	
Ward		
Contributors		
Class	PART 1	Date: 26 APRIL 2018

## MINUTES

To approve the minutes of the meeting of Planning Committee (B) held on the 15<sup>th</sup> March 2018.

### LONDON BOROUGH OF LEWISHAM

#### **MINUTES of the PLANNING COMMITTEE (B) meeting held in Rooms 1 & 2, Civic Suite, CATFORD SE6 on Thursday 15 March 2018 7:30pm.**

#### Present

Councillors: Reid (Chair), Ogunbadewa (Vice Chair), Mallory, Moore & Muldoon.

Apologies: Councillors Hilton, McGeevor, Ingleby, Wise & Siddorn

Officers: Helen Milner – Planning Service, Paula Young - Legal Services, Alfie Williams - Planning Committee Co-ordinator.

#### 1. DECLARATION OF INTERESTS

There were no declarations of interests.

#### 2. MINUTES

The Minutes of the Planning Committee (B) meeting held on 1 February 2018 were agreed by members.

#### 3. Phoebes Garden Centre, Penerley Road, SE6

The meeting began at 19:30 with Councillors Reid (Chair), Ogunbadewa (Vice Chair) and Moore.

Planning Manager Helen Milner outlined the details of the application to members. It was also highlighted that eight objections were received to the application in addition to an objection from the Culverley Green Resident's Association. Helen Milner then gave an overview of the site history including reference to a previous application at the site that was refused and dismissed at appeal. It was explained that the previous application has been refused due to the impact on the Culverley Green Conservation Area and that the proposed scheme had been modified following the refusal.

The committee then received a verbal representation from Kevin Goodwin the agent for the application. Mr Goodwin explained that the scheme has been amended to address the previous refusal. The amendments had also been informed by a pre-application meeting and

comments from local residents. Mr Goodwin stated that the scheme was now lower density to reflect the sites backland location and siting within a conservation area. Mr Goodwin also stated that the car parking was appropriate for the development.

Members then heard a verbal presentation from Kate Richardson representing the Culverley Green Resident's Association. Kate Richardson welcomed the living roofs and provision of affordable housing but raised concerns regarding the impact of the height of the development on the character and appearance of Penerley and Bargery Roads. Kate Richardson also stated that the development would cause overlooking and overshadowing to neighbouring properties. It was then stated that some of the objectors had not been informed of the Committee meeting. Members were then passed photographs to illustrate parking and highways concerns. Kate Richardson explained that it was common for double parking to occur causing residents to be blocked in and that the site was not suitable for deliveries from large vehicles. Reference was also made to development at 2 Penerley Road.

Helen Milner clarified that development at 2 Penerley Road does not form part of the proposal. Helen Milner explained that the development would be 1m higher than the surrounding properties but would not be perceptible due to the distances between the buildings. It was also clarified that the 31m distance between the buildings exceeded the policy requirements. Helen Milner then stated that large vehicles servicing the site will be less common following the construction phase given that it is a residential development. It was also noted that the swept paths had been reviewed by the Council's Highways Officer.

Councillor Moore raised concerns regarding the increase to local parking pressure. Helen Milner responded that the evidence submitted showed that there was parking capacity in evening hours. Further deliberation between members then took place. Councillor Reid (Chair) then moved a motion to approve the application. The motion was seconded by Councillor Ogunbadewa (Vice Chair).

Members voted as follows

FOR APPROVAL: Councillors Reid (Chair), Ogunbadewa (Vice Chair) & Moore.

**Resolved:** That planning permission be approved in respect of application DC/17/102292

4. McDonalds Junction of Bestwood Street and Evelyn Street, SE8

Planning Manager Helen Milner introduced the application to members and explained that pre-application discussion had taken place regarding opening for 24 hours on Fridays and Saturdays but that this proposal was amended following the meeting. It was also explained that the wording of Condition 5 had been amended to a compliance condition following the submission of further details. Helen Milner also advised members that three objections had been received, including one from Deptford Folk who objected to a potential increase in noise and anti-social behaviour at the site if the application is granted. It was then noted that a Design Out Crime Officer was consulted and no objection was raised subject to the implementation of a management plan. Also noted that subject to the reduce parking area and acoustic fence Officers were satisfied that the noise levels could be mitigated against.

Members then heard a verbal presentation from Juan Lopez on behalf of the applicant. Mr Lopez explained that the exclusion zone and acoustic fencing delivered adequate mitigation against noise. It was then stated that the applicant had met every suggestion put forward at pre-application stage. Mr Lopez noted that the applicant had the facility to issue penalty notices for loitering and confirmed that staff would be trained in conflict management. Mr Lopez then referenced the acoustic report that concluded that noise would not be appreciable or adverse.

Councillor Moore asked whether any measures would be taken to manage litter. Helen Milner responded that the application was not for a new use and that litter picking in the area would continue. Following brief deliberation Councillor Reid moved to approve the application. The motion was seconded by Councillor Mallory.

Members voted as follows:

FOR APPROVAL: Councillors Reid (Chair), Ogunbadewa (Vice Chair), Mallory & Moore.

**Resolved:** That planning permission be approved in respect of application DC/17/103670

5. 219 Sydenham Road, SE26

Planning Manager Helen Milner outlined the details of the application to members and noted that one letter of support for the scheme had been received in addition to an objection from the Sydenham Society. It was noted that the development would be car free which is considered to be acceptable at a site with a PTAL of 4.

Councillor Reid asked whether the building was higher than the neighbouring property and requested a definition of a family dwelling. Helen Milner stated that the building was not higher than the neighbouring properties and clarified that a three bedroom unit is considered to be family sized. Councillor Mallory asked if there was a CPZ. Helen Milner responded that it was not a CPZ but is situated on a red route. A discussion then took place regarding CPZs and car free developments within the borough.

Members then received a verbal representation from David Lawton (applicant). Mr Lawton explained that the scale of the development had been reduced following two pre-application meetings with officers. David Lawton stated that he was aware of the objection but that he had worked with neighbours to deliver an acceptable scheme as evidenced by a letter of support. Mr Lawton concluded by claiming that the size of the units meet the needs of local residents.

The committee then heard a presentation from Annabel McLaren representing the Sydenham Society. Annabel McLaren stated that the design of the proposed building was bland and would not contribute positively to the streetscene. It was then stated that the conversion of the existing building would be more in keeping with the surrounding buildings. Annabel McLaren then raised concerns regarding the retention of a side entrance noting that it does not contribute to the streetscene.

Councillor Moore noted that the existing building has a side entrance. Annabel McLaren responded that the conversion of the existing building could have included a front entrance. Annabel McLaren concluded by noting that a neighbouring building built in the 1960s contributed positively to the streetscene but reiterated that the proposed building would be a bland and uninteresting addition to the road.

Members then received a verbal representation from Councillor Best speaking under standing orders. Councillor Best welcomed the proposal to provide additional housing. However, it was noted that the site forms part of an attractive corner of Sydenham Road and explained that the Council have refused applications in the past that would be detrimental to the appearance of the area. Councillor Best stated that the proposed building does not reflect the architecture of the surrounding buildings particularly in regard to the design of the roof.

Helen Milner responded by highlighting that there are a variety of different roof forms in the surrounding area and noted that the proposed flat roof contributes to the contemporary design of the proposed building. It was also noted that there are a variety of architecture styles in the vicinity including buildings that share the proposed contemporary design approach. Helen Milner concluded by stating that the proposed building was consistent with

the building line and heights of the surrounding buildings and noted that a condition securing materials had been imposed.

Councillor Mallory explained that the area requires additional housing and noted that the existing building is not of any particular architectural merit. Councillor Mallory then stated that the proposed building would be an improvement on the existing and moved a motion to approve the application. The motion was seconded by Councillor Reid.

Members Voted as follows:

For Approval: Councillors Reid (Chair), Ogunbadewa (Vice Chair), Mallory, Moore & Muldoon,

**Resolved:** That planning permission be approved in respect of application DC/17/104391

6. 138 Sydenham Road, SE26

Planning Manager Helen Milner outlined the details of the application to members and explained that the application was for an Approval of Details for the materials condition for application DC/17/101668. The application was granted planning permission at a previous Committee B held on 28 September 2017. Helen Milner explained that member had resolved to approve the application but had stated that the materials condition would be heard at Committee due to concerns raised regarding design.

Helen Milner then directed members to view the material samples boards submitted to discharge the condition, displayed at the front of the room. It was then noted that officers had conducted a site inspection to view the materials in natural light within the context of the site and that an Urban Design Officer was also present at the inspection.

Members than received a verbal representation from Malachy McAleer (Agent). Mr McAleer noted that following comments from members regarding the materials, consultation with local residents had taken place including a meeting presenting sample materials. Mr McAleer explained that the proposed brick had been used on a number of schemes within Lewisham and was chosen to complement the neighbouring Hexagon Building. Mr McAleer stated that they had worked hard to respond to members' criticisms including arranging a pre-application meeting with officers and producing mood boards and CGIs.

Councillor Reid complemented the amount of work undertaken to address members concerns. Councillor Mallory noted that the proposed brick responded well to the appearance of the neighbouring Hexagon Building. Following further deliberation from members Councillor Moore moved a motion to accept officers' recommendation to approve the application. The motion was seconded by Councillor Muldoon.

Members voted as follows:

IN FAVOUR: Councillors Reid (Chair), Ogunbadewa (Vice Chair), Mallory, Moore & Muldoon

**Resolved:** That the details be approved in respect of application DC/17/105005

**Meeting ended at 21:09**

Committee	PLANNING COMMITTEE B	
Report Title	53 Canonbie Road, London, SE23 3AQ	
Ward	Forest Hill	
Contributors	Georgia McBirney	
Q21	PART 1	26 <sup>th</sup> April 2018

<u>Reg. Nos.</u>	DC/18/105333
<u>Application dated</u>	14/01/2018
<u>Applicant</u>	Mr & Mrs Perzanowska
<u>Proposal</u>	The conversion of an existing flat roof at 53 Canonbie Road, SE23, to a roof terrace with glass balustrading.
<u>Applicant's Plan Nos.</u>	2117.WD.08; 2217.WD.03; 2217.WD.04; 2217.WD.05A; 2217.WD.07 received 15th January 2018; 2217. WD.01B; 2217.WD.02B and 2217.WD.06C received 2nd March 2018
<u>Background Papers</u>	(1) Case File LE/50/53/TP (2) Local Development Framework Documents (3) The London Plan
<u>Designation</u>	PTAL 2
<u>Screening</u>	N/A

## 1.0 **Property/Site Description**

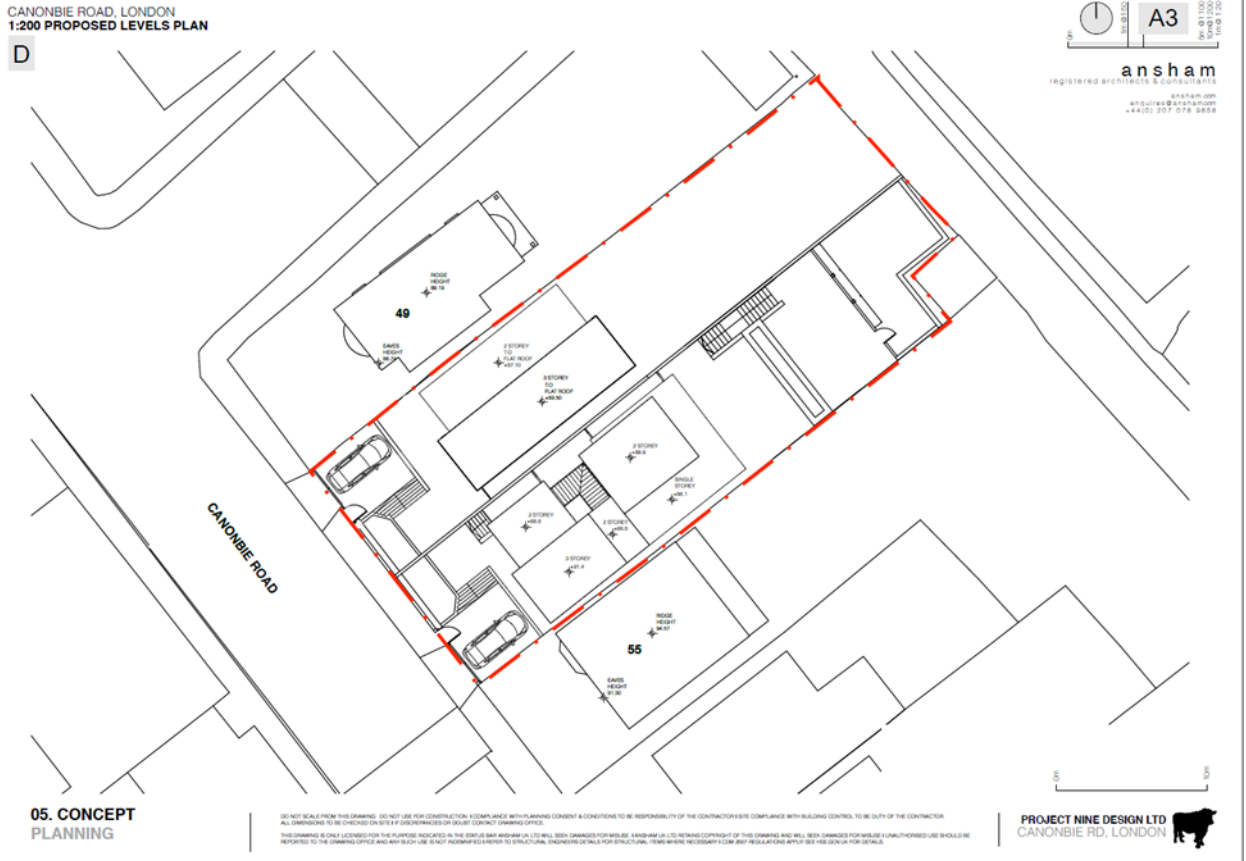
- 1.1 The application relates to a part two/three storey, detached single-family dwellinghouse, with a render finish and aluminium features. The property is situated on the eastern side Canonbie Road and was constructed in 2016.
- 1.2 The property has two flat roofs when viewed from the street and three flat roofs when viewed from the rear.
- 1.3 The surrounding area is primarily residential in nature, comprising of semi-detached and terraced properties.
- 1.4 The property is not located within a conservation area and is not subject to an Article 4 Direction. The property is not a listed building.

## 2.0 **Planning History**

- 2.1 **DC/13/084386:** The demolition of the existing dwelling house at 51-53 Canonbie Road SE23, and the construction of two part 2/ 3-storey with basement, 4 bedroom houses, including a single-storey 'summerhouse' at the end of the rear garden of

'House 1', associated landscaping and the provision of 1 car parking space to the front of each house with access onto Canonbie Road.

2.2 It should be noted that this permission included the condition detailed below in paragraph 2.3. The application proposed four flat roofs, the condition in paragraph 2.3 relates only to the two flat roofs at the rear of the property, as shown on the plan below.



2.3 An assessment was made at the time of that application that the use of the flat roofs at the rear of the property as roof terraces would have an unacceptable impact on neighbouring amenity. For this reason, the following condition was attached to the permission:

*Notwithstanding the Town and Country Planning (General Permitted Development) Order 1995 (or any Order revoking, re-enacting or modifying that Order), the use of the flat roof areas at the rear of the buildings hereby approved shall be as set out in the application and no development or the formation of any doors providing access to the roofs shall be carried out, nor shall the roof areas be used as a balcony, roof garden or similar amenity space.*

**Reason:** *In order to prevent any unacceptable loss of privacy to adjoining properties and the area generally and to comply with Saved Policy HSG 4 Residential Amenity in the Unitary Development Plan (July 2004).*

### 3.0 Current Planning Applications

#### The Proposal

- 3.1 The application proposes the conversion of an existing flat roof at 53 Canonbie Road, SE23, to a roof terrace with glass balustrading.
- 3.2 The flat roof of the second storey is proposed to be changed to a roof terrace. To facilitate this the existing window opening on the third floor facing No.51 Canonbie Road would be altered from a three paned aluminium window to a two paned aluminium window and a door to provide access to the proposed roof terrace. Decking is proposed to be laid on the flat roof.
- 3.3 The application was amended to reduce the extent of the proposed terrace and to reduce its visibility. The proposed terrace and frosted glass balustrading would be set back 0.60m from the parapet on the front of the roof and the frosted glass would project 0.85m above the parapet on all three side. The frosted glass balustrade would not be set back from the parapet on the side and rear. The proposed terrace would have an area of 12.71m<sup>2</sup>.

#### **4.0 Consultation**

- 4.1 This section outlines the consultation carried out by the Council following the submission of the application and summarises the responses received. The Council's consultation exceeded the minimum statutory requirements and those required by the Council's adopted Statement of Community Involvement.
- 4.2 Adjoining neighbours, Forest Hill Ward Councillors and the Forest Hill Society were consulted as a part of this application.

#### **Written responses received from Local Residents and Organisations**

- 4.3 An objection was received from a property situated to the rear of the application site on the following grounds:
- The proposed terrace would facilitate further overlooking into the side of the property and garden.
  - The application site already dominates the skyline and the addition of a roof terrace would be very intrusive.
- 4.4 An objection was received from a property on the same side of the street as the application site on the following grounds:
- The lower roofs of both Nos. 53 and 51 Canonbie Road are meant to be sedum roofs, providing benefits in terms of heat island effect and SUDs control; Nos. 53 and 51 are meant to be lifetime homes and compromising the SUDs element seems unacceptable in this context.
  - There would be significant overlooking in the rear garden of No.51, their adjoining neighbour.
  - It sets a precedent for the recently completed house (No.51) to convert their flat sedum roof into a roof terrace, which would be unacceptable in terms of overlooking.
  - The effects of noise and nuisance to the neighbourhood would be unacceptable.

- 4.5 An objection was received from the Tewkesbury Lodge Estate Resident's Association on the following grounds.
- The proposal would result in an unacceptable loss of privacy and amenity to neighbouring properties.

4.6 Copies of all representations are available for Members to view.

## **5.0 Policy Context**

### Introduction

5.1 Section 70(2) of the Town and Country Planning Act 1990 (as amended) sets out that in considering and determining applications for planning permission the local planning authority must have regard to:-

- (a) the provisions of the development plan, so far as material to the application,
- (b) any local finance considerations, so far as material to the application, and
- (c) any other material considerations.

A local finance consideration means:

- (a) a grant or other financial assistance that has been, or will or could be, provided to a relevant authority by a Minister of the Crown, or
- (b) sums that a relevant authority has received, or will or could receive, in payment of Community Infrastructure Levy (CIL)

5.2 Section 38(6) of the Planning and Compulsory Purchase Act (2004) makes it clear that 'if regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise'. The development plan for Lewisham comprises the Core Strategy, the Development Management Local Plan, the Site Allocations Local Plan and the Lewisham Town Centre Local Plan, and the London Plan. The NPPF does not change the legal status of the development plan.

### National Planning Policy Framework

5.3 The NPPF was published on 27 March 2012 and is a material consideration in the determination of planning applications. It contains at paragraph 14, a 'presumption in favour of sustainable development'. Annex 1 of the NPPF provides guidance on implementation of the NPPF. In summary, this states in paragraph 211, that policies in the development plan should not be considered out of date just because they were adopted prior to the publication of the NPPF. At paragraphs 214 and 215 guidance is given on the weight to be given to policies in the development plan. As the NPPF is now more than 12 months, old paragraph 215 comes into effect. This states in part that '...due weight should be given to relevant policies in existing plans according to their degree of consistency with this framework (the closer the policies in the plan to the policies in the Framework, the greater the weight that may be given)'.



- 5.4 Officers have reviewed the Core Strategy for consistency with the NPPF and consider there is no issue of significant conflict. As such, full weight can be given to these policies in the decision making process in accordance with paragraphs 211, and 215 of the NPPF.

#### Other National Guidance

On the 6 March 2014, DCLG launched the National Planning Practice Guidance (NPPG) resource. This replaced a number of planning practice guidance documents.

#### London Plan consolidated with alterations since 2011(2016)

- 5.5 The London Plan policies relevant to this application are:

Policy 7.4 Local character  
Policy 7.6 Architecture

#### Core Strategy

- 5.6 The Core Strategy was adopted by the Council at its meeting on 29 June 2011. The Core Strategy, together with the Site Allocations, the Lewisham Town Centre Local Plan, the Development Management Local Plan and the London Plan is the borough's statutory development plan. The following lists the relevant strategic objectives, spatial policies and cross cutting policies from the Lewisham Core Strategy as they relate to this application:

Spatial Policy 5 Areas of Stability and Managed Change  
Core Strategy Policy 15 High quality design for Lewisham

#### Development Management Local Plan

- 5.7 The Development Management Local Plan was adopted by the Council at its meeting on 26 November 2014. The Development Management Local Plan, together with the Site Allocations, the Lewisham Town Centre Local Plan, the Core Strategy and the London Plan is the borough's statutory development plan. The following lists the relevant strategic objectives, spatial policies and cross cutting policies from the Development Management Local Plan as they relate to this application:

- 5.8 The following policies are considered to be relevant to this application:

DM Policy 1	Presumption in favour of sustainable development
DM Policy 30	Urban design and local character
DM Policy 31	Alterations/extensions to existing buildings

### **6.0 Planning Considerations**

- 6.1 The relevant planning considerations for the proposal are the impact on the character and appearance of the existing property, surrounding area and on the amenities of neighbouring occupiers.

#### Design

- 6.2 Urban design is a key consideration in the planning process. The NPPF makes it clear that national government places great importance on design of the built environment. Good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people. The NPPF states that it is important to plan positively for the achievement of high quality and inclusive design for all development including individual buildings, public and private spaces and wider area development schemes.
- 6.3 Paragraph 63 of the NPPF states that in determining applications, great weight should be given to outstanding or innovative designs, which help raise the standard of design more generally in an area. In addition to this paragraph, paragraph 64 states that permission should be refused for development of poor design that fails to take opportunities for improving the character and quality of an area and the way it functions.
- 6.4 In relation to Lewisham, Core Strategy Policy 15 outlines how the council will apply national and regional policy and guidance to ensure highest quality design and the protection or enhancement of the historic and natural environment, which is sustainable, accessible to all, optimises the potential of sites and is sensitive to the urban typology of the area.
- 6.5 DM Policy 30 requires planning applications to demonstrate a site-specific response which creates a positive relationship with the existing townscape, whereby the height, scale and mass of the proposed development relates to the urban typology of the area.
- 6.6 DM Policy 31 requires alterations and extensions, including roof extensions to be of a high, site specific and sensitive design quality and respect and/or complement the form setting, period, architectural characteristics, and detailing of the original buildings. In addition, this policy requires high quality matching or complementary materials to be used, appropriately and sensitively in relation to the context. The property was approved with flats roofs, the flat roofs were not conditioned to be sedum roofs or living roofs.
- 6.7 The proposed roof terrace would incorporate decking; a frosted glass balustrading and the proposed door would be aluminium to match the existing openings on the property, as set out in paragraphs 3.2 and 3.3 above. In this regard, the proposed materials are considered acceptable.
- 6.8 The proposed roof terrace is considered to be of an appropriate size in relation to the flat roof and the host property. The proposed roof terrace would be set back from the front parapet of the roof by 0.60m and would have an area of 12.71m<sup>2</sup>.
- 6.9 The proposed frosted glass balustrading would be visible from the public realm when viewed from Canonbie Road. The proposed set back of the balustrading reduces the visual impact of the proposed terrace on the street when viewed from Canonbie Road.
- 6.10 The site visit demonstrated that front roof terraces are not a common feature but some properties do benefit from them. It was noted those that were visible appear to be original features. Given that the application site is distinctive in its character within the streetscene and is of a modern design, the proposed roof terrace is considered appropriate at this property. It would complement the form, detailing

and materiality of the existing building and would have a limited impact on the streetscene, and therefore is considered to be in accordance with Core Strategy Policy 15, DM Policies 30 and 31.

#### Impact on residential amenity

- 6.11 It is stated in DM Policy 31 that residential extensions and alterations adjacent to dwellings should result in no significant loss of privacy and amenity, (including sunlight and daylight) to adjoining houses and their back gardens.
- 6.12 Due to the nature of the proposal, the considerations in terms of impact on neighbouring amenity would be on the adjoining neighbours on either side, Nos. 51 and 55 Canonbie Road, properties to the rear of the application site and properties opposite the application site.
- 6.13 Due to the siting of the proposed roof terrace, it would have a negligible impact on the amenity of the neighbouring occupiers at No.55. This is because the taller element of the application property sits between the proposed terrace and No.55. A small part of the very rear of the garden of No.55 may be visible from some locations on the proposed roof terrace; however, there are already windows on the rear elevation of No.53, so the roof terrace would not materially increase overlooking.
- 6.14 The proposed roof terrace would be situated 0.83m from the shared boundary with No. 51. There are no windows in the side elevation of No.51 facing the proposed roof terrace. The positioning of No.51 would result in only a small part of very rear garden on No.51 being visible from some locations on the proposed roof terrace. Therefore, due to the siting of the proposed roof terrace, it is not considered to have a significant impact upon the residential amenity of No.51.
- 6.15 It has been acknowledged that an objection has raised concern in regards to the proposal resulting in overlooking into the rear garden of No.51. It should be noted that this objection was not received from No.51. As outlined above in paragraph 6.14, the proposed roof terrace is not considered to result in any significant impact upon the residential amenity of No.51.
- 6.16 There are no properties directly adjacent to the rear boundary of the application site; there are however, properties positioned to rear of the application site on Netherby Road and Symonds court. An objection was received from a property on Netherby Road in regards to overlooking from the proposed roof terrace. The proposed roof terrace would be situated approximately 38m from the nearest garden boundary on Netherby Road and would be situated approximately 42m from the front elevation of the first property in Symonds Court. Whilst it is acknowledged that the proposed roof terrace would be at an elevated height, given the separation distances to properties to the rear of the application site and the amount of glazing that already exists on the rear of the property, it is considered that there would be no significant additional impact on neighbouring amenity.
- 6.17 Due to the proposed setback of the proposed terrace and as the separation distance from the proposed terrace to the western side of Canonbie Road is 18m, the proposal is not considered to have a significant impact on the residential amenities of the properties opposite the application property on the western side of Canonbie Road.

6.18 It has been acknowledged that an objection raised concern in regards to noise and nuisance generated from the proposed roof terrace, given the size of the proposed roof terrace, that it is adjacent to a study and that property benefits from a rear garden, it is not considered that the proposed roof terrace would generate unacceptable increases in noise levels.

## **7.0 Equalities Considerations**

7.1 Section 149 of the Equality Act 2010 (“the Act”) imposes a duty that the Council must, in the exercise of its functions, have due regard to:-

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and those who do not;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

7.2 The protected characteristics under the Act are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7.3 The planning issues set out above do not include any factors that relate specifically to any of the equalities categories set out in the Act, and therefore it has been concluded that there is no impact on equality

## **8.0 Conclusion**

8.1 This application has been considered in light of policies set out in the development plan and other material considerations.

8.2 Officers consider the proposed development to be acceptable in principle, of no significant harm to the character of the host property, streetscene or to residential amenity. It is therefore considered acceptable.

9.0 **RECOMMENDATION: Grant permission** subject to the following conditions:

1. The development to which this permission relates must be begun not later than the expiration of three years beginning with the date on which the permission is granted.

**Reason:** As required by Section 91 of the Town and Country Planning Act 1990.

2. The development shall be carried out strictly in accordance with the application plans, drawings and documents hereby approved and as detailed below:

2117.WD.08; 2217.WD.03; 2217.WD.04; 2217.WD.05A; 2217.WD.07 received 15th January 2018; 2217. WD.01B; 2217.WD.02B and 2217.WD.06C received 2nd March 2018

**Reason:** To ensure that the development is carried out in accordance with the approved documents, plans and drawings submitted with the application and is acceptable to the local planning authority.

3. (a) The development shall be constructed in those materials as submitted namely frosted glass balustrading and aluminium windows and doors and in full accordance with 2117.WD.08; 2217.WD.03; 2217.WD.04; 2217.WD.05A; 2217.WD.07 received 15th January 2018; 2217. WD.01B; 2217.WD.02B and 2217.WD.06C received 2nd March 2018

(b) The scheme shall be carried out in full accordance with those details, as approved.

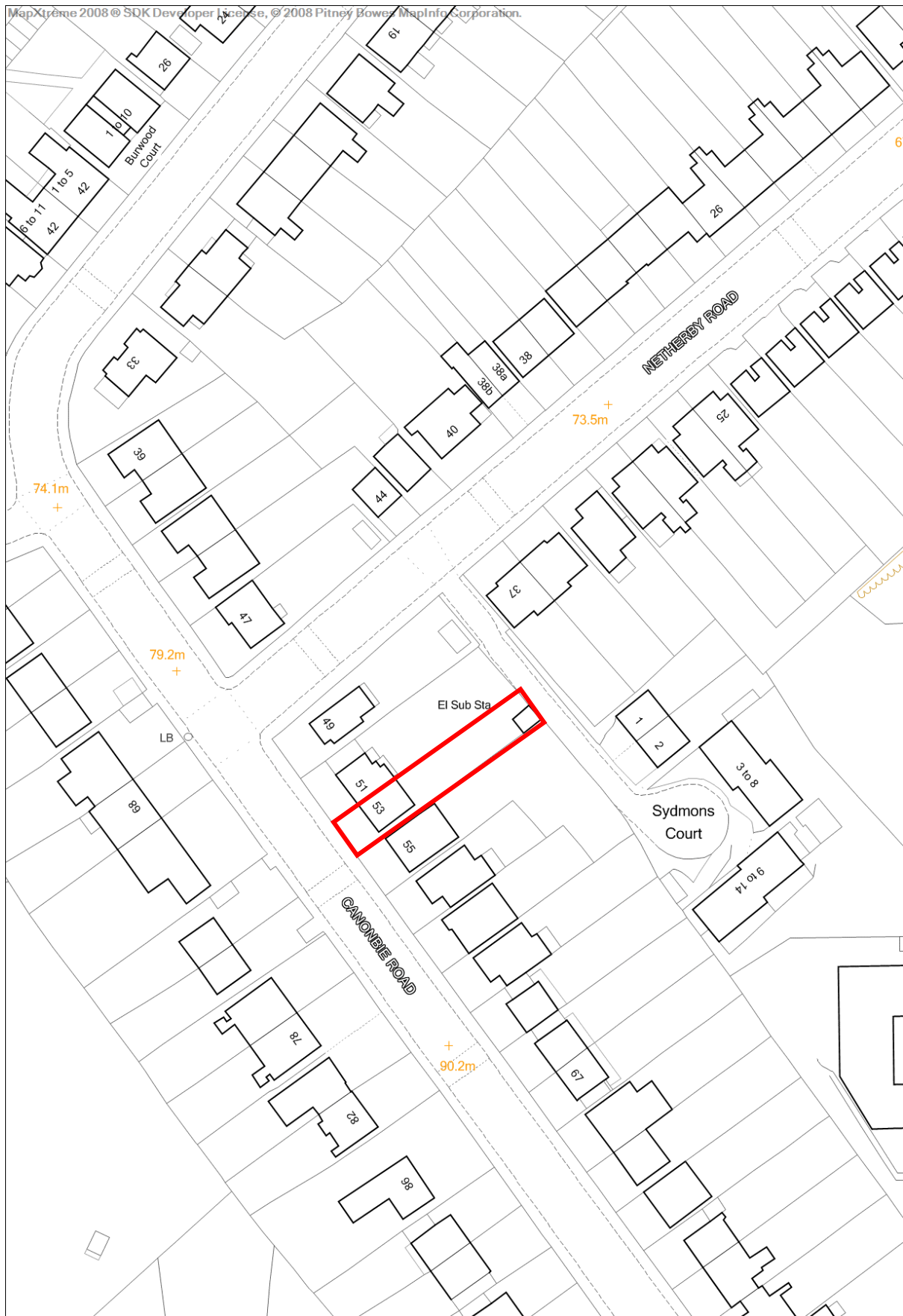
**Reason:** To ensure that the design is delivered in accordance with the details submitted and assessed so that the development achieves the necessary high standard and detailing in accordance with Policies 15 High quality design for Lewisham of the Core Strategy (June 2011) and Development Management Local Plan (November 2014) DM Policy 30 Urban design and local character.

## **INFORMATIVES**

- A. **Positive and Proactive Statement:** The Council engages with all applicants in a positive and proactive way through specific pre-application enquiries and the detailed advice available on the Council's website. On this particular application, positive discussions took place, which resulted in further information being submitted.
- B. You are advised that all construction work should be undertaken in accordance with the 'London Borough of Lewisham Good Practice Guide: Control of Pollution and Noise from Demolition and Construction Sites' available on the Lewisham web page.

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53 CANONBIE ROAD, LONDON, SE23 3AQ Site Plan



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Committee	PLANNING COMMITTEE B	
Report Title	9-19 Rushey Green, London, SE6 4AZ	
Ward	Rushey Green	
Contributors	David Robinson	
Class	PART 1	26 <sup>th</sup> April 2018

<u>Reg. Nos.</u>	DC/17/101909
<u>Application dated</u>	05.06.2017
<u>Applicant</u>	GVA on behalf of Columbia Threadneedle
<u>Proposal</u>	Demolition of the existing building at 9-19 Rushey Green, SE6 and the erection of a mixed-use building of 6 storeys in height, comprising 45 residential units (Use Class C3) and 295sqm of commercial floorspace (flexible A1/A2/A3/B1use), with associated ancillary space including bike store, refuse and recycling storage and landscaping.
<u>Applicant's Plan Nos.</u>	01150_BP_01; 01150_E_03; 01150_P_00_V1; 01150_P_00_V2; 01150_P_00_V3; 01150_P_00_V4; 01150_P_00_V5; 01150_SP_01; 01150_SV_01; 01150_SV_02; 01150_SV_03; 01150_SV_04; 01150_SV_05; 01150_consultSV_07; 01150_SV_08; 01150_SV_09; 01150_SV_10; 01150_SV_11; 01150_SV_12; 01150_X; Air Quality Assessment dated 02 May 2017 reference number PC-16-0280-RP2-RevB; Archaeological Desk Based Assessment dated April 2017; Design and Access Statement dated June 2017; Economic Statement dated June 2017; Environmental Noise Survey Assessment dated 02 June 2017 reference number PC-16-0280- RP1-RevE; Statement Of Community Involvement dated April 2017; Sustainability Statement version V.2 dated May 2017; Planning Statement; Preliminary Construction Management Plan reference number 105922/12/001 dated 28 April 2017; Transport Statement dated June 2017 received 05 June 2017  01150_BS_01; 01150_BS_02; 01150_DE_01; 01150_DE_02; 01150_DE_03; 01150_DE_04; 01150_CD_01; 01150_P_06 (Proposed PV layout); D0299_001 A; D0299_002 E; Ecological Assessment dated July 2017 received 14 August 2017

01150\_E\_01 P2; 01150\_E\_02 P2; 01150\_P\_01 P2; 01150\_P\_02 P2; 01150\_P\_03 P2; 01150\_P\_04 P2; 01150\_P\_05 P2; 01150\_P\_06 P2; Accommodation Schedule (revision P2); CIL Form; Daylight and Sunlight Report dated 02 March 2018; Energy Statement; Design and Access Statement Addendum (March 2018) received 14 March 2018

01150\_P\_00 P3 received 10 April 2014

Background Papers

- (1) Case File LE/857/9/TP
- (2) Local Development Framework Documents
- (3) The London Plan

Designation

Area of Archaeological Priority

Screening

N/A

**1.0 Property / Site Description**

*Existing Site and Location*

- 1.1 The existing application site contains a four storey brick building constructed in the 1940's. The building is a 'T' shape and fronts Rushey Green with undercroft vehicle access to car parking and a substation to the rear. A legal right of way must be maintained to the substation.
- 1.2 The building is currently occupied by Lewisham's Job Centre Plus with other ancillary office space and falls under Use Class A2 (financial and professional services). The total site area is approximately 0.13 hectares. The existing site is outlined in red in the image below:



### *Surrounding Context*

- 1.3 The site is situated just north of Catford Town Centre with both Catford and Catford Bridge rail stations being located 10-15 minutes walk from the site. The site fronts Rushey Green which, along with Catford Road, make up Catford's main High Street. The site is located approximately 1km south of Lewisham town Centre and is well connected to such by a host of bus routes which run between Catford and Lewisham (47, 54, 75, 136, 185, 199, 208).
- 1.4 The surrounding built context is mixed in nature. On Rushey Green itself, the street is typically made up of two, three and four storey buildings, which are either wholly commercial, or exhibit commercial uses at ground floor level with residential uses above. The streets, which run east and west off Rushey Green, are largely characterised by two storey period properties in residential use.
- 1.5 In terms of the immediate proximity of the application site, to the north and northwest stands a part 5, part 6 storey residential development with a commercial use (Tesco Express) at ground floor level. This development contains 36 residential units. To the immediate south of the site, at 21-23 Rushey Green, there stands a two-storey period building with commercial units at ground floor level and 9 residential flats above.
- 1.6 To the south east of the site stands a single storey commercial building currently in use as a bathroom showroom and plumber's supplies shop.

### *Site Designations and Constraints*

- 1.7 Catford is identified as both a Major Town Centre and a Regeneration and Growth Area within Lewisham's Core Strategy (2011). The application site is outside of the defined 'Major and District Centre' of Catford and is not located within a designated 'District Centre Shopping Frontage'. Therefore, the site is defined as being within a commercial cluster.

- 1.8 The site is not within a Conservation Area nor is it subject to an Article 4 direction.
- 1.9 The site has a Public Transport Accessibility Level (PTAL) rating of 4 on a scale of 1 to 6 where 6 is excellent. Rushey Green is a red route designated under the Transport for London Road Network (TLRN). On street parking is not available along Rushey Green and is restricted to resident permit holders from 9am – 7pm Monday - Fridays on other residential streets to the east and west of Rushey Green.

## **2.0 Planning History**

- 2.1 No relevant planning history

## **3.0 Current Planning Application**

- 3.1 This application has been referred to Committee by the Head of Planning as, given its scale and prominent location, it is appropriate for Members to consider.

### *Amendments*

- 3.2 The application was amended during the planning application process in order to mitigate impacts on existing occupants of the adjoining Meadowcroft Mews to the north of the site. The projection of the rear elevation of the main block was reduced at first, second, third, fourth and fifth floor level. In doing so, the floorspace of 5 of the proposed residential units was reduced.
- 3.3 Further to the above, the application was revised to remove a proposed disabled parking bay from the rear of the site adjacent to the existing substation. This amendment was requested as disabled parking provision could be addressed off-site and to provide a better quality of public realm as well as improving pedestrian safety due to less vehicular movement across the pavement of the eastern side of Rushey Green.
- 3.4 The mix of the proposed affordable units was amended following consultation with the Council's Housing Department and officer advice to the applicant. The nature of the amendments is outlined in tables 2 and 3 below.

### *Summary*

- 3.5 The application seeks permission for the demolition of the existing building at 9-19 Rushey Green, SE6 and the erection of a mixed-use building of 6 storeys in height, comprising 45 residential units (Use Class C3) and 295sqm of commercial floorspace (flexible A1/A2/A3/B1 use), with associated ancillary space including bike store, refuse and recycling storage and landscaping.
- 3.6 The proposed building would generally follow the same footprint as the existing building, exhibiting a 'T' shape, with the main portion of the building fronting Rushey Green. The main portion of the proposed building would extend slightly deeper than the existing building and would be 6 storeys in height with a flat (green) roof form, aligning with that of the building to the north of the site. The rearward portion of the proposed building would be 5 storeys in height and feature a pitched roof form with gable ends. A shared amenity space would be provided to the south east of the application site.

- 3.7 At ground floor level, facing Rushey Green, a glazed 'shopfront' is proposed to the flexible use commercial unit. This would serve a single unit which would be serviced by servicing bays on Rushey Green to the north and south of the site.
- 3.8 The residential units proposed within the main portion of the building would all have private amenity space in the form of balconies. These units would all be accessed from one internal core. The residential units proposed within the rearward portion of the building would be accessed from street at ground floor level, with private amenity space taking the form of front and rear gardens. The units proposed at in the rearward potion of the building at first floor and above would feature galley access and would have private amenity space provided in the form of balconies.
- 3.9 Cycle parking would be provided internally within the main portion of the building as well as to the north of the rearward portion, adjacent to the existing substation. The commercial unit would also have internal cycle storage provided to reflect the use class.
- 3.10 The main portion of the proposed building would be finished in stone at ground floor level to the front, with upper floors using an oatmeal coloured brick, and the top floor being finished in a copper colour cladding. The rearward block would use the same oatmeal colour brick and have a slate roof.
- 3.11 The proposed dwelling and tenure mix is as follows:

**Table 1: Proposed Dwelling and Tenure Mix**

	<b>Market</b>	<b>Affordable Rent</b>	<b>Shared Ownership</b>	<b>Total</b>	<b>Percentage</b>
<b>1-bed</b>	24	2	5	31	68.88%
<b>2-bed</b>	7	3	0	10	22.22%
<b>3-bed</b>	3	1	0	4	8.88%
<b>Totals</b>	34	6	5	45	100%

- 3.12 The proposed scheme comprises 90% flats compliant with building regulations Part M4(2) (accessible and adaptable) which is the equivalent to the Lifetime Homes Standard and 10 % flats compliant with building regulations Part M4(3) (Wheelchair user dwellings).
- 3.13 Flats 09, 19, 29 (1beds) and 03, 41 (3beds) on 1st, 2nd, 3rd and 5th floors have been designed to be compliant with Part M4(3).
- 3.14 The scheme is proposed as car-free.

#### **4.0 Consultation**

*Pre-submission*

- 4.1 Prior to submission, the applicant held their own consultation with owners / occupiers of surrounding residential units and businesses.
- 4.2 A public event was at held at The Point, Catford, 401 Lewisham High Street, SE13 6NZ, between 3:30pm and 7:30pm on Tuesday 6th December. Notification of the event came via letters distributed to 1,647 local households and 70 nearby businesses. A Freephone number and postal address were established to allow residents to contact the project team, ask questions and submit feedback.
- 4.3 The applicant's Statement of Community Involvement states that "around 16 people attended the exhibition and 7 feedback forms were received ahead of the feedback deadline of the 13th December 2016". The applicant has outlined that site neighbours supported redevelopment and the delivery of new homes, though some concerns were raised regarding a lack of parking facilities included in the site.

*Planning application consultation*

- 4.4 The Council's consultation exceeded the minimum statutory requirements and those required by the Council's adopted Statement of Community Involvement.
- 4.5 Two site notices were displayed, an advert was placed in the local press and letters were sent to 361 residents and businesses in the surrounding area, as well as the relevant ward Councillors.

Written Responses received from Local Residents and Organisations

- 4.6 No representations have been received as a result of the consultation process.

Written Responses received from External Statutory Agencies

*Environment Agency*

- 4.7 No objection

*Historic England*

- 4.8 No objection

*Metropolitan Police (Designing out crime)*

- 4.9 Recommendation of "secured by design" condition

*Transport for London*

- 4.10 The footway and carriageway on Rushey Green must not be blocked during the construction. Temporary obstructions during the construction must be kept to a minimum and should not encroach on the clear space needed to provide safe passage for pedestrians or obstruct the flow of traffic on Rushey Green. All vehicles associated with the construction must only park/ stop at permitted locations and within the time periods permitted by existing on-street restrictions.
- 4.11 No skips or construction materials shall be kept on the footway or carriageway on the TLRN at any time. Should the applicant wish to install scaffolding or a hoarding on the footway whilst undertaking this work, separate licences may be

required with TfL, please see, <https://www.tfl.gov.uk/info-for/urban-planning-and-construction/highway-licences>

- 4.12 TfL are pleased that the application contains a preliminary construction management plan, the approach to the construction programme and daily vehicle movements seem fair. TfL would although expect a detailed construction plan to be provided once permission is granted. More information on these can be found at <http://content.tfl.gov.uk/construction-logistics-plan-guidance.pdf>
- 4.13 TfL welcome the provision of 64 cycle spaces for the residents of the building, as in line with London Plan guidelines, these should be secured by condition. TfL would expect the development of the commercial floor space to incorporate 8 short stay spaces and 2 more additional long stay spaces.
- 4.14 London Plan policy 8.3 requires 10 per cent of new housing to be designed to be wheelchair accessible or easily adaptable for residents who are wheelchair users. Therefore there should be 5 Blue Badge spaces proposed. The Transport Statement does not demonstrate how this demand is satisfied within the scheme. If there are no opportunities to provide further numbers of disabled parking spaces on site, or on-street around the development, the applicant should make clear how they expect mobility impaired residents to travel to and from the site
- 4.15 Copies of all representations are available to Members to view.

## **5.0 Policy Context**

### Introduction

- 5.1 Section 70(2) of the Town and Country Planning Act 1990 (as amended) sets out that in considering and determining applications for planning permission the local planning authority must have regard to:-
- (a) the provisions of the development plan, so far as material to the application,
  - (b) any local finance considerations, so far as material to the application, and
  - (c) any other material considerations.

A local finance consideration means:

- (a) a grant or other financial assistance that has been, or will or could be, provided to a relevant authority by a Minister of the Crown, or
  - (b) sums that a relevant authority has received, or will or could receive, in payment of Community Infrastructure Levy (CIL)
- 5.2 Section 38(6) of the Planning and Compulsory Purchase Act (2004) makes it clear that 'if regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise'. The development plan for Lewisham comprises the Core Strategy, the Development Management Local Plan, the Site Allocations Local Plan and the

Lewisham Town Centre Local Plan, and the London Plan. The NPPF does not change the legal status of the development plan.

### National Planning Policy Framework

- 5.3 The NPPF was published on 27 March 2012 and is a material consideration in the determination of planning applications. It contains at paragraph 14, a 'presumption in favour of sustainable development'. Annex 1 of the NPPF provides guidance on implementation of the NPPF. In summary, this states in paragraph 211, that policies in the development plan should not be considered out of date just because they were adopted prior to the publication of the NPPF. At paragraphs 214 and 215 guidance is given on the weight to be given to policies in the development plan. As the NPPF is now more than 12 months old paragraph 215 comes into effect. This states in part that '...due weight should be given to relevant policies in existing plans according to their degree of consistency with this framework (the closer the policies in the plan to the policies in the Framework, the greater the weight that may be given)'.
- 5.4 Officers have reviewed the Core Strategy for consistency with the NPPF and consider there is no issue of significant conflict. As such, full weight can be given to these policies in the decision making process in accordance with paragraphs 211, and 215 of the NPPF.
- 5.5 The new, draft National Planning Policy Framework was published for public consultation on 5 March 2018 (until 10 May 2018). However, given the very early stage in this process, this document has very limited weight as a material consideration when determining planning applications, does not warrant a departure from the existing policies of the development plan in this instance and is therefore not referred to further in this report.

### Other National Guidance

- 5.6 On 6 March 2014, DCLG launched the National Planning Practice Guidance (NPPG) resource. This replaced a number of planning practice guidance documents.

### London Plan (March 2016)

- 5.7 The London Plan was updated on 14 March 2016 to incorporate the Housing Standards and Parking Standards Minor Alterations to the London Plan (2015). The new, draft London Plan was published by the Mayor of London for public consultation on 29 November 2017 (until 2 March 2018). However, given the very early stage in this process, this document has very limited weight as a material consideration when determining planning applications, does not warrant a departure from the existing policies of the development plan in this instance and is therefore not referred to further in this report. The policies in the current adopted London Plan (2016) relevant to this application therefore are:-
- Policy 2.9 Inner London
  - Policy 2.13 Opportunity areas and intensification areas
  - Policy 2.14 Areas for regeneration
  - Policy 3.3 Increasing housing supply
  - Policy 3.4 Optimising housing potential



- Policy 3.5 Quality and design of housing developments
- Policy 3.6 Children and young people's play and informal recreation facilities
- Policy 3.8 Housing choice
- Policy 3.9 Mixed and balanced communities
- Policy 3.10 Definition of affordable housing
- Policy 3.11 Affordable housing targets
- Policy 3.12 Negotiating affordable housing on individual private residential and mixed use schemes
- Policy 3.13 Affordable housing thresholds
- Policy 4.1 Developing London's economy
- Policy 4.4 Managing industrial land and premises
- Policy 4.6 London's economy
- Policy 4.9 Small shops
- Policy 5.3 Sustainable design and construction
- Policy 5.10 Urban greening
- Policy 5.11 Green roofs and development site environs
- Policy 5.12 Flood risk management
- Policy 5.13 Sustainable drainage
- Policy 6.3 Assessing effects of development on transport capacity
- Policy 6.4 Enhancing London's transport connectivity
- Policy 6.7 Better streets and surface transport
- Policy 6.9 Cycling
- Policy 6.10 Walking
- Policy 6.11 Smoothing traffic flow and tackling congestion
- Policy 6.12 Road network capacity
- Policy 6.13 Parking
- Policy 7.1 Lifetime neighbourhoods
- Policy 7.2 An inclusive environment
- Policy 7.3 Designing out crime
- Policy 7.4 Local character
- Policy 7.5 Public realm
- Policy 7.6 Architecture
- Policy 7.14 Improving air quality
- Policy 7.15 Reducing and managing noise, improving and enhancing the acoustic environment and promoting appropriate soundscapes
- Policy 8.2 Planning obligations
- Policy 8.3 Community infrastructure levy

#### London Plan Supplementary Planning Guidance (SPG)

5.8 The London Plan SPG's relevant to this application are:

- Accessible London: Achieving an Inclusive Environment (2004)
- Affordable Housing and Viability (2017)
- Housing (2016)
- Sustainable Design and Construction (2006)
- Shaping Neighbourhoods: Play and Informal Recreation (2012)

## London Plan Best Practice Guidance

5.9 The London Plan Best Practice Guidance's relevant to this application are:

- Development Plan Policies for Biodiversity (2005)
- Control of dust and emissions from construction and demolition (2006)
- Wheelchair Accessible Housing (2007)

## Core Strategy

5.10 The Core Strategy was adopted by the Council at its meeting on 29 June 2011. The Core Strategy, together with the Site Allocations, the Lewisham Town Centre Local Plan, the Development Management Local Plan and the London Plan is the borough's statutory development plan. The following lists the relevant strategic objectives, spatial policies and cross cutting policies from the Lewisham Core Strategy as they relate to this application:

- Spatial Policy 1 Lewisham Spatial Strategy
- Core Strategy Policy 1 Housing provision, mix and affordability
- Core Strategy Policy 4 Mixed Use Employment Locations
- Core Strategy Policy 5 Other employment locations
- Core Strategy Policy 6 Retail hierarchy and location of retail development
- Core Strategy Policy 7 Climate change and adapting to the effects
- Core Strategy Policy 8 Sustainable design and construction and energy efficiency
- Core Strategy Policy 9 Improving local air quality
- Core Strategy Policy 10 Managing and reducing the risk of flooding
- Core Strategy Policy 13 Addressing Lewisham's waste management requirements
- Core Strategy Policy 14 Sustainable movement and transport
- Core Strategy Policy 15 High quality design for Lewisham
- Core Strategy Policy 21 Planning obligations

## Development Management Local Plan

5.11 The Development Management Local Plan was adopted by the Council at its meeting on 26 November 2014. The Development Management Local Plan, together with the Site Allocations, the Lewisham Town Centre Local Plan, the Core Strategy and the London Plan is the borough's statutory development plan. The following lists the relevant strategic objectives, spatial policies and cross cutting policies from the Development Management Local Plan as they relate to this application:

5.12 The following policies are considered to be relevant to this application:

- DM Policy 1 Presumption in favour of sustainable development
- DM Policy 2 Prevention of loss of existing housing
- DM Policy 7 Affordable rented housing
- DM Policy 9 Mixed use employment locations
- DM Policy 11 Other employment locations

- DM Policy 17 Restaurants and cafés (A3 uses) and drinking establishments (A4 uses)
- DM Policy 19 Shopfronts, signs and hoardings
- DM Policy 22 Sustainable design and construction
- DM Policy 23 Air quality
- DM Policy 24 Biodiversity, living roofs and artificial playing pitches
- DM Policy 25 Landscaping and trees
- DM Policy 26 Noise and vibration
- DM Policy 27 Lighting
- DM Policy 28 Contaminated land
- DM Policy 29 Car parking
- DM Policy 30 Urban design and local character
- DM Policy 32 Housing design, layout and space standards
- DM Policy 35 Public realm

Residential Standards Supplementary Planning Document (August 2006, Updated 2012)

- 5.13 This document sets out guidance and standards relating to design, sustainable development, renewable energy, flood risk, sustainable drainage, dwelling mix, density, layout, neighbour amenity, the amenities of the future occupants of developments, safety and security, refuse, affordable housing, self containment, noise and room positioning, room and dwelling sizes, storage, recycling facilities and bin storage, noise insulation, parking, cycle parking and storage, gardens and amenity space, landscaping, play space, Lifetime Homes and accessibility, and materials.

Planning Obligations Supplementary Planning Document (February 2015)

- 5.14 This document sets out guidance and standards relating to the provision of affordable housing within the Borough and provides detailed guidance on the likely type and quantum of financial obligations necessary to mitigate the impacts of different types of development.

Shopfront Design Guide Supplementary Planning Document (March 2006)

- 5.15 This document seeks to promote good design in order to enhance the character and appearance of the Borough as a whole. The guide advises on the use of sensitive design and careful attention to detail and that whilst shopfront design encompasses a wide variety of styles and details there are certain basic rules that apply everywhere.

**6.0 Planning Considerations**

- 6.1 The main issues to be considered in respect of this application are:

- a) Principle of Development
- b) Design
- c) Housing
- d) Highways and Traffic Issues
- e) Impact on Adjoining Properties
- f) Sustainability and Energy
- g) Ecology and Landscaping

- h) Other considerations
- i) Planning Obligations

### Principle of Development

- 6.2 The National Planning Policy Framework (NPPF) states that there is a presumption in favour of sustainable development and that proposals should be approved without delay so long as they accord with the development plan.
- 6.3 The site is currently in use as a Job Centre (use class A2). It is not located within a town centre or a designated shopping frontage, nor within any of the defined Strategic Industrial Locations, Local Employment Locations or Mixed Use Locations as defined by Core Strategy. The site is therefore classed as an “other employment location”.
- 6.4 The National Planning Policy Framework (NPPF), within paragraph 17, states that Planning ‘should encourage the effective use of land by reusing land that has been previously developed (brownfield land), provided that it is not of high environmental value’. Policy 3.4 of the London Plan seeks to optimise housing potential, taking into account local context and character, the design principles and public transport capacity.
- 6.5 Core Strategy Policy 5 seeks to protect non-designated employment sites which are located outside of Town and Local Centres. The Policy states that other uses, including retail, community and residential will be supported if it can be demonstrated that site specific conditions including site accessibility, restrictions from adjacent land uses, building age, business viability, and viability of redevelopment show that the site should no longer be retained in employment use.
- 6.6 DM Policy 11 seeks to retain employment uses, where possible, on smaller sites in office, industrial and warehouse/storage use, and builders and scaffolding yards, in and around town centres, district and local hubs and also embedded in residential areas on backland sites, and sometimes on otherwise residential streets. These sites lie outside the formally designated employment sites.

### *Demolition of Existing Building*

- 6.7 Officers have reviewed the proposed application and has previously visited the application site. It is not considered that the existing building is of sufficient architectural merit that would warrant its retention, subject to a high quality redevelopment being proposed on the application site.

### *Existing Employment Use*

- 6.8 With reference to DM Policy 11, the application site is considered to have elements of both being located within a “Town Centre, Local Hub and other clusters of commercial and/or retails uses” and “Sites in Residential Areas”.
- 6.9 The Home and Communities Agency’s Employment Density Guide indicates that the existing use on site (A2) has the potential to support 123 jobs. The proposed development would reprovide commercial floorspace with a flexible use, offering a range of 12-28 jobs dependent on the future use class; this is based upon the same HCA guidance.

- 6.10 The applicant has indicated that the existing tenant, The Job Centre's previous lease expired in 2016. Instead of opting to renew the lease in its entirety, the tenant has signed a lease for a limited period of only 18 months. This limited extension was granted and signed in September 2016. The applicant has stated that this is a result of the Job Centre nationally consolidating its operations which is resulting in the closure of some offices and the relocation of these services.
- 6.11 Residential use is a priority in London and the borough and it is considered that an additional 45 (including 4 family units and 11 affordable housing units) units would make a valuable contribution towards meeting housing need, which is set by the London Plan as 1,385 unit per year for the borough or 13,847 as a minimum ten year target.
- 6.12 Given the above, and by virtue of its good public transport accessibility, proximity to Catford and Lewisham Town Centres and location within an area with a high proportion of residential use, it is considered that the site could be more appropriately used for a mixed-use development with commercial uses at ground floor and residential above. The application site is located within a sustainable urban location and would optimise the use of previously developed land.
- 6.13 Whilst the retention of A2 uses is not explicitly mentioned in any policy, the protection of employment uses is outlined in Core Strategy Policy 5 and DM Policy 11, as well as the Planning Obligations Supplementary Planning Document.
- 6.14 DM Policy 11 states the following with regard to the redevelopment of a site on an existing commercial street frontage:
- 6.15 *"Redevelopment of a site on a commercial street frontage will be supported when the site or building is redeveloped to a high standard of environmental and design quality in line with the other policies in this plan, where a business use is retained on the ground floor, and a business and/or residential development is provided on upper floors (where an appropriate standard of amenity can be achieved). Uses not within the B Use class, such as retail, leisure, or other uses appropriate to a town centre or local hub will be considered as part of a mix of uses where the number of jobs created by the proposal outweighs the loss of an employment site, and results in no net loss of jobs."*
- 6.16 Furthermore, the Planning Obligations SPD states that "the Council will resist the loss of employment floorspace in accordance with the policy framework in place. However, in exceptional circumstances and at the Council's discretion, the Council may take the view that the loss of employment floorspace is acceptable. Where this is the case, the Council will seek a financial contribution". The guidance has calculated the loss of one job as being the equivalent of the cost of supporting a trainee for one year, in order to provide an opportunity to secure long term employment, which is £10,000.
- 6.17 To mitigate the loss of employment use, in accordance with DM Policy 11 and the Planning Obligations SPD, the applicant would normally be required to provide a financial contribution towards the loss of employment floorspace in accordance with the above. In this instance, it is considered that such a contribution would significantly inhibit the applicant's ability to provide affordable housing on site. Appropriate mitigation for the loss of the A2 floor space could be sought through any 'surplus' identified in a Viability Assessment, being transposed into a

affordable housing contribution, rather than a loss of employment contribution. This will be discussed later in this report

- 6.18 Further to the above, the applicant would also make a financial contribution to support both capital and revenue costs of a range of services provided by the Local Labour and Business Scheme for residents and small and medium-sized businesses in the borough. the Planning Obligations SPD (2015) that the Council requires a contribution of £530 for each new job / dwelling. This contribution would total would be calculated as follows: (45 new units x £530 = £23,850) + (28 new jobs<sup>1</sup> x £530 = £14,840) equalling a total of £39,220.
- 6.19 Taking the above into account, and given the site's location outside the town centre and designated shopping frontages within a location with a large proportion of surrounding residential uses, on balance it is considered that the principle of a mixed-use, residential led scheme on the site is acceptable given the re-provision of appropriate commercial space at ground floor level. This is subject to achieving a high quality scheme in response to the other policies of the Development Plan, and appropriate mitigation for the loss of employment through affordable housing provision, as discussed below.

#### *Density*

- 6.20 Core Strategy Policy 15 seeks to ensure a high quality of development in Lewisham, including residential schemes and that densities should be those set out in the London Plan. Policy 3.4 of the London Plan 2016 seeks to ensure that development proposals achieve the maximum intensity of use compatible with local context. Table 3.2 (Sustainable residential quality) identifies appropriate residential density ranges related to a sites setting (assessed in terms of its location, existing building form and massing) and public transport accessibility level (PTAL).
- 6.21 The site is located just north of Catford Town Centre and has a PTAL of 4, indicating good accessibility to public transport connections. The scheme proposes 45 dwellings on a 0.13 hectare site which equates to a density of 374 dwellings (932 habitable rooms) per hectare.
- 6.22 The relevant London Plan density range for this application (central location) is 70-260 dwellings per hectare (215-405 u/ha). Whilst the proposed development is above the guideline density range, these are a guideline and must be considered in the local (existing and emerging) context. The density is considered by officers to be acceptable given the site's proximity to Catford, Catford Bridge and Ladywell Station, public amenity spaces and major town centres of Catford and Lewisham.
- 6.23 Notwithstanding the density of the proposals, the scheme should provide a high quality and well designed standard of residential accommodation and good urban design. The quality of the residential accommodation is discussed further below.

#### *Commercial Use (A1/A2/A3/B1)*

- 6.24 The application proposes 295 square metres of flexible commercial floorspace at ground floor level. Indicative floorplans have been provided for all proposed uses and a ventilation statement has been provided for the A3 use.

- 6.25 As outlined above, a residential led redevelopment of the site with commercial re-provision at ground floor level can be supported in accordance with DM Policy 11. As such, the proposed flexible use commercial floorspace is considered acceptable in principle subject to the design of shopfront proposed and hours of opening.
- 6.26 In accordance with London Plan Policy 4.9 and DM Policy 19, it is recommended that a planning obligation requires the Applicant to fit-out the units to shell and core and internal fittings and install the glazed shop fronts and entrances prior to the occupation of any residential unit in that building in the interests of ensuring that the unit is attractive to potential end users.
- 6.27 London Plan Policy 4.6 and Core Strategy Policy 6 support the night-time economy, particularly in secondary frontages. DM Policy 17 makes clear that, amongst other things, soundproofing and opening hours will be taken in to account when considering applications for cafes/restaurants and DM Policy 26 seeks to ensure that new noise sensitive uses, such as residential, are located away from existing or planned sources of noise pollution.
- 6.28 A balance needs to be struck between encouraging additional commercial activities within this site, whilst safeguarding residential amenity. It is recommended that a planning condition restrict customer opening hours of all permitted uses in the commercial units to 07.00 to 23.00 hours for A use classes. This would not restrict potential office uses within B1 who would not be restricted to normal office working hours.

#### *Summary*

- 6.29 Overall, the principle of development is considered acceptable subject to a high quality design, standard of accommodation, affordable housing provision and other relevant planning considerations which are discussed below.

#### Design

- 6.30 Paragraph 63 of the National Planning Policy Framework states that 'in determining applications, great weight should be given to outstanding or innovative designs which help raise the standard of design more generally in the area'. Paragraph 64 states that 'permission should be refused for development of poor design that fails to take the opportunities for improving the character and quality of an area and the way it functions'.
- 6.31 Urban design is a key consideration in the planning process. Part 7 of the NPPF makes it clear that national government places great importance on the design of the built environment. Good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people. The NPPF states that it is important to plan positively for the achievement of high quality and inclusive design for all development, including individual buildings, public and private spaces and wider area development schemes.
- 6.32 London Plan Policies 7.1-7.7 (inclusive) and Core Strategy Policy 15 reinforce the principles of the NPPF setting out a clear rationale for high quality urban design.

#### *Layout*

- 6.33 The redevelopment would manifest as two distinct blocks forming a 'T' shape with a similar footprint to the existing building on the application site, albeit the main portion of the proposed building would extend deeper at the rear of the site.
- 6.34 The main block of the redevelopment at the front of the site would adopt a more 'civic' appearance and flat roof, whilst the building to the rear adopts a more domestic appearance, including pitched roofs.
- 6.35 Given the proposed redevelopment closely follows the layout of the existing building on site, it is considered that the proposed layout of the development is an appropriate response to the constrained nature of the site in terms of size, shape and location.

*Height and massing*

- 6.36 In terms of the impact upon the urban environment, Core Strategy Policy 15 states that for all development the Council will apply national and regional policy and guidance to ensure highest quality design and the protection or enhancement of the historic and natural environment, which is sustainable, accessible to all, optimises the potential of sites and is sensitive to the local context and responds to local character.
- 6.37 The proposed scale and massing of the development has been reduced following advice received from the Planning department through a pre-application process as well as feedback received from the Design Review Panel. This has been further reduced during the application process to minimise the impact of the proposed development upon the occupants of the adjoining Meadowcroft Mews to the north of the application site.
- 6.38 In addition to the above, the proposed submission has provided a Design and Access Statement, which includes a well-considered and highly detailed character study, which provides a beneficial breakdown of the local context (including plot widths, window alignment and materiality) which has informed the proposed design.
- 6.39 The main block of the proposal would exhibit similar massing to that of The George Inn redevelopment to the north of the site, which now exists as 'Meadowcroft Mews'. This building is a corner site standing at five storeys in height with a sixth storey setback; the proposed building would also be five storeys in height with a sixth storey setback. It is considered that the proposed main block would sit comfortably between Meadowcroft Mews to the north and the three-storey terrace to the south of the site. The true five-storey structure with sixth storey setback would only appear marginally taller against this terrace than the existing four-storey structure at the application site.
- 6.40 To the rear of the application site, the proposed rearward block would be 5 storeys in height with a pitched roof structure with deck access from the single core. This improves the dual aspect units as noted below. Officers consider that this massing and the pitched roof typology presents a strong representation of a residential building and is appropriate for its location to the rear of the development.
- 6.41 The scale and massing proposed here has been reduced significantly through the pre-application process. It is now considered that the form of development



proposed is appropriate with regard to scale and massing, and that this would not preclude any future proposed redevelopment of surrounding sites, with particular regard to the bathroom showroom and plumber's supply shop to the south east.

- 6.42 Overall, officers consider that the scale, massing and layout of the proposed building are successful in responding to the existing built context.

#### *Detailed design*

- 6.43 The main block of the proposed development, which would front Rushey Green, has been articulated to separate the block into three different elements. The ground floor would appear as a distinctive 'base' with a shopfront, which would differentiate itself from the rest of the block through the use of glazing as well as through the use of stone. The four storeys above this would serve the residential element of the block and would be finished in light oatmeal brick with recessed balconies treated with glazed balustrades. This portion would be further articulated with the selective use of horizontal copper coloured cladding. Finally, the sixth storey which would also serve the residential element would be set back from the main façade and in from either flank. This element would be largely glazed and be finished in copper coloured cladding.
- 6.44 Overall, this elevation strategy is considered successful and relates well to the pattern of the existing streetscene. The distinct commercial base follows through from similar commercial ground floor uses on adjacent buildings. The height of the shopfront and use and quantity of glazing is considered to be appropriate. The fenestration pattern, and use and placement of balconies on upper floors is also considered to be appropriate and relate well to the surrounding building context, with particular reference to that of Meadowcroft mews to the north of the site.
- 6.45 Overall, the material palette is successful in breaking up the massing of the façade as well as creating a separate and distinctive commercial base. Considered as a whole, the proposed materiality and detailed design would give rise to a high quality form of development, enhancing the character and appearance of the area when viewed from Rushey Green.
- 6.46 To the rear of the main block, a similar strategy is employed, albeit there will be no differentiation between the ground and upper floors. This is considered an acceptable approach at this location.
- 6.47 As noted above, the smaller rearward proposed block adopts a pitched roof typology and presents itself as a wholly residential building. The massing of this block is articulated with a double height glazed base, with two simple floors above at second and third floor level and a glazed fourth floor. This block would use the same oatmeal brick and the pitched roof would be finished in slate. The material and elevational strategy here is considered appropriate and along with the layout and proposed massing, helps to create a separate and private residential impression to this part of the development.

#### *Summary*

- 6.48 The detailed plans that have been submitted demonstrate that a high quality design is achievable and assists to justify the scale and height of the proposal. Officers consider that the proposed development has maximised the potential of the site and that the scale of building achievable in this location and, subject to the

quality of the detailing and design being adequately secured through conditions, it is considered that the development would be a high quality addition to the area.

## Housing

### *a) Size and Tenure of Residential Accommodation*

- 6.49 The NPPF recognises the need to deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities. The NPPF specifies that local planning authorities should plan for a mix of housing based on current and future demographic trends, identify the size, type, tenure and range of housing that is required in particular locations. This should reflect local demand, and where a need for affordable housing is identified, local planning authorities should set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.
- 6.50 Given that the application site is within close proximity to local services and to the necessary social infrastructure, it is considered suitable for affordable housing in accordance with Core Strategy Policy 1 and London Plan Policies 3.11 and 3.12. The Core Strategy commits the Council to negotiating for an element of affordable housing to be provided in any major residential development with the starting point for negotiations being a contribution of 50% affordable housing on qualifying sites across the Borough, subject to financial viability.
- 6.51 With regard to tenure mix, Core Strategy Policy 1 states that the affordable housing component is to be provided as 70% social rented and 30% intermediate housing although it also states that where a site falls within an area which has existing high concentrations of social rented housing, the Council will seek for any affordable housing contribution to be provided in a way which assists in securing a more balanced social mix.
- 6.52 In terms of dwelling sizes Core Strategy Policy 1 also states that the provision of family housing (3+ bedrooms) will be expected as part of any new development with 10 or more dwellings and, in the case of affordable housing, the Council will seek a mix of 42% as family dwellings (3+ bedrooms), having regard to criteria specified in the Policy relating to the physical character of the site, access to private gardens or communal areas, impact on car parking, the surrounding housing mix and the location of schools and other services.
- 6.53 The SHMA studies have determined there is a lack of family dwellings in the Borough. Following from this evidence base, together with accommodating mixed and diverse communities as outlined in the London Plan, the Council requires a suitable mix of units, including three bedroom family units. Core Strategy Policy 1 states that this is subject to the following criteria:-
1. the physical character of the site or building and its setting;
  2. the previous or existing use of the site or building;
  3. access to private gardens or communal garden areas for family dwellings;
  4. the likely effect on demand for car parking within the area;
  5. the surrounding housing mix and density of population;

6. the location of schools, shops, open space and other infrastructure requirements.

- 6.54 Four of the units proposed would be family units, which equates to 9% of the total mix. Officers have considered the criteria outlined in Core Strategy Policy 1 and consider that the provision of 4 family units would be acceptable on the site given the constrained nature and location of the proposed building. A further 10 two-bedroom and 31 1-bedroom units are proposed in addition to the 4 family units.
- 6.55 Overall, officers consider the mix and type of the units to be in line with the policy requirements and therefore is acceptable.
- 6.56 With regard to affordable housing, the proposed development would provide 45 new dwellings (a net gain of 45), of which 11 would be affordable. This amounts 24.4% by unit and represents an increase from the zero affordable housing units as per the originally submitted application (discussed further below).
- 6.57 The proposed tenure mix is 6 as London Affordable Rent and 5 units as Shared Ownership. This has been revised following officer advice to propose less 1 bed Affordable Rent units and more 2 bed Affordable Rent units. The initially proposed and revised affordable housing offers are set out in Tables 2 and 3 below respectively:

**Table 2: Initially Proposed Affordable Housing**

<b>Affordable Housing Mix</b>			
<b>Unit Type</b>	<b>Affordable Rent</b>	<b>Shared Ownership</b>	<b>Overall</b>
1 bed	5	2	7
2 bed	1	2	3
3 bed	1	0	1
<b>Total</b>	<b>7</b>	<b>4</b>	<b>11</b>

**Table 3: Revised Proposed Affordable Housing**

<b>Affordable Housing Mix</b>			
<b>Unit Type</b>	<b>Affordable Rent</b>	<b>Shared Ownership</b>	<b>Overall</b>
1 bed	2	5	7
2 bed	3	0	3
3 bed	1	0	1
<b>Total</b>	<b>6</b>	<b>5</b>	<b>11</b>

- 6.58 As above, the applicant has now proposed that the scheme would provide 11 affordable units, comprising 6 Affordable Rent and 5 Shared Ownership units.

This would equate to a 55/45 split, which falls short of achieving the 70/30 mix stated in Core Strategy Policy 1.

6.59 As outlined in table 2 above, the initial offer achieved a 64/36 split which was largely in accordance with the requirements of Core Strategy Policy 1. However, this was revised following officer advice to include more 2 bedroom Affordable Rent units as per the current demand in the borough. Whilst a 70/30 split is not achieved in this instance, officers consider that the revised proposed mix is an improvement over the initial offer, reflecting the current need in the borough, and as such is acceptable.

6.60 The Council's 'Affordable Rent Study: Market Research & Affordability Analysis', published February 2014' which looked at affordable rent levels across the borough advised that:

Appropriate Affordable Rent levels would be:

- 1-bed: 80% market rent or LHA
- 2-bed: 70 to 80% market rent or LHA
- 3-bed: Up to 65% or a proportion at the capped rent of 50%
- 4-bed: 50% market rent (capped rent)

6.61 In this case, the applicant proposes that the affordable units would be in compliance with the Planning Obligations SPD (2014). The applicant has assumed London Affordable Rent (LAR) in accordance with the Mayor of London Affordable Homes programme 2016-2021, whereby the investment appraisal generates the rents based on social rents uprated in accordance with GLA requirements. The following weekly charges would be applied on first let and would be exclusive of service charges;

- 1 bed £150.03
- 2 bed £158.84
- 3 bed £167.67

6.62 The Shared Ownership units (a form of intermediate housing) would be available initially to households meeting the Lewisham income levels as defined in the Planning Obligations SPD 2015 and subsequently, if not purchased, to those meeting the GLA income bands. These would be sold with a restrictive covenant restricting subsequent sales (in perpetuity) at the same price, so that units cannot be brought by individuals and 'flipped' for a profit.

6.63 Further to the above, the proposed affordable units are integrated throughout the proposed development both in the main and rearward blocks, and as such, officers consider that the proposed location of the affordable housing units is acceptable. There would be no differentiation in terms of the quality of design, materials or finishes between affordable and private homes and all future residents would have access to the same communal open space, irrespective of tenure. This therefore raises no objection.

*b) Scheme viability.*

6.64 The level of affordable housing proposed falls short of the 50% target in Core Strategy Policy 1 – which is a starting point for negotiations and is subject to

viability. In line with guidance in the Council's Planning Obligations SPD, the application as originally submitted was supported by a Financial Viability Assessment (FVA) (prepared by U.L.L. Property).

- 6.65 The FVA initially submitted sought to demonstrate that the proposed 45 unit scheme with 295 square metres of commercial floorspace would result in a development deficit of £-203,669
- 6.66 The Council commissioned GL Hearn to review the Applicant's FVA, including predicted sales values, construction costs and other assumptions. GL Hearn's review challenged a number of assumptions (including build costs – too high, benchmark land value – too high and housing values – too low). GL Hearn concluded that the proposal would generate a surplus of £1,609,182. GL Hearn's report is attached at **Appendix A**.
- 6.67 In response, and following amendments which reduced the scale of the scheme as outlined above, the applicant has proposed that the scheme would provide 11 affordable units, comprising 6 London Affordable Rent and 5 Shared Ownership units. In light of the applicant's response, GL Hearn's were commissioned to undertake an amended Viability Assessment which concluded that 8 affordable units is the maximum the scheme could viably provide.
- 6.68 Officers welcome the applicant's offer to go beyond what has been accepted by GL Hearn as the "maximum the scheme could viably provide" of eight affordable units, and it is therefore recommended that this level and amount of affordable housing is secured in a S106 Agreement.
- 6.69 Given the affordable housing offer level, and taking account of guidance in the Mayor of London's Affordable Housing and Viability SPG, officers recommend that s106 obligations require the proposed level of affordable housing is subject to further review. The precise terms of the review will be negotiated with the Applicant but would reflect those set out in the London Plan Affordable Housing and Viability SPG. However, these should secure an early stage review (upon substantial implementation if the planning permission has not been implemented within two years) and a late stage review (when 75% of homes are sold or occupied – should they be rented, and where developer returns meet or exceed an agreed level).

*c) Wheelchair units*

- 6.70 Core Strategy Policy 1 and London Plan Policy 3.8 state that all new housing should be built to Lifetime Homes standards and that 10% of the new housing is designed to be wheelchair accessible or easily adaptable for residents who are wheelchair users. As such, the application is required to provide 2-3 wheelchair units.
- 6.71 The proposed provision is 5 no. units. Flats 09, 19, 29 (1 beds) and 03, 41 (3beds) on 1st, 2nd, 3rd and 5th floors have been designed to be compliant with Part M4(3). The location and size of the wheelchair units are identified in the Schedule of Accommodation and ground and first floor plans. The level of wheelchair unit provision is considered to accord with the requirements of Core Strategy 1. Two wheelchair accessible lifts are provided in this scheme in excess of London Plan and Building regulation requirements.

6.72 A condition is recommended to secure the provision of the wheelchair units to Building Regulations Part M4(3)(2) and the remaining 90% of units to Building Regulations Part M4(2), equivalent to Lifetime Homes.

*d) Standard of Residential Accommodation*

6.73 Policy 3.5 ‘Quality and design of housing developments’ of the London Plan requires housing developments to be of the highest quality internally, externally and in relation to their context. This policy sets out the minimum floor space standards for new houses relative to the number of occupants and taking into account commonly required furniture and spaces needed for differing activities and circulation, in line with Lifetime Home Standards.

6.74 Core Strategy Policy 1, Development Local Plan Policy 32, London Plan Policy 3.5 and the London Plan Housing SPG seek to ensure that all new residential development meets minimum size standards.

6.75 Nationally prescribed space standards were released in March 2015 to replace the existing different space standards used by local authorities. It is not a building regulation and remains solely within the planning system as a new form of technical planning standard.

6.76 The national housing standards largely reflect the space standards of the London Plan. However, there are differences in the spacing of individual rooms as well as floor to ceiling heights. In the instance of conflict, the national housing standards take precedent. For reference, the London Plan recommends a floor to ceiling height of 2.5m and the national housing standards prescribe a floor to ceiling height of 2.3m.

6.77 All units would meet these standards with regard to minimum floor space and floor to ceiling heights (London Plan standard of 2.5m).

**Table 4: Dwelling Sizes**

Unit Size	National Technical Standard	Proposed minimum area
1 bed, 1 person	39 sqm	47.51 sqm
1 bed, 2 person	50 sqm	50 sqm
2 bed, 4 person	61 sqm	64.41 sqm
3 bed, 4 person	74 sqm	88 sqm

6.78 All of the proposed bedrooms would meet and exceed the minimum standards with regard to size and width. All units would provide storage in excess of the minimum standards.

6.79 Over 50% of the proposed residential units would have dual aspect outlook. 46.6% of the proposed units would have what the applicant has described as ‘partial dual aspect’ – this is where the plan of the proposed units relies on a balcony located within the floor plate of the unit to provide a partial outlook

towards the south of the application site. These units are all located within the main block of the proposed redevelopment. Only one of the proposed units would have a single aspect outlook. This unit would be located at fifth floor level.

- 6.80 Given the constrained nature of the application site and the massing and design of the existing and adjoining buildings, it is not considered possible to achieve an acceptable or appropriate design which would incorporate 100% dual aspect residential units. If the proposed scheme were to be altered to give rise to a development which achieved 100% dual aspect units, the design would have to be altered to such an extent that the resultant design would not be acceptable. As such, officers consider that on balance the outlook achieved by the proposed residential units is acceptable and appropriate for a site of this nature.
- 6.81 Standard 4.10.1 of the Housing SPG sets out the baseline requirements for private open space. The standard requires a minimum of 5sqm to be provided for 1-2 person dwellings and an extra 1sqm for each additional occupant. The minimum depth for all external space is 1500mm. All units within this development would have private amenity space in the form of balconies and gardens (units at ground floor) which meet and exceed the aforementioned standard. Furthermore, a communal amenity space at 140 square metres would be provided to the south of the application site which would be available for use by all future occupants of the development.
- 6.82 Given the above, the proposed development is considered to be acceptable with regard to standard of accommodation.

#### Highways and Traffic Issues

##### a) *Access*

- 6.83 The site is situated just north of Catford Town Centre with both Catford and Catford Bridge rail stations being located 10-15 minutes walk from the site. The site fronts Rushey Green which, along with Catford Road, make up Catford's main High Street. The site is located approximately 1km south of Lewisham town Centre and is well connected to such by a host of bus routes which run between Catford and Lewisham (47, 54, 75, 136, 185, 199, 208).
- 6.84 It has a Public Transport Accessibility Level (PTAL) of 4, where '1' is rated as Poor and '6' is rated as Excellent. The Council's Core Strategy Policy 15 'High quality design for London' encourages relatively dense development to be located in areas such as Lewisham where the PTAL is Good or Excellent. The site has a PTAL of 4 (good) and is considered to be appropriately accessible.

##### b) *Delivery and Servicing*

###### *Residential*

- 6.85 The residential refuse stores are located internally at ground floor level, separate to the commercial refuse store. It is anticipated that refuse would be collected from Rushey Green – this is considered an acceptable arrangement. The details of this arrangement would be secured through a Delivery and Servicing Plan by condition.

###### *Commercial*

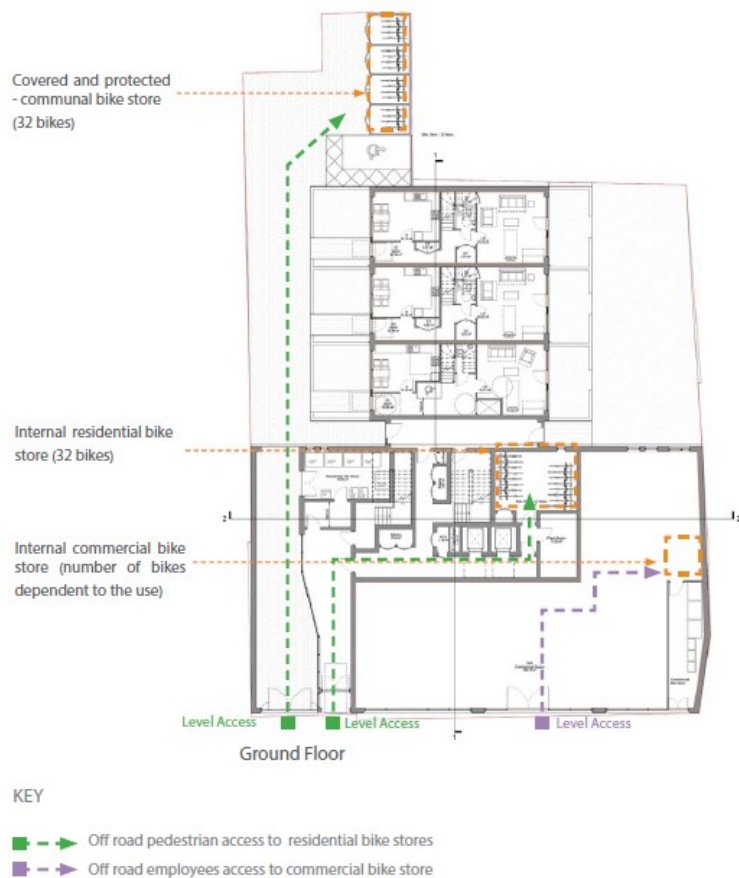
- 6.86 The commercial refuse stores are located internally at ground floor level accessed directly from Rushey Green. It is anticipated that refuse would be collected from Rushey Green – this is considered an acceptable arrangement.
- 6.87 It is proposed that the commercial unit would be serviced via the existing delivery bays on the eastern side Rushey Green located to the north and south of the application site.
- 6.88 The details of the above would be secured through a Delivery and Servicing Plan by condition.

*c) Cycle Parking*

*Residential*

- 6.89 Both the residential long-stay and short-stay cycle parking would be located in secure weatherproof stores, and distributed between five stores as indicated in the diagram below which is an excerpt from the applicant’s design and access statement.

**Figure 1: Cycle Parking**





- 6.90 Four of the stores would be located within the north-eastern corner of the site adjacent the existing substation. Each of these stores would contain four two-tier stands providing parking for eight bicycles. The remainder of the residential cycle parking would be located toward the rear of the commercial unit, 16 two-tier stands will provide parking for 32 bicycles providing a total of 64 cycle parking spaces.
- 6.91 Policy 6.9 of the London Plan requires that all developments should provide dedicated storage space for cycles at the following level: 1 per studio and one bed 2 per all other dwellings. In addition, one short stay cycle parking space should be provided per 40 units.
- 6.92 As such, the proposed development should provide a total of 59 long stay spaces and 1 short stay space. Given the above, the proposed development is in excess of the required standards.

*Commercial*

- 6.93 Dependant on the end use of the proposed commercial unit, the standards for long stay and short stay cycle provision vary as per the table below

**Table 5: Commercial cycle parking standards**

Use	Long stay standard	Short stay standard
A1 (food)	2	8
A1 (non-food)	1	3
A2/A3	2	8
B1	4	1

- 6.94 The long stay spaces would be provided within the commercial unit at ground floor level as indicated by the diagram above a potential location for the long stay. The provision of long stay cycle parking would be secured by condition.
- 6.95 It is proposed by the applicant that the short stay spaces are provided by an extension to the existing bay of Sheffield stands located to the front of the application site. The council would require that the maximum potential number of required spaces be provided (eight spaces or four Sheffield stands) as an extension to the existing bay of stands. This would be secured by a Grampian condition.

*d) Car Parking*

- 6.96 The proposed development is to be car free. A car-free approach is supported in this location, which benefits from a good PTAL rating of 4 given the high level of cycle parking provision and subject to the applicant agreeing to the removal of

access to parking permits for future residents of the proposed development through a section 106 agreement.

- 6.97 The council would also require that the applicant provide car club membership for three years for future occupants of the development (through a section 106 agreement) and that a Travel Plan is submitted and to and approved by the Council by way of a condition.
- 6.98 With regard to disabled parking provision, the applicant had initially proposed to provide one disabled parking bay on site. The application was revised following advice from officers to remove the proposed disabled parking bay from the rear of the site adjacent to the existing substation. This amendment was requested as disabled parking provision could be addressed off-site as well as providing a better quality of public realm and improving pedestrian safety due to less vehicular movement across the pavement of the eastern side of Rushey Green.
- 6.99 In accordance with the London Plan, the applicant is required to provide at least 4 disabled parking spaces. Table 6.2 “Car Parking Standards” of The London Plan seeks that “Adequate parking spaces for disabled people must be provided preferably on-site”. In this instance, it is considered that due to the site constraints and in the interest of pedestrian safety, that the principle of not providing disabled parking spaces on site is acceptable.
- 6.100 The applicant has demonstrated in their Transport Statement that two on-street disabled parking bays could potentially be accommodated safely on Davenport Road without causing an unreasonable impact to on-street parking pressure – these spaces would be provided some 70m and 100m away from the proposed development, which is further than usually desirable. Notwithstanding the distance of the spaces away from the proposed development, future wheelchair users to the spaces would be via a level and unobstructed footpath.
- 6.101 Further to the above, the council’s Highways department have commented that these spaces could potentially be provided closer to the proposed development by conversion of the red route parking spaces on Davenport Road to disabled parking bays. This however would have to be agreed with Transport for London prior to works being carried out.
- 6.102 Whether located on converted red route bays or elsewhere on Davenport Road, the provision of the two wheelchair parking bays spaces would be secured by way of a section 278 agreement requiring the spaces to be located as close to the proposed development as possible. If further spaces are required, the Council currently operates a system whereby a resident may make an application to the Council for a bay to be designated on-street.
- 6.103 Whilst the proposed development would result in an under-provision of disabled parking spaces, this is considered acceptable on balance given the nature and location of the application site and in the interests of general highway and pedestrian safety.

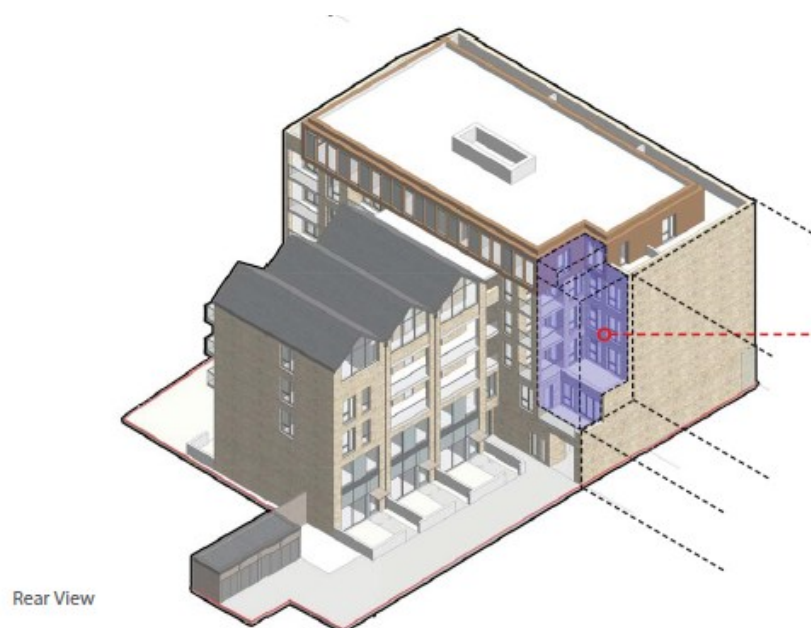
#### Impact on Adjoining Properties

- 6.104 Development Management Policy 32 requires the siting and layout of all new-build housing to respond positively to the site specific constraints and opportunities, as well as being attractive, neighbourly, provide a satisfactory level of outlook and

natural lighting for both future and existing residents and meet the functional needs of future residents. All new-build housing will be required to be sited to minimise disturbance from incompatible uses and be well located in relation to public transport with a high quality pedestrian environment.

- 6.105 An assessment of daylight and sunlight has been carried out for the development in accordance with the Building Research Establishment's good practice guide "Site Layout planning for daylight and sunlight". This report assesses the daylight, sunlight and overshadowing impacts that the proposed development may have on the existing properties surrounding the site as well as within the proposed development itself.
- 6.106 It is important to note that the BRE guidance includes a degree of flexibility within its application and for instance, developments in urban areas are treated differently to suburban areas because expectations of daylight and sunlight into properties differ in such locations. Consequently, it is often necessary to aim for different 'target values' of daylight and sunlight into rooms according to the location of the development.
- 6.107 The application has been amended following officer advice to mitigate the impact of the proposed development on surrounding residential uses, with particular reference to the Meadowcroft Mews block which abuts the site to the north. The following excerpt from an addendum to the Design and Access Statement outlines where the massing was reduced (purple shading):

**Figure 2: Reduced proposed massing**



- 6.108 The applicant has provided an amended Daylight and Sunlight Report providing an assessment in accordance with the BRE Guidance outlined above.

Daylight to windows

- 6.109 The assessment of daylight is based on the calculation of the vertical sky component (VSC) to an affected window in both the existing and proposed condition. The VSC, simply put, is the amount of light received at the centre of a

window. There is a further assessment that assesses the distribution of daylight within a room. This is called the average daylight factor (ADF). Whereas VSC assessments are influenced by the size of obstruction, the ADF is more influenced by the room area, the area of room surfaces, the reflectance of room surfaces and the transmittance of the glazing with the size of the obstruction being a smaller influence. A further measure of daylight distribution within a room is no sky line (NSL). This divides those areas that can see direct daylight from those which cannot and helps to indicate how good the distribution of daylight is in a room.

### *21-23 Rushey Green*

- 6.110 This property is located to the south of the application site and provides residential accommodation at first, second and third floor levels.
- 6.111 The applicant has undertaken analysis of the windows serving habitable rooms, which are set out in Appendix C of the Daylight and Sunlight Report. This analysis demonstrates that all except one window at first floor level achieves the numerical values set out in the BRE Guidelines. The one window which does not achieve the VSC standard of 0.8 of the existing value would achieve a VSC of over 0.7 the existing value. Furthermore, the existing VSC for this window is already below the recommended BRE standard of 27%, sitting at 19.4% meaning that given the urban location, the impact of the proposed development on this window is considered acceptable.
- 6.112 The Daylight and Sunlight Report also considers the daylight distribution and the results demonstrates that in all instances a significant portion of the room lies in front of the NSL.
- 6.113 Given the above, the proposed development is considered to be acceptable with regard to impact on daylight to windows at 21-23 Rushey Green.

### *Meadowcroft Mews*

- 6.114 Meadowcroft Mews provides residential accommodation in two blocks to the north of the site.
- 6.115 The main block which abuts the site and fronts onto Rushey Green, provides commercial accommodation on the ground floor, with five floors of residential accommodation above. To the west of this is a separate block which provides residential accommodation over four floors.
- 6.116 In relation to the main block, none of the windows serving habitable rooms look directly over the site. The second block on George Lane has windows facing directly over the site, with all of these, except two windows at second floor level serving bedrooms. The two exceptions serve the same living room.
- 6.117 The analysis was undertaken in accordance with paragraph 2.2.11 of the BRE Guidelines, with the existing balconies on Meadowcroft Mews omitted, and indicates that all except one window at second and third floor within the main building closest to the site boundary would achieve the numerical values set out in the BRE Guidelines.
- 6.118 With regard to the two windows that do not achieve the above, these do not currently achieve a VSC of 27%. As a result of the proposed development, both of

these windows would experience 0.78 of the daylight levels of those existing. Taking this and the urban location into account, it is considered that the proposals would not have a significant effect on the daylight enjoyed by this property.

- 6.119 The applicant has also provided an analysis of this building with the balconies included. The results indicate that four windows (one per first floor to fifth floor) closest to the boundary, currently enjoy very a low level of natural daylight, below 17% VSC. This indicates that the design of this property restricts its enjoyment of natural light, with the windows located in the elevation set back from the main building line, close to the site boundary and with balconies overhanging.
- 6.120 Due to the existing low level of daylight, any reduction in VSC, expressed, as a percentage will appear disproportionate. As a result, the proposed VSC's are only between 0.5% and 1.2% below that recommended to achieve at least 0.8 times the existing, although all will achieve in excess of 0.7 times the existing, which is generally considered appropriate for an urban location.
- 6.121 The Daylight and Sunlight Report also considers the daylight distribution and the results demonstrates that in all instances a significant portion of the room lies in front of the NSL.
- 6.122 Given the above, the proposed development is considered to be acceptable with regard to impact on daylight to windows at Meadowcroft Mews.

#### *1 Davenport Road*

- 6.123 This property is located to the east of the site and has windows in its flank elevation over two floors, serving residential accommodation.
- 6.124 The results of the VSC analysis demonstrate that in all instances a VSC of greater than 27% is achieved. The Daylight and Sunlight Report also considers the daylight distribution and the results demonstrates that in all instances a significant portion of the room lies in front of the NSL.
- 6.125 Given the above, the proposed development is considered to be acceptable with regard to impact on daylight to windows at 1 Davenport Road.

#### *Sunlight to windows*

- 6.126 The BRE Guidelines require that all windows within 90 degrees of due south should be considered. The recommended numerical values set out within the BRE Guidelines are for a window to achieve Annual Probable Sunlight Hours (APSH) of 25%, including at least 5% during the winter months. Where the difference in the APSH is more than 4% between the existing and proposed both the total APSH and those enjoyed within the winter months are more than 0.8 times the existing values. The guidelines however also state that bedrooms are less important than living rooms.
- 6.127 As such, the applicant's Daylight and Sunlight Report has therefore considered the impact of the proposed development on Meadowcroft Mews and 21-23 Rushey Green.

#### *21-23 Rushey Green*

- 6.128 The results of the analysis demonstrate that in all instances the numerical values set out in the BRE guidelines are achieved.

*Meadowcroft Mews*

- 6.129 The results of the analysis demonstrate that all windows, except the windows closest to the site boundary at first, second and third floor level would achieve the required APSH.
- 6.130 The windows that do not achieve the required APSH would enjoy overall APSH levels of at least 18%, which is considered reasonable for an urban location. Additionally, the window impacted at first floor level does not meet the relevant standards as existing.
- 6.131 The applicant has also provided results of the analysis with the balconies omitted which demonstrates that all except the first floor window would enjoy at least 25% summer APSH, with the lowest (first floor window) achieving 24%. This again indicates that the design of the building itself restricts access to sunlight. In relation to sunlight during the winter months, there are two additional first floor windows that would fall just below the recommended level. However, these serve bedrooms which are considered less important by the BRE guidelines.
- 6.132 The applicant has also drawn attention to the orientation of this property which is such that it is only 1 degree from not facing within 90 degrees of due south which would mean that the building was not required to be analysed in accordance with the BRE guidelines.
- 6.133 Given the above, and that the proposed development is considered acceptable with regard to impact on daylight to the windows of Meadowcroft Mews; on balance, the proposed development is considered acceptable with regard to the impact on sunlight to the windows of Meadowcroft Mews.

Outlook

- 6.134 With regard to outlook, an important consideration is the impact of the development from neighbouring properties and whether the development would have an overbearing impact by reason of its proposed scale and mass.
- 6.135 The Council does not have guidance in respect of separation distances for flank to flank relationships, instead reference is made to the requirement of Policy DM 32 for new development to be neighbourly and provide adequate outlook.
- 6.136 The proposed development would largely follow the footprint, height and massing of the existing building at the application site. As such, the proposed development is not considered to impact unreasonably on the outlook of occupants of adjoining residential units.

Privacy

- 6.137 The Council's Residential Development Standards SPD (updated 2012) states that developers will be expected to demonstrate how the form and layout of their proposals will provide residents with a quality living environment, and how privacy will be provided both for the neighbours and the occupiers of the proposed development.

- 6.138 It states that a minimum separation distance of 21 metres should be maintained between directly facing habitable room windows on main rear elevations, unless mitigated through design. This separation will be maintained as a general rule but will be applied flexibly dependent on the context of the development. A greater separation distance will be required where taller buildings are involved.
- 6.139 The acceptable distance between front elevations should normally be determined by the character of road widths in the area. The use of mews, courtyard, and other similar forms of development may entail relatively small front to front distances.
- 6.140 The minimum distance between habitable rooms on the main rear elevation and the rear boundary, or flank wall of adjoining development, should normally be 9 metres or more.
- 6.141 The main block of the proposed development which would front Rushey Green would largely raise no concern with regard to loss of privacy given proposed windows would face the same orientation as those existing. However, the proposed roof terrace at first floor level serving unit number 10 would abut the roof terrace serving the directly adjacent first floor unit at Meadowcroft views.
- 6.142 Given the above, to prevent undue loss of privacy to the occupants of Meadowcroft Mews the proposed roof terrace serving unit number 10, officers recommend a condition is imposed requiring appropriate screening be provided along this boundary.
- 6.143 With regard to the rearward block of the proposed development, the separation distances from window to window in relation to the George Lane block of Meadowcroft Mews will be 21m which is considered to be policy compliant. Residential properties on the Davenport Road side of the proposed rearward block are located in excess of 21m from the proposed block or are located at an oblique angle in relation to such and thus would not give rise to any unreasonable loss of privacy.
- 6.144 Given the above, the proposed development is acceptable with regard to impact on privacy of occupants of surrounding developments.

#### Sustainability and Energy

- 6.145 Policy 5.3 Sustainable Design and Construction of the London Plan states that the highest standards of sustainable design and construction should be achieved in London to improve the environmental performance of new developments and to adapt to the effects of climate change over their lifetime.

##### *a) Carbon Emissions*

- 6.146 Policy 5.2 Minimising Carbon Dioxide Emissions of the London Plan states that development should make the fullest contribution to minimising carbon dioxide emissions in accordance with the following energy hierarchy:
1. Be lean: use less energy
  2. Be clean: supply energy efficiently
  3. Be green: use renewable energy

- 6.147 Achieving more sustainable patterns of development and environmentally sustainable buildings is a key objective of national, regional and local planning policy. London Plan and Core Strategy Policies advocate the need for sustainable development. All new development should address climate change and reduce carbon emissions. Core Strategy Policies advocate the need for sustainable development. All new development should address climate change and reduce carbon emissions. Core Strategy Policy 8 requires all new residential development to meet a minimum of Code for Sustainable Home Level 4.
- 6.148 From 1<sup>st</sup> October 2016, the London Plan requires new major development to provide 'zero carbon' housing. The London Plan Housing SPG defines zero carbon homes as "homes forming part of major development applications where the residential element of the application achieves at least a 35 per cent reduction in regulated carbon dioxide emissions (beyond Part L 2013) on-site (in line with policy 2.5B). The remaining regulated carbon dioxide emissions, to 100 per cent, are to be off-set through a cash in lieu contribution to the relevant borough to be ring fenced to secure delivery of carbon dioxide savings elsewhere.
- 6.149 The onsite reduction in regulated CO<sub>2</sub> emissions over the Building Regulations Part L (2013) baseline will be 35% in accordance with the London Plan Policy 5.2. Energy Efficiency measures will result in a 12.3% reduction over the Part L (2013) baseline, and with the specification of photovoltaic panels this will reach 35.1%;
- 6.150 In accordance with the London Plan, the remaining regulated carbon dioxide emissions, to 100 per cent, would be off-set through a cash in lieu contribution of £110,142.

*b) BREEAM*

- 6.151 Core Strategy Policy 8 requires that non-residential development should achieve a minimum of BREEAM 'Excellent' standard or any future national equivalent.
- 6.152 The Applicant's Sustainability Statement includes a BREEAM pre-assessment for a non-specific non-residential building type, using BREEAM 2014 New Construction, Shell and Core. This indicates that the proposed development is on target to achieve a 'Very Good' rating.
- 6.153 Officers note the policy requirement for 'Excellent' and that the pre-assessment within the applicant's Sustainability Statement indicates that the proposed commercial unit would score 65.83%, with the percentage required for an excellent rating being 70%.
- 6.154 The pre-assessment was based upon a 'shell and core' delivery as opposed to a full fit out. As this permission would be conditioned to ensure a full fit out of the commercial unit, officers consider that a BREEAM 'Excellent' rating would be feasible and recommend that the application be conditioned to require the applicant to meet this standard.

Living Roofs and Ecology

- 6.155 London Plan Policy 5.11 confirms that development proposals should include 'green' roofs. Core Strategy Policy 7 specifies a preference for Living Roofs (which includes bio-diverse roofs) which compromise deeper substrates and a more



diverse range of planting than plug-planted sedum roofs, providing greater opportunity bio-diversity.

- 6.156 In this instance, the scheme proposes a living roof to the flat roof of the main block of the proposed development, facing Rushey Green. A section has been provided which shows that, in terms of substrate depth and planting methodology, the specification meets the Council's requirements. A condition would be required to enable species composition to be agreed.
- 6.157 Taking into account the existing site condition, and lack of natural habitat it is considered that the proposals, through provision of a good quality living roofs, achieves an enhancement of biodiversity habitat on site. The living roofs proposed in this instance would assist in attenuating and reducing the amount of run-off actually leaving the site. Overall, the proposal is considered to be acceptable when judged against sustainability policies and other site considerations.

### Other Considerations

#### *Employment and Training*

- 6.158 As London's economy grows the number of jobs and careers available to Lewisham's citizens will increase. Many of these jobs will require specific skills. Lewisham's citizens should feel equipped to compete for the best jobs and fulfil their aspirations.
- 6.159 The Lewisham Local Labour and Business Scheme is a local initiative that helps local businesses and residents to access the opportunities generated by regeneration and development activity in Lewisham.
- 6.160 This particular policy objective provides the basis of the Government's commitment to reducing the environmental impact of new developments.
- 6.161 The use of local labour can also limit the environmental impact of new development due to people commuting shorter distances to travel to work.
- 6.162 The approach set out in the Council's Planning Obligations SPD is to split the contributions required equally between residential and commercial development. The contribution sought reflects the current training and operation costs of running the programme to the end date of this document (2025).
- 6.163 A threshold for residential developments of 10 dwellings or more, including mixed-use schemes and live-work units, is set. Applied to the application scheme, this gives a contribution of £39,220.

### Planning Obligations

The National Planning Policy Framework (NPPF) states that in dealing with planning applications, local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations. Planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition. It further states that where obligations are being sought or revised, local planning authorities should take account of changes in market conditions over time and, wherever appropriate, be sufficiently flexible to prevent planned

development being stalled. The NPPF also sets out that planning obligations should only be secured when they meet the following three tests:

- (a) Necessary to make the development acceptable
- (b) Directly related to the development; and
- (c) Fairly and reasonably related in scale and kind to the development

6.164 Paragraph 122 of the Community Infrastructure Levy Regulations (April 2010) puts the above three tests on a statutory basis, making it illegal to secure a planning obligation unless it meets the three tests.

6.165 The applicant has provided a planning obligations statement outlining the obligations that they consider are necessary to mitigate the impacts of the development.

6.166 The following obligations are proposed to be secured by S106 agreement:

*Housing*

- Minimum 24.4% affordable housing (by unit)
- Dwelling mix: London Affordable Rent 6 units and Shared Ownership 5 units. The mix of such units are as follows:

<b>Affordable Housing Mix</b>			
<b>Unit Type</b>	<b>Affordable Rent</b>	<b>Shared Ownership</b>	<b>Overall</b>
1 bed	2	5	7
2 bed	3	0	3
3 bed	1	0	1
<b>Total</b>	<b>6</b>	<b>5</b>	<b>11</b>

- Wheelchair accessible homes M4(3): 5 units (Flats 09, 19, 29 (1 beds) and 03, 41 (3beds))
- Location – Affordable Rent, plot plans for the affordable units to be secured.
- Timing of delivery – 100% of affordable units shall be practicably completed and ready for occupation before occupation of more than 75% of the Market/ Private dwellings.
- Review mechanism – Early stage review (Upon substantial implementation - completion of basement works - if the planning permission has not been implemented within two years) and a late stage review (when 75% of homes are sold or occupied should they be rented and where developer returns meet or exceed an agreed level in accordance with the London Plan Affordable Housing and Viability SPG).

- The Social and/or Affordable Rented housing content of the scheme shall not exceed 50% of the total number units.

#### *Transport and Public Realm*

- Car club membership – 3 years
- CPZ parking permits restriction

#### *Employment & Training*

- Local labour and business contribution of £39,220 prior to commencement

#### *Carbon Offset Payment*

- Financial contribution of £110,142

#### *Commercial unit fit out*

- Developer to undertake initial fit-out of the commercial unit prior to any occupation of the residential unit to include:
  - Service connections for gas, electricity, water and foul drainage;
  - Provision for telecommunication services and broadband services;
  - Wall and ceiling finishes;
  - Wheelchair accessible entrances;
  - Screed floors;
  - Glazing solution.

#### *Monitoring and Costs*

- Meeting the Council's reasonable costs in preparing and monitoring the legal obligations
- The monitoring costs in this instance would equate to £3,000 as per the Planning Obligations SPD.

6.167 Officers consider that the obligations outlined above are appropriate and necessary in order to mitigate the impacts of the development and make the development acceptable in planning terms. Officers are satisfied the proposed obligations meet the three legal tests as set out in the Community Infrastructure Levy Regulations (April 2010).

## **7.0 Local Finance Considerations**

7.1 Under Section 70(2) of the Town and Country Planning Act 1990 (as amended), a local finance consideration means:

- (a) A grant or other financial assistance that has been, or will or could be, provided to a relevant authority by a Minister of the Crown; or
- (b) Sums that a relevant authority has received, or will or could receive, in payment of Community Infrastructure Levy (CIL).

7.2 The weight to be attached to a local finance consideration remains a matter for the decision maker.

7.3 The Mayor of London's (CIL) and Local CIL are a material consideration in the determination of this application. CIL is payable on this application and the applicant has completed the relevant form.

## **8.0 Equalities Considerations**

8.1 Section 149 of the Equality Act 2010 (“the Act”) imposes a duty that the Council must, in the exercise of its functions, have due regard to:-

- i. eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- ii. advance equality of opportunity between persons who share a relevant protected characteristic and those who do not;
- iii. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

8.2 The protected characteristics under the Act are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

8.3 The duty is a “have regard duty” and the weight to attach to it is a matter for the decision maker bearing in mind the issues of relevance and proportionality.

8.4 Equality issues have been duly considered as part of the assessment of this application. It is not considered that the application would have any direct or indirect impact on the protected characteristics.

## **9.0 Conclusion**

9.1 This report has considered the proposals in the light of adopted development plan policies and other material considerations including information or representations relevant to the environmental effects of the proposals.

9.2 It is considered that the scale of the development is acceptable, that the building has been designed to respond to the context, constraints and potential of the site and that the development will provide a high standard of accommodation.

9.3 The NPPF is underpinned by a presumption in favour of sustainable development. Officers consider that with the recommended mitigation, planning conditions and obligations in place the scheme accords with local and national policies.

9.4 The proposals are considered to accord with the development plan. Officers have also had regard to other material considerations, including guidance set out in adopted supplementary planning documents and in other policy and guidance documents and the responses from consultees, which lead to the conclusions that have been reached in this case. Such material considerations are not considered to outweigh a determination in accordance with the development plan and the application is accordingly recommended for approval.

## 10.0 **RECOMMENDATION (A)**

To agree the proposals and authorise the Head of Law to negotiate and complete a legal agreement under Section 106 of the 1990 Act (and other appropriate powers) to cover the following principal matters:-

### *Housing*

- Minimum 24.4% affordable housing (by unit)
- Dwelling mix: London Affordable Rent 6 units and Shared Ownership 4 units. The mix of such units are as follows:

<b>Affordable Housing Mix</b>			
<b>Unit Type</b>	<b>Affordable Rent</b>	<b>Shared Ownership</b>	<b>Overall</b>
1 bed	2	5	7
2 bed	3	0	3
3 bed	1	0	1
Total	6	5	11

- Wheelchair accessible homes M4(3): 5 units (Flats 09, 19, 29 (1 beds) and 03, 41 (3beds))
- Location – Affordable Rent, plot plans for the affordable units to be secured.
- Timing of delivery – 100% of affordable units shall be practicably completed and ready for occupation before occupation of more than 75% of the Market/ Private dwellings.
- Review mechanism – Early stage review (Upon substantial implementation - completion of basement works - if the planning permission has not been implemented within two years) and a late stage review (when 75% of homes are sold or occupied should they be rented and where developer returns meet or exceed an agreed level in accordance with the London Plan Affordable Housing and Viability SPG).
- The Social and/or Affordable Rented housing content of the scheme shall not exceed 50% of the total number units.

### *Transport and Public Realm*

- Car club membership – 3 years
- CPZ parking permits restriction

### *Employment & Training*

- Local labour and business contribution of £39,220 prior to commencement

### *Carbon Offset Payment*

- Financial contribution of £110,142

*Commercial unit fit out*

- Developer to undertake initial fit-out of the commercial unit prior to any occupation of the residential unit to include:
  - Service connections for gas, electricity, water and foul drainage;
  - Provision for telecommunication services and broadband services;
  - Wall and ceiling finishes;
  - Wheelchair accessible entrances;
  - Screed floors;
  - Glazing solution.

*Monitoring and Costs*

- Meeting the Council's reasonable costs in preparing and monitoring the legal obligations
- The monitoring costs in this instance would equate to £3,000 as per the Planning Obligations SPD.

**RECOMMENDATION (B)**

Upon the completion of a satisfactory Section 106 in relation to the matters set out above, authorise the Head of Planning to grant Planning Permission subject to the following conditions:-

**Conditions**

1. The development to which this permission relates must be begun not later than the expiration of three years beginning with the date on which the permission is granted.

**Reason:** As required by Section 91 of the Town and Country Planning Act 1990.

2. The development shall be carried out strictly in accordance with the application plans, drawings and documents hereby approved and as detailed below:

01150\_BP\_01; 01150\_E\_03; 01150\_P\_00\_V1; 01150\_P\_00\_V2;  
 01150\_P\_00\_V3; 01150\_P\_00\_V4; 01150\_P\_00\_V5; 01150\_SP\_01;  
 01150\_SV\_01; 01150\_SV\_02; 01150\_SV\_03; 01150\_SV\_04; 01150\_SV\_05;  
 01150\_SV\_07; 01150\_SV\_08; 01150\_SV\_09; 01150\_SV\_10; 01150\_SV\_11;  
 01150\_SV\_12; 01150\_X; Air Quality Assessment dated 02 May 2017  
 reference number PC-16-0280-RP2-RevB; Archaeological Desk Based  
 Assessment dated April 2017; Design and Access Statement dated June  
 2017; Economic Statement dated June 2017; Environmental Noise Survey  
 Assessment dated 02 June 2017 reference number PC-16-0280-RP1-RevE;  
 Statement Of Community Involvement dated April 2017; Sustainability  
 Statement version V.2 dated May 2017; Planning Statement; Preliminary  
 Construction Management Plan reference number 105922/12/001 dated 28  
 April 2017; Transport Statement dated June 2017 received 05 June 2017

01150\_BS\_01; 01150\_BS\_02; 01150\_DE\_01; 01150\_DE\_02; 01150\_DE\_03; 01150\_DE\_04; 01150\_CD\_01; 01150\_P\_06 (Proposed PV layout); D0299\_001 A; D0299\_002 E; Ecological Assessment dated July 2017 received 14 August 2017

01150\_E\_01 P2; 01150\_E\_02 P2; 01150\_P\_01 P2; 01150\_P\_02 P2; 01150\_P\_03 P2; 01150\_P\_04 P2; 01150\_P\_05 P2; 01150\_P\_06 P2; Accommodation Schedule (revision P2); CIL Form; Daylight and Sunlight Report dated 02 March 2018; Energy Statement; Design and Access Statement Addendum (March 2018) received 14 March 2018

01150\_P\_00 P3 received 10 April 2014

**Reason:** To ensure that the development is carried out in accordance with the approved documents, plans and drawings submitted with the application and is acceptable to the local planning authority.

3. No development shall commence on site until such time as a Construction Management Plan has been submitted to and approved in writing by the local planning authority. The plan shall cover:-
  - (a) Dust mitigation measures.
  - (b) The location and operation of plant and wheel washing facilities
  - (c) Details of best practical measures to be employed to mitigate noise and vibration arising out of the construction process
  - (d) Details of construction traffic movements including cumulative impacts which shall demonstrate the following:-
    - (i) Rationalise travel and traffic routes to and from the site.
    - (ii) Provide full details of the number and time of construction vehicle trips to the site with the intention and aim of reducing the impact of construction related activity.
    - (iii) Measures to deal with safe pedestrian movement.
  - (e) Security Management (to minimise risks to unauthorised personnel).
  - (f) Details of the training of site operatives to follow the Construction Management Plan requirements.

**Reason:** In order that the local planning authority may be satisfied that the demolition and construction process is carried out in a manner which will minimise possible noise, disturbance and pollution to neighbouring properties and to comply with Policy 5.3 Sustainable design and construction, Policy 6.3 Assessing effects of development on transport capacity and Policy 7.14 Improving air quality of the London Plan (2015).

4. (a) No development (other than demolition of above ground structures) shall commence on site until a scheme for surface water management, including specifications of the surface treatments and sustainable urban

drainage solutions, has been submitted to and approved in writing by the local planning authority.

- (b) The development shall be carried out in accordance with the approved scheme and thereafter the approved scheme is to be retained in accordance with the details approved therein.

**Reason:** To prevent the increased risk of flooding and to improve water quality in accordance with Policies 5.12 Flood risk management and 5.13 Sustainable drainage in the London Plan (July 2011) and Objective 6: Flood risk reduction and water management and Core Strategy Policy 10:Managing and reducing the risk of flooding (2011).

- 5. (a) No piling or any other foundation designs using penetrative methods shall take place, other than with the prior written approval of the local planning authority.
- (b) Details of the depth and type of piling to be undertaken and the methodology by which such piling will be carried out, including measures to prevent and minimise the potential for damage to subsurface sewerage infrastructure, and the programme for the works) any such operations must be submitted to and approved in writing by the local planning authority in consultation with Thames Water prior to commencement of development (excluding above ground demolition) on site and shall be accompanied by details of the relevant penetrative methods.
- (c) Any such work shall be carried out only in accordance with the details approved under part (b).

**Reason:** To prevent pollution of controlled waters and to comply with Core Strategy (2011) Policy 11 River and waterways network and Development Management Local Plan (November 2014) DM Policy 28 Contaminated land.

- 6. Prior to any above ground works (excluding demolition) a detailed schedule and sample panel of all external materials, including surface treatments, and finishes/windows and external doors/roof coverings to be used on the buildings have been submitted to and approved in writing by the local planning authority.

**Reason:** To ensure that the local planning authority may be satisfied as to the external appearance of the building(s) and to comply with Policy 15 High quality design for Lewisham of the Core Strategy (June 2011) and Development Management Local Plan (November 2014) DM Policy 30 Urban design and local character.

- 7. The refuse storage and recycling facilities shown on drawing 01150\_P\_00 P2 hereby approved, shall be provided in full prior to occupation of the development and shall thereafter be permanently retained and maintained.

**Reason:** In order that the local planning authority may be satisfied with the provisions for recycling facilities and refuse storage in the interest of safeguarding the amenities of neighbouring occupiers and the area in general, in compliance with Development Management Local Plan (November 2014) DM Policy 30 Urban design and local character and Core Strategy Policy 13



Addressing Lewisham waste management requirements (2011).

8. (a) A minimum of 64 secure and dry cycle parking spaces shall be provided within the development as indicated on the plans hereby approved.
- (b) No development shall commence above ground level on site until the full details of the cycle parking facilities have been submitted to and approved in writing by the local planning authority.
- (c) All cycle parking spaces shall be provided and made available for use prior to occupation of the development and maintained thereafter.

**Reason:** In order to ensure adequate provision for cycle parking and to comply with Policy 14: Sustainable movement and transport of the Core Strategy (2011).

9. (a) The commercial unit hereby approved shall be fitted with a minimum of 4 secure and dry cycle parking spaces in the case of an A1 (food retail use), 1 in the case of an A1(non-food) retail use, 2 in the case of an A2/A3 use and 4 in the case of a B1 use, prior to occupation
- (b) The commercial unit shall not be occupied until the full details of the cycle parking facilities have been submitted to and approved in writing by the local planning authority.
- (c) All cycle parking spaces shall be provided and made available for use prior to occupation of the development and maintained thereafter.

**Reason:** In order to ensure adequate provision for cycle parking and to comply with Policy 14: Sustainable movement and transport of the Core Strategy (2011).

10. (a) A scheme of soft landscaping (including details of any trees or hedges to be retained and proposed plant numbers, species, location and size of trees and tree pits) and details of the management and maintenance of the landscaping for a period of five years shall be submitted to and approved in writing by the local planning authority prior to construction of the above ground works.
- (b) All planting, seeding or turfing shall be carried out in the first planting and seeding seasons following the completion of the development, in accordance with the approved scheme under part (a). Any trees or plants which within a period of five years from the completion of the development die, are removed or become seriously damaged or diseased, shall be replaced in the next planting season with others of similar size and species.

**Reason:** In order that the local planning authority may be satisfied as to the details of the proposal and to comply with Core Strategy Policy 12 Open space and environmental assets, Policy 15 High quality design for Lewisham of the Core Strategy (June 2011), and DM Policy 25 Landscaping and trees and DM Policy 30 Urban design and local character of the Development Management Local Plan (November 2014).

11. (a) The development shall be constructed with a biodiversity living roof laid out in accordance with plan no. D0299\_001 A hereby approved and maintained thereafter. Prior to commencement of the above ground works, a planting specification shall have been submitted to and approved in writing by the local planning authority.
- (b) The living roofs shall not be used as an amenity or sitting out space of any kind whatsoever and shall only be used in the case of essential maintenance or repair, or escape in case of emergency.
- (c) Evidence that the roof has been installed in accordance with (a) shall be submitted to and approved in writing by the local planning authority prior to the first occupation of the development hereby approved.

**Reason:** To comply with Policies 5.10 Urban greening, 5.11 Green roofs and development site environs, 5.12 Flood risk management, 5.13 Sustainable Drainage and 7.19 Biodiversity and access to nature conservation in the London Plan (2015) , Policy 10 managing and reducing flood risk and Policy 12 Open space and environmental assets of the Core Strategy (June 2011), and DM Policy 24 Biodiversity, living roofs and artificial playing pitches of the Development Management Local Plan (November 2014).

12. (a) The development shall not be occupied until a Delivery and Servicing Plan has been submitted to and approved in writing by the local planning authority.
- (b) The plan shall demonstrate the expected number and time of delivery and servicing trips to the site, with the aim of reducing the impact of servicing activity.
- (c) The approved Delivery and Servicing Plan shall be implemented in full accordance with the approved details from the first occupation of the development and shall be adhered to in perpetuity.

**Reason:** In order to ensure satisfactory vehicle management and to comply with Policy 14 Sustainable movement and transport of the Core Strategy (June 2011).

13. (a) Notwithstanding the details approved, no part of the development hereby approved shall be occupied until such time as a user's Travel Plan, in accordance with Transport for London's document 'Travel Planning for New Development in London' has been submitted to and approved in writing by the local planning authority. The development shall operate in full accordance with all measures identified within the Travel Plan from first occupation.
- (b) The Travel Plan shall specify initiatives to be implemented by the development to encourage access to and from the site by a variety of non-car means, shall set targets and shall specify a monitoring and review mechanism to ensure compliance with the Travel Plan objectives.
- (c) Within the timeframe specified by (a) and (b), evidence shall be submitted

to demonstrate compliance with the monitoring and review mechanisms agreed under parts (a) and (b).

**Reason:** In order that both the local planning authority may be satisfied as to the practicality, viability and sustainability of the Travel Plan for the site and to comply with Policy 14 Sustainable movement and transport of the Core Strategy (June 2011).

14. Prior to the occupation of the building hereby approved, details of screening to the balconies serving unit numbers 10, 13, 23 and 33 shall be submitted to and approved in writing by the local planning authority. The screening as approved shall be installed prior to the occupation of unit numbers 10, 13, 23 and 33, and retained in perpetuity.

**Reason:** To avoid the direct overlooking of adjoining properties and consequent loss of privacy thereto and to comply with DM Policy 31 Alterations and extensions to existing buildings including residential extensions, DM Policy 32 Housing design, layout and space standards, DM Policy 32 Housing design, layout and space standards of the Development Management Local Plan (November 2014).

15. (a) The detailed design for each dwelling hereby approved shall meet the required standard of the Approved Document M of the Building Regulations (2015) as specified below:

(i) Units 03, 09, 19, 29, 41 shall meet standard M4(3)(2)

(ii) All other units shall meet standard M4(2)

(b) No development shall commence above ground level until written confirmation from the appointed building control body has been submitted to and approved in writing by the local planning authority to demonstrate compliance with part (a) of this condition.

(c) The development shall be carried out in accordance with the requirements of part (b) of this condition.

**Reason:** To ensure that there is an adequate supply of wheelchair accessible housing in the Borough in accordance with Policy 1 Housing provision, mix and affordability and Policy 15 High quality design for Lewisham of the Core Strategy (June 2011) and DM Policy 32 Housing design, layout and space standards of the Development Management Local Plan (November 2014).

16. Notwithstanding the Town and Country Planning (General Permitted Development) Order 2015 (or any Order revoking, re-enacting or modifying that Order), no satellite dishes shall be installed on the elevations or the roof of the building.

**Reason:** In order that the local planning authority may be satisfied with the details of the proposal and to accord with Policy 15 High quality design for Lewisham of the Core Strategy (June 2011) and DM Policy 30 Urban design and local character of the Development Management Local Plan (November 2014).

17. Notwithstanding the Town and Country Planning (General Permitted Development) Order 2015 (or any Order revoking, re-enacting or modifying that Order), no plumbing or pipes shall be fixed on the external faces of the building.

**Reason:** In order that the local planning authority may be satisfied with the details of the proposal and to accord with Policy 15 High quality design for Lewisham of the Core Strategy (June 2011) and DM Policy 30 Urban design and local character of the Development Management Local Plan (November 2014).

18. Notwithstanding the Town and Country Planning (General Permitted Development) Order 2015 (or any Order revoking, re-enacting or modifying that Order), no windows (or other openings) shall be constructed in any elevation of the building other than those expressly authorised by this permission.

**Reason:** To enable the local planning authority to regulate and control any such further development in the interests of amenity and privacy of adjoining properties in accordance with DM Policy 31 Alterations and extensions to existing buildings including residential extensions, DM Policy 32 Housing design, layout and space standards and DM Policy 33 Development on infill sites, backland sites, back gardens and amenity areas of the Development Management Local Plan (November 2014).

19. The whole of the amenity space (including roof terraces and balconies) as shown on the approved plans hereby approved shall be retained permanently for the benefit of the occupiers of all the residential units hereby permitted.

**Reason:** In order that the local planning authority may be satisfied as to the amenity space provision in the scheme and to comply with Policy 15 High quality design for Lewisham of the Core Strategy (June 2011) and DM Policy 32 Housing Design, layout and space standards of the Development Management Local Plan (November 2014).

20. Notwithstanding the Town and Country Planning (General Permitted Development) Order 2015 (or any Order revoking, re-enacting or modifying that Order), the use of the flat roofs on the building hereby approved shall be as set out in the application and no development or the formation of any door providing access to additional areas of the roof shall be carried out, nor shall the roof area be used as a balcony, roof garden or similar amenity area.

**Reason:** In order to prevent any unacceptable loss of privacy to adjoining properties and the area generally and to comply with Policy 15 High Quality design for Lewisham of the Core Strategy (June 2011), and DM Policy 31 Alterations and extensions to existing buildings including residential extensions, DM Policy 32 Housing design, layout and space standards of the Development Management Local Plan (November 2014).

21. (a) No development shall commence above ground level on site until plans (1:50) and details showing the physical fit out of the commercial unit hereby approved have been submitted to and approved in writing by the local planning authority.

- (b) Prior to occupation of the residential units, the commercial unit shall be constructed in full accordance with the approved details.

**Reason:** To ensure that the fit-out of the units is sufficient to ensure that they are an attractive and commercially viable option and to demonstrate the developers commitment to delivering the commercial units as part of this development in accordance with Core Strategy Policy 4 Mixed Use Employment Locations (June 2011) and Development Management Local Plan (November 2014) DM Policy 9 Mixed Use Employment Locations

22. (a) Prior to commencement of an A3 use, detailed plans and a specification of the appearance of and the equipment comprising a ventilation system which shall include measures to alleviate noise, vibration, fumes and odours (and incorporating active carbon filters, silencer(s) and anti-vibration mountings where necessary) shall be submitted to and approved in writing by the local planning authority.
- (b) The ventilation system shall be installed in accordance with the approved plans and specification before use of the development hereby permitted first commences and shall thereafter be permanently maintained in accordance with the approved specification.

**Reason:** To safeguard the amenities of the adjoining premises and the area generally and to comply with Policy 17 Restaurants and cafes (A3 uses) of the Development Management Local Plan (November 2014).

23. The commercial premises hereby approved shall only be open for customer business between the hours of 07:00 and 23:00.

**Reason:** In order to safeguard the amenities of adjoining occupants at unsociable periods and to comply with Paragraph 120 of the National Planning Policy Framework and DM Policy 26 Noise and Vibration and DM Policy 32 Housing design, layout and space standards of the Development Management Local Plan (November 2014).

24. (a) The commercial units shell and core works hereby approved shall achieve a minimum BREEAM Rating of 'Excellent'.
- (b) No development of the commercial unit shall commence until a Design Stage Certificate for the commercial unit (prepared by a Building Research Establishment qualified Assessor) has been submitted to and approved in writing by the local planning authority to demonstrate compliance with part (a) of this condition.
- (c) Within 3 months of first occupation of any commercial unit, evidence shall be submitted in the form of a Post Construction Certificate (prepared by a Building Research Establishment Qualified Assessor) to demonstrate full compliance with part (a) of this condition in respect of such commercial unit.

**Reason:** To comply with Policies 5.1 Climate change and mitigation, 5.2 Minimising carbon dioxide emissions, 5.3 Sustainable design and construction,

5.7 Renewable energy, 5.15 Water use and supplies in the London Plan (2016) and Core Strategy Policy 7 Climate change and adapting to the effects, Core Strategy Policy 8 Sustainable design and construction and energy efficiency (June 2011).

25. (a) No development (excluding demolition) shall commence until details of the following works to the highway (including drawings and specifications) have been submitted to and approved in writing by the local planning authority:

- (i) the extension of the existing Sheffield stand bank on Rushey Green to provide 4 no. Sheffield type stainless steel stands
- (ii) the provision of two disabled parking spaces on Davenport Road;

(b) The building shall not be occupied until the highways works referred to in paragraph (a) of this condition have been implemented in accordance with the details approved under the said paragraph (a).

**Reason:** In order to ensure that satisfactory means of access is provided, to ensure that the development does not prejudice the free flow of traffic or conditions of general safety along the neighbouring highway and to comply with Policy 14 Sustainable movement and transport of the Core Strategy (June 2011). This is a pre-commencement condition because the local planning authority needs to be satisfied that the proposed and required Highways Works necessary to facilitate the development can be satisfactorily designed before development starts.

26. (a) Details of the proposed solar panels shall be submitted to and approved in writing by the LPA prior to the commencement of any above ground works.
- (b) The solar panels approved in accordance with (a) shall be installed in full prior to first occupation of the residential units hereby approved, and retained in perpetuity.

**Reason:** To comply with Policies 5.1 Climate change and mitigation, 5.2 Minimising carbon dioxide emissions, 5.3 Sustainable design and construction, 5.7 Renewable energy, 5.15 Water use and supplies in the London Plan (2016) and Core strategy Policy 7 Climate change and adapting to the effects and Core Strategy Policy 8 Sustainable design and construction and energy efficiency (2011).

## **Informatives**

- A. **Positive and Proactive Statement:** The Council engages with all applicants in a positive and proactive way through specific pre-application enquiries and the detailed advice available on the Council's website. On this particular application, positive discussions took place which resulted in further information being submitted.
- B. As you are aware the approved development is liable to pay the Community Infrastructure Levy (CIL) which will be payable on commencement of the

development. An '**assumption of liability form**' must be completed and before development commences you must submit a '**CIL Commencement Notice form**' to the council. You should note that any claims for relief, where they apply, must be submitted and determined prior to commencement of the development. Failure to follow the CIL payment process may result in penalties. More information on CIL is available at: - <http://www.lewisham.gov.uk/myservices/planning/apply-for-planning-permission/application-process/Pages/Community-Infrastructure-Levy.aspx>

- C. You are advised that all construction work should be undertaken in accordance with the "London Borough of Lewisham Code of Practice for Control of Pollution and Noise from Demolition and Construction Sites" available on the Lewisham web page.

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9-19 RUSHEY GREEN, LONDON, SE6 4AZ Site Plan



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Appendix A

Viability Assessment



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**GL Hearn**  
Part of Capita Real Estate

# 9-19 Rushey Green Lewisham SE6 4AZ

## **Viability Assessment**

for  
London Borough of Lewisham

November 2017

### **Prepared by**

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## **Appendices**

**APPENDIX A: BUILD COST SUMMARY**

**APPENDIX B: FINANCIAL APPRAISAL**

## Quality Standards Control

The signatories below verify that this document has been prepared in accordance with our quality control requirements. These procedures do not affect the content and views expressed by the originator.

This document must only be treated as a draft unless it has been signed by the Originators and approved by a Business or Associate Director.

DATE

November 2017

ORIGINATORS

David Price  
Senior Surveyor



APPROVED

Guy Ingham  
Director



### Limitations

This document has been prepared for the stated objective and should not be used for any other purpose without the prior written authority of GL Hearn; we accept no responsibility or liability for the consequences of this document being used for a purpose other than for which it was commissioned.

## 1 INTRODUCTION

- 1.1 GL Hearn has been instructed by London Borough of Lewisham (the Council) to review a viability assessment submitted by Upside London Limited (ULL) on behalf of Threadneedle Pensions Limited (the Applicant) in support of their proposed planning application for a site at 9-19 Rushey Green (the Site).
- 1.2 The subject property comprises a brick built office building providing 28,144 sq ft of Use Class A2 accommodation and secure parking to the rear of the site. The site is located on Rushey Green, due south of Lewisham High Street in the London Borough of Lewisham. The immediate area comprises a mix of commercial and residential uses.
- 1.3 Rushey Green (A21) provides access into central Lewisham to the north and the south circular to the south. The site is situated between Lewisham and Catford and is circa 1.1 miles from Lewisham Station which provides access to the DLR and National Rail Services with Catford Station located 0.7 miles to the south west. Lewisham Shopping Centre is located approximately 0.9 miles to the north.
- 1.4 ULL is the lead author of the Financial Viability Assessment (FVA) but they have relied on a number of sources of third party advice. Specifically the following information has been incorporated in their assessment:-

- Robinson Low Francis (RLF) - Construction Costings
- JTP - Architect

### **The Application Scheme**

- 1.5 Planning permission is sought by the Applicant for the following:-

*“Demolition of the existing building at 9-19 Rushey Green, SE6 and the erection of a mixed-use building of 6 storeys in height, comprising 45 residential units (Use Class C3) and 295sqm of commercial floorspace (flexible A1/A2/A3/B1use), with associated ancillary space including bike store, refuse and recycling storage and landscaping”.*

- 1.6 The Applicant is proposing a new six storey building to provide 45 residential flats comprising 27 x 1 bed units, 14 x two bed units and 4 x three bed units situated on the ground to fifth floor levels along with 295 sq m of commercial accommodation on the ground floor.
- 1.7 We have been provided with an accommodation schedule for the proposed residential units detailing the individual units and pricing which arrives at an overall capital value rate of £551psf. We detail in the table below the range of prices applied to each unit type;



Unit Type	Units	Area Range (sq ft)	Price Range	Price Range (£/psf)
1 bed apartment / 2 person	27	539 - 689	£320,000 - £375,000	£545 - £594
2 bed apartment / 3 person	11	664 - 720	£390,000 - £400,000	£555 - £587
2 bed apartment / 4 person	3	755 - 755	£415,000 - £415,000	£550 - £550
3 bed apartment / 4 person	1	947 - 947	£475,000 - £475,000	£501 - £501
3 bed duplex / 4 person	3	1,160 - 1,349	£530,000 - 580,000	£430 - £457
<b>Total</b>	<b>45</b>	<b>30,541</b>	<b>£16,820,000</b>	<b>£551</b>

- 1.8 In addition to the proposed residential accommodation detailed above the Applicant is proposing 295 sq m of flexible A1/A2/A3/B1 use accommodation with associated ancillary space including a bike store, refuse and recycling storage and landscaping.
- 1.9 ULL has indicated that the proposed scheme comprising a nil on-site affordable housing contribution or payment in lieu of affordable housing results on a deficit of £203,669 when the residual land value is compared to ULL's opinion of Benchmark Land Value. Despite the projected deficit, ULL has stated that the Applicant is willing to bring forward the site.

## 2 GENERAL METHODOLOGY

### Introduction

- 2.1 GL Hearn's review of the FVA has had regard to the RICS Guidance Note "Financial Viability in Planning".
- 2.2 We do not take issue with the overarching methodology used by the applicant's consultant within their assessment. They have:
- Assessed the realisable value of the proposed scheme;
  - Assessed the costs associated with delivering the scheme including provision of a build cost plan;
  - Assessed a Benchmark Land Value (based on EUV);
  - Undertaken a residual appraisal to calculate the residual land value which is compared against the Benchmark Land Value to establish whether the scheme is viable or not assuming the current level of planning obligations.
- 2.3 ULL has used the Argus Developer appraisal programme to assess the viability of development. This is a commercially available, widely used software package for the purposes of financial viability assessments. The methodology underpinning viability appraisals is the Residual Method of Valuation, commonly used for valuing development opportunities. Firstly, the gross value of the completed development is assessed and the total cost of the development is deducted from this.
- 2.4 The approach adopted by ULL has been to adopt a number of assumptions in relation to the proposed scheme which produces the residual land value. With this approach, if the residual land value is lower than the Benchmark Land Value, then the scheme is deemed to be unviable and is therefore unlikely to come forward for development unless the level of affordable housing and/or planning obligations can be reduced.
- 2.5 In this case the ULL has considered the Benchmark Land Value on the basis of Existing Use Value (EUV) as a 28,144 sq ft office let to a Job Centre Plus to which a land owner's premium has been applied before arriving at an assumed Benchmark Land Value of £1,920,000.
- 2.6 ULL has modelled the proposed scheme and indicated that the development produces a residual land value of £1,716,331. ULL has indicated that the scheme provides a deficit of £203,669 when compared to the assumed BLV of £1,920,000.
- 2.7 Given the findings of their viability analysis, ULL has concluded that the proposed scheme is unable to deliver any on-site affordable units or off-site contribution in addition to the assumed CIL contributions and Carbon Offset Payment and despite the projected deficit, it appears that the Applicant is willing to proceed with the development.

- 2.8 Given that the calculations are being made well in advance of even commencement of the development, the figures used in the applicant's appraisal can only be recognised as a projection. As such, it is essential that all assumptions are carefully scrutinised by the Council to ensure that they reflect current market conditions and have not been unreasonably depressed in respect of the value or overestimated in respect of the development costs.
- 2.9 GL Hearn's approach once again has been to critically examine all of the assumptions on which the ULL appraisal is based.
- 2.10 It is also important to carefully scrutinise the applicant's methodology. In particular the measure of Benchmark Land Value, which we analyse in the following section, as it has a fundamental effect on the viability equation.

### 3 CRITIQUE OF BENCHMARK LAND VALUE

3.1 Determining an appropriate Benchmark Land Value is often the most important factor in determining the viability. Put simply, if the value generated by the development does not produce a positive figure, there is no financial incentive to bring forward the development with all its associated risk.

3.2 Arriving at an appropriate Benchmark Land Value is not a straightforward exercise and this is acknowledged at 3.4.6 of the RICS Guidance Note which states that:

*“The assessment of Site Value in these circumstances is not straightforward, but it will be, by definition, at a level at which a landowner would be willing to sell which is recognised by the NPPF.”*

3.3 In arriving at an appropriate BLV regard should be had to existing use value (also referred to as current use value), alternative use value, market/transactional evidence (including the property itself if that has recently been subject to a disposal/acquisition), and all material considerations including planning policy. Existing Use Value is widely used in establishing Benchmark land value and is supported in the latest mayoral SPD and by the London Assembly Planning Committee.

#### **Summary of Applicant’s Position**

3.4 ULL has put forward a BLV of £1,920,000 having considered the site value on the basis of Existing Use Value (EUV). The subject site comprises a 28,144 sq ft office building and also provides secure car parking spaces. The property is let entirely to Job Centre Plus and we understand the tenant operates under Use Class A2.

3.5 ULL has considered the achievable rental value of the subject property based on comparable evidence and applied an appropriate yield based on comparable investment transactions to arrive at their opinion of EUV. ULL has adopted the current net effective rent of £133,333 per annum which has been capitalised at a yield of 8% before arriving at an assumed EUV of £1,600,000.

3.6 ULL has applied a premium of 20% to the EUV as an incentive for the land to be released for development which results in a Benchmark Land Value of £1,920,000. We comment on each of these assumptions in turn below;

#### Rent

3.7 As previously stated the property is currently let to Job Centre Plus on a lease from 29<sup>th</sup> September 2016 to 31<sup>st</sup> March 2018 at a passing rent of £160,000 per annum reflecting an overall rate of £5.69 per sq ft. We understand that the net effective rent is £133,333 per annum after allowing for a three month rent free period.

- 3.8 In addition to the evidence cited within the property, ULL has referred to other evidence in the locality of comparable A2 accommodation, specifically Duke House, 84-88 Rushey Green and Catford Town Hall. Duke House, 84-88 Rushey Green comprised 1,462 sq ft of secondary office accommodation and was available to rent in December 2016 at a rent equating to £14.02 per sq ft. We understand that The Compass Company took 20,934 sq ft of office accommodation at Catford Town Hall on a 1 year lease with a 6 month break option at a rent equating to £18 per sq ft. ULL has reported that the accommodation was newly refurbished at the time of letting.
- 3.9 We would comment that the best evidence is the subject property itself. We do not consider newly refurbished accommodation to be comparable to the subject accommodation and the accommodation referred to at Duke House is of a significantly reduced scale when again compared with the subject premises.
- 3.10 ULL has adopted the net effective rent of £133,333 equating to £4.74 per sq ft which has been capitalised by an assumed yield. We do not take issue with the rent adopted given the recent nature of the letting and have applied this for the purposes of our modelling.

#### Yield

- 3.11 ULL has applied a yield of 8% having cited market evidence in the locality. We would comment that there is a significant level of risk associated with the income on the subject property given the Job Centre Plus lease term expires in March 2018.
- 3.12 Having reviewed the evidence provided and undertaken our own assessment of the market we are of the opinion that 8% is reflective of market conditions. In the light of our research and the lack of similar properties transacting the immediate locality, we consider 8% to be reasonable.

#### Valuation Methodology

- 3.13 It appears from the Financial Viability Report that ULL has simply applied their assumed net effective Market Rent and capitalised at a yield of 8% into perpetuity before applying a premium of 20%. Whilst we agree with the rental and yield assumptions we consider the methodology not to be correct.
- 3.14 We have therefore valued the current income (£160,000) until the end of the term at lease expiry (31<sup>st</sup> March 2018). We have then assumed a void period of 18 months before valuing the reversion. We have not assumed any rent free periods as the assumed reversionary rent is net of incentives. We have also accounted for purchaser costs, letting fees and empty rates in our EUV figure.
- 3.15 Adopting the above assumptions we arrive at an EUV of £1,282,500.

### Premium

- 3.16 ULL has applied a premium of 20% to the EUV to incentivise the landowner to release the land for development on account of the potential use as a B1 office. We would comment that for a change of use to be granted a full planning application would be required. As such, there are inherent risks associated, especially given the town centre location with local authorities often seeking to protect retail uses particularly at ground floor level.
- 3.17 The latest Mayoral SPD states that premiums require justification and could be between 10 per cent and 30 per cent, but must reflect site specific circumstances. We note the existing lease term is due to expire early next year and at which point we are advised that the Job Centre will vacate the premises. Therefore, as we have referred to above, there is a significant risk attached to this income especially given the standard of accommodation and current use class of the building. As such we consider a 10% premium to be reasonable in this instance.

### Summary

- 3.18 ULL has arrived at an EUV of £1,600,000 to which they have applied a premium of 20% to arrive at an assumed BLV of £1,920,000.
- 3.19 Reflecting our assumptions in regard to the assumed void period at lease expiry we have arrived at an EUV of £1,282,500 to which we have applied a premium of 10% in order to arrive at an assumed BLV of £1,410,750.
- 3.20 We have therefore assumed a Benchmark Land Value of **£1,410,750** on which to assess the viability of the scheme proposed.

## 4 ASSESSMENT OF APPLICATION SCHEME INPUTS

4.1 The following section critically reviews the proposed scheme and the assumptions adopted in the applicant's FVA.

### Residential Value Assumptions

4.2 The key value driver of the application scheme is the residential content and we review this in the following section.

4.3 As referred to earlier the proposed scheme comprises 45 residential units in a mix of one, two and three bed apartments. All of the units are proposed as private sale with zero provision of affordable housing.

4.4 ULL has undertaken their own research into the local residential market and has applied the following range of sales values to the proposed units:-

Unit Type	Units	Area Range (sq ft)	Price Range	Price Range (£/psf)
1 bed apartment / 2 person	27	539 - 689	£320,000 - £375,000	£545 - £594
2 bed apartment / 3 person	11	664 - 720	£390,000 - £400,000	£555 - £587
2 bed apartment / 4 person	3	755 - 755	£415,000 - £415,000	£550 - £550
3 bed apartment / 4 person	1	947 - 947	£475,000 - £475,000	£501 - £501
3 bed duplex / 4 person	3	1,160 - 1,349	£530,000 - 580,000	£430 - £457
<b>Total</b>	<b>45</b>	<b>30,541</b>	<b>£16,820,000</b>	<b>£551</b>

4.5 We have reviewed the evidence provided and also undertaken our own research in order to verify the assumptions adopted. Before commenting on the on the specific comparable evidence we briefly set out below an overview of the residential market for context:-

4.6 The Land Registry House Price Index (HPI) reported in July 2017 that the annual rate of growth of house prices in the England was 5.4%, and the monthly rate of change was 1.0%. The average house price in England was £243,220 at July 2017.

4.7 London experienced lower growth in the year to July 2017 at 2.8%, with average house prices in London as at July 2017 being £488,729 after monthly growth of 0.3%.

- 4.8 Nationwide's August 2017 press release reports that house prices fell by -0.1% month on month in August. They note that annual house price growth also dropped slightly to 2.1%, compared with 2.9% in July. They comment that *"The annual pace of house price growth moderated to 2.1% in August, from 2.9% in July. The slowdown in house price growth to the 2-3% range in recent months from the 4-5% prevailing in 2016 is consistent with signs of cooling in the housing market and the wider economy. "The economy grew by c.0.3% per quarter in the first half of 2017, around half the pace recorded in 2016. The number of mortgages approved for house purchase moderated to a nine-month low of circa 65,000 in June and surveyors have reported softening in the number of new buyer enquiries. "Nevertheless, in some respects the slowdown in the housing market is surprising, given the ongoing strength of the labour market. The economy created a healthy 125,000 jobs in the three months to June and the unemployment rate fell to 4.4% – the lowest rate for over forty years. In addition, mortgage rates have remained close to all-time lows"*.
- 4.9 The General Election result, with a hung parliament and a minority Government, following on from Britain having voted to leave the EU and triggering Article 50, there will be a period of uncertainty as both the UK and indeed the world economy adjust to the implications. The short term implications will be one of adjustment and will be dependent upon financial stability, while markets, both in the UK and internationally, find a level.
- 4.10 Despite the uncertainty the Government are seeking to promote business as usual by reassuring the markets that investment in major infrastructure projects will continue as planned, and that increasing the supply of housing remains a national priority.
- 4.11 The average house price across the Borough as at July 2017 stood at £416,848 which equates to a positive annual change in house prices of 1.5%. This compares to the average house price across London of circa £490,000 with reported annual growth of 2.8%.
- 4.12 Generally, residential developer activity in Lewisham is strong with there being significant competition for sites. Developers continue to see good prospects for both commercial and residential development given the good transport links and connectivity to central London via rail and DLR links.
- 4.13 ULL has referred to a number of transactions within the Catford Green development by Barratt whilst also considering sales of second hand Victorian conversion terraced flats in the immediate vicinity of the subject site. They have provided completed sales from May 16 to December 16 in the Ferdinand and Lawrence buildings and sales completed in June 16 within the Westmead building. The evidence in the Ferdinand and Lawrence buildings arrive at an average value on a capital rate basis of £551 per sq ft. The sales within the Westmead building equate to a capital value rate of £526 per sq ft.



4.14 We would concur that the Catford Green development provides a good indication of new build sales values in the area and as such we provide further detail on the scheme below;-

4.15 Catford Green, Lewisham - is a large new Barratt development located in close proximity to Catford and Catford Bridge stations. The development comprises 635 one, two and three bedroom apartments opening on to the 54 acres of Ladywell Fields. As at Q3 2017 all of the units within the Ferdinand, Dempsey, Burgess, Dunstone, Lawrence, Harlie, Abbey, Appelby and Westmead Courts buildings have been sold. In addition there are 126 units within the Dixie Court phase of which 120 have now sold. Grosvenor Court is the final phase of the development and is due to complete in Q2 2018. The phase was launched in Q3 2017 and so far 20 units have been sold. The current pricelist shows 1 bed units from £328,000, 2 bed units from £392,000 and 3 bed units from £588,000 demonstrating an average of £670 per sq ft. We detail a number of available units within this phase and the remaining available units within Dixie Court in the table below;

Block	No. of Beds	Floor	Price	Floor area (sq ft)	£ / psf
Plot 532	1	3	£328,000	429	£765
Plot 534	1	3	£328,000	429	£765
Plot 505	2	1	£392,000	550	£713
Plot 504	2	1	£392,000	554	£708
Plot 508	2	1	£405,000	543	£746
Plot 393 Dixie Court	2	2	£480,000	789	£608
Plot 386 Dixie Court	2	2	£493,000	780	£632
Plot 406 Dixie Court	2	3	£498,000	789	£631
Plot 497	2	Gnd	£518,000	794	£652
Plot 498	2	Gnd	£527,000	774	£681
Plot 404 Dixie Court	3	3	£588,000	1,076	£546
Plot 422 Dixie Court	3	4	£591,000	1,076	£549

4.16 The above units provide a wide range of sales values from £546 - £765 per sq ft on a capital value rate basis. We would comment that the two bed units within the Grosvenor Court phase are particularly small which explains the high capital value rate. The proposed two bedroom units at the subject site are considerably larger ranging from 664-755 sq ft and we would therefore expect a lower capital value rate. The two bedroom units within the Dixie Court phase are much larger and more akin to the subject two bedroom units. The Dixie Court asking prices demonstrate a range £608 to £631 per sq ft. This is clearly in advance of the applied pricing in regard to the proposed

two bed units. Whilst we consider the Barratt scheme to provide the best evidence, we do consider the development to benefit from scale and public realm improvements when compared to the subject site. We do however consider that the proposed units would achieve sales prices above that applied by ULL.

- 4.17 We would comment further that the evidence provided by ULL details most units completing in May and June 2016. The point at which the sale prices were agreed is likely to be well before this date and we therefore consider this evidence to be somewhat historic.

#### Summary

- 4.18 We would acknowledge that due to the scale and location of the Catford Green development, it is appropriate to reflect a discount to the units within the subject site but not to the extent indicated by ULL given the historic nature of the evidence put forward. The Catford market has continued to improve demonstrated by increasing sales values within Barratt's Catford Green development and as such we consider an average value of £575 per sq ft to be reasonable in the case of the subject units.

#### Residential Ground Rent

- 4.19 ULL has assumed the following ground rental income which has been capitalised at a yield of 5%; -
- 1 Bed - £300 p.a.
  - 2 Bed - £400 p.a
  - 3 Bed - £500 p.a.
- 4.20 Within the appraisal an average ground rental income of £349 per annum has been applied which is reflective of the above mix. The capitalised total ground rental income of £15,700 arrives at a capital value of £314,000. We consider these assumptions appropriate and in line with the market.

#### Commercial Value Assumptions

- 4.21 The scheme includes 3,173 sq ft of flexible A1/A2/A3/B1 use accommodation. ULL has applied a rent of £22.50 per sq ft to the accommodation which has been capitalised at a yield of 6.5% to arrive at a capital value of £1,039,452 after allowing for a 6 month rent free period. We comment on these assumptions in turn below;-

#### Rent

- 4.22 ULL had applied a rent of £22.50 per sq ft to the proposed accommodation citing evidence in the Renaissance development closer to central Lewisham as well as accommodation at 3 Jerrard Street, 27 Winslade Way and 99 Rushey Green. We understand the asking rent at the Renaissance

unit equates to a rent of £25.33 per sq ft. We are in agreement with ULL in that we consider the Renaissance development to be most comparable and we consider this location superior to that of the subject premises given the location to Lewisham centre and the large number of new build residential units in this location. We therefore consider the applied rent of £22.50 per sq ft to be reflective of market levels.

Yield

4.23 ULL has adopted a net initial yield of 6.5% and has cited yield evidence demonstrating a range of 5.23% to 7.23%. we have sought our own evidence to verify the adopted yield which we detail in the table below;-

Address	Size Sq ft	Sale Price	Yield	Comments/lease terms
8-12 Lee High Road, SE14 5LQ	Total 6,491 3,502 Office 2,989 Retail	£2,200,000 (Feb 2017)	6.1%	Dated building in the centre of Lewisham. Includes retail space.
Unit E1 Roma Corte, Renaissance, Loampit Vale SE13 7DJ	1644	£450,000 (Jan 2017)	5.5%	New build office space in new build development scheme. 999 year lease.

4.24 We consider the ULL Sainsbury’s comparable for the new build Barratt scheme in Loampit Vale to also provide good comparable evidence for the subject property. Whilst we consider the yield to be lower than we would expect for the subject unit given the improved location and covenant strength we would comment that the comparable provides good evidence of new accommodation in a residential led scheme in the locality.

4.25 Having considered the above evidence and the comparables provided by ULL, we are of the opinion that the applied yield of 6.5% is reflective of the market.

Summary

4.26 When applying the ULL assumptions in regard to the proposed commercial accommodation they arrive at a capital value of £1,039,452. As we have stated above, we consider the applied rent to be reflective of market conditions but have adjusted the yield.

4.27 Adopting our assumptions with regard to the yield with all other assumptions staying the same, we arrive at a capital value of £1,130,178.

4.28 For the purposes of our modelling we have therefore adopted a figure of £1,130,178 for the value of the proposed flexible commercial accommodation.

## Cost Assumptions

### Build Cost

- 4.29 A budget cost estimate has been prepared by RLF on behalf of the applicant to inform the viability assessment. GL Hearn has sub instructed quantity surveyors Johnson Associates (JA) to review the cost plan on behalf of the Council. The RLF cost estimate results in a total build cost of £10,466,000. For ease of reference we detail the breakdown of cost items in the table below;-

Cost Item	Estimated Cost
Facilitating Works	£250,000
Substructure	£413,000
Superstructure	£3,255,000
Internal Finishes	£757,000
Fittings, Furnishings & Equipment	£563,000
Services	£1,946,000
Externals	£355,000
<b>Subtotal</b>	<b>£7,539,000</b>
Preliminaries & Fixed Price Allowance	£1,782,000
Overheads & Profits	£650,000
Design Risk & Contingency	£495,000
<b>Total</b>	<b>£10,466,000</b>

- 4.30 A line by line review of the RLF cost estimate has been undertaken and this is provided at Appendix A.
- 4.31 In overall terms it is JA's opinion that the scheme as proposed could be delivered for a total cost of £9,593,620.56 which represents a cost reduction of £872,379.44. We have adopted the JA cost figure in our appraisals for initial modelling purposes. Johnson Associates commented that there was an error in the common parts services and that they considered there to be double counting in terms of the kitchen appliances together with a number of rates.

### Professional Fees

- 4.32 ULL has assumed professional fees of 8% which totals £655,120 based on their opinion of build costs. We consider this an appropriate assumption within the appraisal.

### Marketing and Transactional fees

4.33 The following allowances have been made in the ULL development appraisal:

- Residential Marketing - 1.25%
- Residential Sales Agent Fee - 1.25%
- Residential Sales Legal Fee - £750 per unit
- Ground Rent Sales Agent Fee - 2%
- Ground Rent Sales Legal Fee - 1%
- Commercial Letting Agent Fee - 10%
- Commercial Letting Legal Fee - 5%
- Commercial Sales Agent Fee - 2%
- Commercial Sales Legal Fee - 0.5%

4.34 We are of the opinion that the above allowances are reasonable.

#### Finance Costs

4.35 Finance costs have been assumed at 7% debit rate and 0% credit rate. Most developers are currently assuming an overall rate of between 6-7% in appraisals for schemes of this nature. Given the recent rate increase and that this is at the upper end, we consider 7% to be reasonable and have adopted it within our modelling.

#### Contingency

4.36 A contingency sum of £495,000 has been included within the construction cost estimate labelled as design risk and contingency reflecting a 6.6% allowance. This figure has been adjusted as part of the Johnson Associates review which we have adopted for the purposes of our modelling.

#### S106 / CIL Costs

4.37 In respect of planning contributions, the following has been assumed in the ULL Ltd modelling:-

- Mayoral CIL - £40,265
- Lewisham CIL (Residential) -£62,059
- Lewisham CIL (Commercial) - 5,771
- **Total CIL Contributions - £108,095**

4.38 We have not confirmed these figures with LBL and recommend that these figures are reviewed by the Council's CIL Officer. However, for the purpose of our own modelling we have mirrored the assumptions above as adopted by ULL.

4.39 We note the subject property is currently in use and is let to Job Centre Plus and whilst we have not been provided with the workings we assume that part or the entire existing floorspace would be used to offset a CIL requirement.

Developer's Profit

- 4.40 ULL has adopted profit margins of 20% on value for the private residential units and 15% on value for the commercial element to arrive at a blended profit margin of 19.71% on GDV.
- 4.41 Developer's profit margin is determined by a range of factors including property market conditions, individual characteristics of the scheme, comparable schemes and the development's risk profile. It is quite common for developers in London to work on the assumption of a profit based on 20% GDV for private residential accommodation and this is widely accepted by many authorities. However it is arguable that the development market in this part of London is extremely competitive to the extent that developers will need to reduce profit below this level to secure opportunities. Moreover there are number of viability assessments in the Borough, which are predicated on a lower developers return, which does indicate the markets willingness to proceed with developments at lower levels of return.
- 4.42 However, in the context of the current economic climate after Britain voted to leave the EU we are of the opinion that the adopted profit margins are acceptable. In addition we would comment that if affordable housing was to be introduced we would expect a profit margin of 6% to be applied for this element.

Summary Table

- 4.43 The table below provides a summary of the above analysis highlighting the current areas of difference which will form the basis of our sensitivity testing in the following section.

Assumption	ULL figure	GLH figure (where different)	Comments
Private Residential Sales Values	£551psf	£575psf	We consider the proposed units to be undervalued.
Residential Ground Rent	£349 p.a. @ 5%	-	Agreed for modelling purposes
Office Values	£22.50psf @ 6.5%	-	-
Construction Costs	£10,466,000	£9,593,620.56	We have adopted JA's opinion of construction costs.
Contingency	Included in the BC	-	-
Professional Fees	8%	-	Agreed for modelling purposes
Disposal Fees	Residential Sales Agent Fee - 1.25% Residential Sales Legal Fee - £750 per unit	-	Agreed for modelling purposes

	Ground Rent Sales Agent Fee - 2% Ground Rent Sales Legal Fee - 1% Commercial Letting Agent Fee - 10% Commercial Letting Legal Fee - 5% Commercial Sales Agent Fee - 2% Commercial Sales Legal Fee - 0.5%		
Combined Local & Mayoral CIL	£108,095	-	We have not verified this figure however assume it to be a correct sum of monies
Interest / Finance Costs	7%	-	Agreed for modelling purposes
Developers Profit	20% GDV Residential 15% GDV Commercial	-	Agreed for modelling purposes
Benchmark Land Value	£1,920,000	£1,410,750	See Section 3 for details

## 5 FINANCIAL APPRAISALS & CONCLUSIONS

- 5.1 Where our own market research has indicated that the inputs used have not been fully justified we have sought to illustrate the potential impact on the development surplus/deficit. In this respect we have undertaken sensitivity analysis producing a residual appraisal using Argus Developer, which is a leading industry-standard development appraisal package commonly used by developers and agents to assess development viability.
- 5.2 Although this analysis does not constitute formal valuations under the provisions of the RICS Valuation Standards ('Red Book') it will help in providing evidence to inform the Council's decision making process in respect of the applicants planning application.
- 5.3 We have been provided with a development appraisal from ULL detailing their assumptions and inputs.
- 5.4 This includes their timing assumptions as follows:
- 15 month build period
  - 9 month sales period
- 5.5 As has been highlighted in the previous section, with the exception of BLV, construction costs and the proposed private values, we are in broad agreement with all of the other ULL assumptions which make up this appraisal.
- 5.6 ULL arrive at a development deficit of £-203,669 when adopting all of their assumptions in respect of the benchmark land value and proposed scheme.
- 5.7 Reflecting the changes detailed in the table at 4.43 the proposed scheme results in a scheme surplus of £1,609,182.
- 5.8 For ease of reference our development appraisal can be found at Appendix B.

### Overall Summary

- 5.9 ULL has indicated that there was a project deficit of -£203,669 when adopting their own assumptions with regard to the scheme and the Benchmark Land Value.
- 5.10 Following a meeting between consultants, a narrowing of the extent of the differences of opinion has been reached but an agreed position has not been achieved. For ease of reference there remains a difference of opinion in respect of Benchmark Land Value, residential values and build costs. Adopting our assumptions for these elements we arrive at a development surplus of £1,609,182 on the basis of a wholly private scheme.



- 5.11 The above represents our final position in respect of this review unless substantial new evidence can be provided in respect of the areas of difference. At this stage we have not sought to transpose the identified surplus into an affordable housing allowance and would suggest our revised report is shared with the Applicant for consideration.

## 6 REVISED SCHEME CONCLUSIONS (MARCH 2018)

6.1 Following the issue of our updated draft report in November 2017, further discussions were carried out between GL Hearn and ULL in the attempt to reach agreement in respect of the aforementioned development proposals. The latest position presented by ULL in their letter dated 29<sup>th</sup> November 2017 indicated a project surplus of £1,180,000 which they transposed into 8 x affordable housing units (5 x affordable rent and 3 x shared ownership).

6.2 After receipt of this letter further discussions were held between ULL and GL Hearn but no final viability position was agreed.

6.3 A revised scheme has now been put forward by the Applicant following consultation responses which makes minor design alterations to the proposed development. We detail below the proposed amendments:-

- First floor unit no.10 reduced from 54.23 sqm to 50 sqm
- Second floor unit no.20 reduced from 70.12 sqm to 47.51 sqm
- Third floor unit no.30 reduced from 70.12 sqm to 47.51 sqm
- Fourth floor unit no.40 reduced from 70.12 sqm to 47.51 sqm
- Fifth floor unit no.45 reduced from 66.90 sqm to 54.45 sqm

6.4 In effect the above amendments have resulted in an overall reduction in floorspace of 910 sq ft to the proposed residential accommodation. We highlight in the table below the amendments to the scheme mix. The ground floor commercial accommodation remains the same.

Unit Type	Units (November 2017)	Units (March 2018)
Studio	0	3
1 bed apartment / 2 person	27	28
2 bed apartment / 3 person	11	10
2 bed apartment / 4 person	3	0
3 bed apartment / 4 person	0	1
3 bed duplex / 4 person	4	3
<b>Total</b>	<b>45</b>	<b>45</b>

6.5 We have been provided with an updated viability position from ULL in their letter dated 13<sup>th</sup> March 2018. This letter formalises a number of the agreed assumptions from the previous iteration of the scheme. We summarise these elements below:

### Benchmark land Value

- 6.6 ULL has adopted the previously agreed position in respect of the Existing Use Value from November 2017. This was arrived at by valuing the existing income of £160,000 until lease expiry (31<sup>st</sup> March 2018). We then assumed a void period of 18 months before valuing the reversion. This has been capitalised at an equivalent yield of 8%. We did not assume any rent free periods as the assumed reversionary rent was considered net of incentives. Purchaser costs, letting fees and empty rates were also accounted for in our EUV figure of £1,282,500. After the application of an agreed premium of 10% this resulted in a BLV of £1,410,750.
- 6.7 We understand that there have been no material changes to the subject property or terms of the lease with the tenant due to vacate at the end of the month. To reflect the increased risk to the income we have pushed the yield out to 8.5% and updated the valuation date with all other inputs the same as before. Reflecting the above the changes this results in a revised EUV of £1,175,000. Applying the agreed premium of 10% we arrive at an adjusted BLV of £1,292,500 which represents a reduction of £118,250.

### Residential Sales Values

- 6.8 ULL has applied the previously agreed overall blended value rate per sq ft of £575 to the adjusted private residential floorspace. In respect of the affordable units previously agreed value rates of £195psf and £395psf have been applied in respect of the Affordable Rented and Shared Ownership units. We remain of the opinion that the applied value assumptions remain reflective of the market and the proposed scheme and we therefore consider these to be reasonable.

### Ground Rental Income

- 6.9 ULL has retained the value assumptions in respect of ground rents for the private units despite the recent announcement from the Communities Secretary, Sajid Javid, that new legislation is to be introduced setting ground rents on long leases at zero. Whilst the new legislation has yet to be adopted, ULL has retained the value associated with this (£259,000) but they have highlighted that the Applicant is unlikely to receive the benefit of this income.
- 6.10 We are aware through other FVA reviews GL Hearn have undertaken that the GLA's general approach has been to adopt an investment yield of 10% to reflect the increased uncertainty surrounding the value associated with ground rents. If we were to adopt this position with the subject units this would equate to a value of £129,500 which would result in a reduction of £129,500 before finance and other fees were amended.

### Commercial Value Assumptions

- 6.11 ULL has adopted the previously agreed commercial assumptions in respect of the commercial accommodation which provides a value of £1,039,452. We remain of the opinion that the value assumptions are reasonable.

### Construction Costs

- 6.12 A revised construction cost estimate has been provided by RLF which we understand reflects a number of previously agreed positions on some cost items but also reflects amendments to the development.

Cost Item	Estimated Cost
Facilitating Works	£250,000
Substructure	£405,000
Superstructure	£3,217,000
Internal Finishes	£726,000
Fittings, Furnishings & Equipment	£514,000
Services	£1,537,000
Externals	£361,000
Preliminaries & Fixed Price Allowance	£1,590,000
Overheads & Profits	£602,000
Design Risk & Contingency	£460,000
<b>Total</b>	<b>£9,661,000</b>

- 6.13 Once again a line by line review of the RLF cost estimate has been undertaken and this is provided at Appendix A.
- 6.14 In overall terms it is JA's opinion that the scheme as proposed could be delivered for a total cost of £9,579,000 which represents a cost reduction of £82,000. We have adopted the JA cost figure in our appraisals for initial modelling purposes. The marginal reduction is reflective of the fact that a number of the rates were previously agreed in the last iteration of the scheme.

### Summary Table

6.15 As before we have provided a summary table below highlighting the scheme assumptions and areas of difference for the revised scheme:

Assumption	ULL figure	GLH figure (where different)	Comments
Private Residential Sales Values	£575psf		
Residential Ground Rent	£350 p.a. @ 5%	-	-
Office Values	£22.50psf @ 6.5%	-	-
Construction Costs	£9,661,000	£9,579,000	We have adopted JA's opinion of construction costs.
Contingency	Included in the BC	-	-
Professional Fees	8%	-	
Disposal Fees	Residential Sales Agent Fee - 1.25% Residential Sales Legal Fee - £750 per unit Ground Rent Sales Agent Fee - 2% Ground Rent Sales Legal Fee - 1% Commercial Letting Agent Fee - 10% Commercial Letting Legal Fee - 5% Commercial Sales Agent Fee - 2% Commercial Sales Legal Fee - 0.5%	-	
Combined Local & Mayoral CIL	£103,005	-	We have not verified this figure however assume it to be a correct sum of monies
Interest / Finance Costs	7%	-	
Developers Profit	20% GDV Private Residential 6% GDV Affordable Residential 15% GDV Commercial	- - -	Agreed for modelling purposes
Benchmark Land Value	£1,410,750	£1,292,500	See Section 6 for details

### Overall Conclusion

- 6.16 Reflecting their own assumptions, a number of which were previously agreed in the last iteration of the scheme, ULL arrive at a residual land value of £1,341,002 which when compared with the assumed Benchmark Land Value of £1,410,750 indicates a marginal scheme deficit of £-69,748.
- 6.17 When adopting our revised position in respect of the BLV given the forthcoming tenancy expiration we have arrived at a revised BLV of £1,292,500. In addition, when reflecting the JA construction cost savings for the revised scheme of £82,000 the scheme's residual land value would crudely improve to £1,423,002. This demonstrates that the revised scheme based on the current provision of 8 x affordable housing units provides a marginal surplus of £130,502.
- 6.18 However, as we have previously mentioned, with the additional risk now attached to ground rental income, we have applied a yield of 10% to the income which reduces the capital value by £129,500. Whilst there would be savings in respect of sales fees given the reduced value, we consider this to be marginal. Therefore if we were to reflect this reduction in respect of the ground rent the surplus indicated above would be cancelled out.
- 6.19 We therefore consider in this instance that 8 x affordable units offered by the Applicant is the maximum the scheme can viably provide.
- 6.20 Despite the above we understand the Applicant has agreed to provide a total of 11 x on-site affordable units (6 x Affordable Rent & 5 x Shared Ownership). Given that that this offer is in excess of that modelled and in light of the conclusion reached, it is our opinion that this enhanced affordable housing provision represents a good offer and therefore see no reason from a viability perspective that this should not be accepted by the Council.

**APPENDIX A: BUILD COST SUMMARY**

GFA = 3833 m2

Section - Residential development

	Total Cost	Cost/m <sup>2</sup>	Cost/ft <sup>2</sup>	%
<b>FACILITATING WORKS</b>				
1 Toxic / Hazardous Material Treatment	£10,000	£2.61	£0.24	0.1
2 Major Demolition Works	£240,000	£62.61	£5.82	2.5
3 Temporary Support to Adjacent Structures				
4 Specialist Groundworks				
5 Temporary Diversion Works				
6 Extraordinary Site Investigation Works				
	<b>£250,000</b>	<b>£65.22</b>	<b>£6.06</b>	<b>2.6</b>
<b>SUBSTRUCTURE</b>				
1 Substructure	£405,000	£105.67	£9.82	4.2
	<b>£405,000</b>	<b>£105.67</b>	<b>£9.82</b>	<b>4.2</b>
<b>SUPERSTRUCTURE</b>				
1 Frame	£345,000	£89.95	£8.36	3.6
2 Upper Floors	£873,000	£227.66	£21.15	9.0
3 Roof	£350,000	£91.18	£8.47	3.6
4 Stairs and Ramps	£59,000	£15.26	£1.42	0.6
5 External Walls	£801,000	£208.87	£19.40	8.3
6 Windows and External Doors	£285,000	£74.22	£6.90	2.9
7 Internal Walls and Partitions	£296,000	£77.29	£7.18	3.1
8 Internal Doors	£197,000	£51.39	£4.77	2.2



Rushey Green Catford  
8.0 CONSTRUCTION COST SUMMARY

GFA = 3833 m2

Section - Residential development

	Total Cost	Cost/m <sup>2</sup>	Cost/ft <sup>2</sup>	%
	<b>£3,206,000</b>	<b>£835.82</b>	<b>£77.65</b>	<b>33.3</b>
<b>INTERNAL FINISHES</b>				
1 Wall Finishes	£231,000	£60.26	£5.60	2.4
2 Floor Finishes	£364,000	£95.07	£8.83	3.8
3 Ceiling Finishes	£131,000	£34.24	£3.18	1.4
	<b>£726,000</b>	<b>£189.57</b>	<b>£17.61</b>	<b>7.6</b>
<b>FITTINGS, FURNISHINGS AND EQUIPMENT</b>				
1 Fittings, Furnishings and Equipment	£469,000	£122.35	£11.37	5.3
	<b>£469,000</b>	<b>£122.35</b>	<b>£11.37</b>	<b>5.3</b>
<b>SERVICES</b>				
1 Sanitary Installations	£91,000	£23.77	£2.21	0.9
2 Services Equipment	£74,000	£19.18	£1.78	0.8
3 Disposal Installations	£86,000	£22.53	£2.09	0.9
4 Water Installations	£170,000	£44.39	£4.12	1.8
5 Heat Source	£179,000	£46.59	£4.33	1.8
6 Space Heating and Air Conditioning	£184,000	£47.99	£4.46	1.9
7 Ventilation	£321,000	£83.74	£7.78	3.6
8 Electrical Installations	£1,000	£0.28	£0.03	0.0
9 Fuel Installations	£132,000	£34.44	£3.20	1.4
10 Lift and Conveyor Installations				

Rushey Green Catford  
8.0 CONSTRUCTION COST SUMMARY

GFA = 3833 m2

Section - Residential development

	Total Cost	Cost/m <sup>2</sup>	Cost/ft <sup>2</sup>	%
11 Fire and Lightning Protection	£26,000	£6.88	£0.64	0.3
12 Communication, Security and Control Systems	£108,000	£28.28	£2.63	1.1
13 Specialist Installations	£46,000	£12.06	£1.12	0.5
14 Builder's Work in Connection with Services	£92,000	£24.00	£2.23	1.0
	<b>£1,510,000</b>	<b>£394.13</b>	<b>£36.62</b>	<b>16.0</b>
<b>PREFABRICATED BUILDINGS AND BUILDING UNITS</b>				
1 Prefabricated Buildings and Building Units	£0	£0.00	£0.00	0.0
	<b>£0</b>	<b>£0.00</b>	<b>£0.00</b>	<b>0.0</b>
<b>WORKS TO EXISTING BUILDINGS</b>				
1 Minor Demolition Works and Alteration Works				
2 Repairs to Existing Services				
3 Damp Proof Courses / Fungus and Beetle Eradication				
4 Façade Retention				
5 Cleaning Existing Surfaces				
6 Renovation Works				
	<b>£0</b>	<b>£0.00</b>	<b>£0.00</b>	<b>0.0</b>
<b>EXTERNAL WORKS</b>				
1 Site Preparation Works	£20,000	£5.16	£0.48	0.2
2 Roads, Paths, Pavings and Surfacing	£50,000	£12.97	£1.20	0.5
3 Soft Landscaping, Planting and Irrigation Systems	£10,000	£2.73	£0.25	0.1

Rushey Green Catford  
8.0 CONSTRUCTION COST SUMMARY

GFA = 3833 m2

Section - Residential development

	Total Cost	Cost/m <sup>2</sup>	Cost/ft <sup>2</sup>	%
4 Fencing, Railings and Walls	£33,000	£8.61	£0.80	0.3
5 External Fixtures				
6 External Drainage	£61,000	£15.94	£1.48	0.6
7 External Services	£164,000	£42.76	£3.97	1.7
8 Minor Building Works and Ancillary Buildings	£23,000	£5.87	£0.55	0.2
	<b>£361,000</b>	<b>£94.04</b>	<b>£8.73</b>	<b>3.6</b>
Sub Total				
<b>PRELIMINARIES AND FIXED PRICE ALLOWANCE</b>				
1 Preliminaries	£1,590,000	£414.82	£38.54	16.5
	<b>£1,590,000</b>	<b>£414.82</b>	<b>£38.54</b>	<b>16.5</b>
<b>OVERHEADS AND PROFIT</b>				
1 Overhead and Profit	£602,000	£157.06	£14.59	6.2
	<b>£602,000</b>	<b>£157.06</b>	<b>£14.59</b>	<b>6.2</b>
<b>DESIGN RISK AND CONTINGENCIES</b>				
1 Design risk and contingencies	£460,000	£120.01	£11.15	4.8
	<b>£460,000</b>	<b>£120.01</b>	<b>£11.15</b>	<b>4.8</b>
<b>Total Construction Cost</b>	<b>£9,579,000</b>	<b>£2,498.70</b>	<b>£232.13</b>	<b>##</b>

Variance: £82,000

**APPENDIX B: FINANCIAL APPRAISAL**