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# STRATEGIC PLANNING COMMITTEE

Date of Meeting: THURSDAY, 27 JANUARY 2022 TIME 7.30 PM

PLACE: COUNCIL CHAMBER, CIVIC SUITE, LEWISHAM TOWN HALL, CATFORD, SE6 4RU

Members of the Committee are summoned to attend this meeting:

Membership Councillors:

John Paschoud (Chair) Leo Gibbons (Vice-Chair) Kevin Bonavia Andre Bourne Suzannah Clarke Aisling Gallagher Olurotimi Ogunbadewa Rachel Onikosi Stephen Penfold James-J Walsh

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.

Kim Wright Chief Executive Lewisham Town Hall London SE6 4RU Date: 19 January 2022 For further information please contact: Claudette Minott, Committee Officer 5th Floor Laurence House Catford Road SE6 4RU

Email: committee@lewisham.gov.uk

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Committee	STRATEGIC PLANNING COMMITTEE	
Report Title	DECLARATIONS OF INTERESTS	
Class	PART 1	Date: 27 January 2022

### **Declaration of interests**

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

### Personal interests

There are two types of personal interest:-

(a) an interest which you must enter in the Register of Members' Interests\*

(b) an interest where the wellbeing or financial position of you, (or a "relevant person") is likely to be affected by a matter more than it would affect the majority of in habitants of the ward or electoral division affected by the decision.

\*Full details of registerable interests appear on the Council's website.

("Relevant" person includes you, a member of your family, a close associate, and their employer, a firm in which they are a partner, a company where they are a director, any body in which they have securities with a nominal value of £25,000 and (i) any body of which they are a member, or in a position of general control or management to which they were appointed or nominated by the Council, and (ii) any body exercising functions of a public nature, or directed to charitable purposes or one of whose principal purpose includes the influence of public opinion or policy, including any trade union or political party) where they hold a position of general management or control

If you have a personal interest you must declare the nature and extent of it before the matter is discussed or as soon as it becomes apparent, except in limited circumstances. Even if the interest is in the Register of Interests, you must declare it in meetings where matters relating to it are under discussion, unless an exemption applies.

# Exemptions to the need to declare personal interest to the meeting

You do not need to declare a personal interest where it arises solely from membership of, or position of control or management on:

- (a) any other body to which your were appointed or nominated by the Council
- (b) any other body exercising functions of a public nature.

In these exceptional cases, <u>unless your interest is also prejudicial</u>, you only need to declare your interest if and when you speak on the matter .

#### Sensitive information

If the entry of a personal interest in the Register of Interests would lead to the disclosure of information whose availability for inspection creates or is likely to create a serious risk of violence to you or a person living with you, the interest need not be

entered in the Register of Interests, provided the Monitoring Officer accepts that the information is sensitive. Where this is the case, if such an interest arises at a meeting, it must be declared but you need not disclose the sensitive information.

# Prejudicial interests

Your personal interest will also be prejudicial if all of the following conditions are met:

- (a) it does not fall into an exempt category (see below)
- (b) the matter affects either your financial interests or relates to regulatory matters
   the determining of any consent, approval, licence, permission or registration
- (c) a member of the public who knows the relevant facts would reasonably think your personal interest so significant that it is likely to prejudice your judgement of the public interest.

### Categories exempt from being prejudicial interest

- (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)

#### Effect of having a prejudicial interest

If your personal interest is also prejudicial, you must not speak on the matter. Subject to the exception below, you must leave the room when it is being discussed and not seek to influence the decision improperly in any way.

# Exception

The exception to this general rule applies to allow a member to act as a community advocate notwithstanding the existence of a prejudicial interest. It only applies where members of the public also have a right to attend to make representation, give evidence or answer questions about the matter. Where this is the case, the member with a prejudicial interest may also attend the meeting for that purpose. However the member must still declare the prejudicial interest, and must leave the room once they have finished making representations, or when the meeting decides they have finished, if that is earlier. The member cannot vote on the matter, nor remain in the public gallery to observe the vote.

#### Prejudicial interests and overview and scrutiny

In addition, members also have a prejudicial interest in any matter before an Overview and Scrutiny body where the business relates to a decision by the Executive or by a committee or sub committee of the Council if at the time the decision was made the member was on the Executive/Council committee or sub-committee and was present when the decision was taken. In short, members are not allowed to scrutinise decisions to which they were party.

Committee	STRATEGIC PLANNING COMMITTEE		
Report Title	MINUTES		
Ward			
Contributors			
Class	PART 1	Date 27 January 2022	

# **MINUTES**

To approve the minutes of the meeting of Strategic Planning Committee held on 15 December 2021.

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# LEWISHAM COUNCIL STRATEGIC PLANNING COMMITTEE WEDNESDAY, 15 DECEMBER 2021 AT 7.30 PM MINUTES

IN ATTENDANCE: Councillors John Paschoud (Chair), Leo Gibbons (Vice-Chair), Kevin Bonavia, Olurotimi Ogunbadewa, Rachel Onikosi and James-J Walsh.

MEMBER(S) UNDER STANDING ORDERS ALSO IN ATTENDANCE: N/A

MEMBER(S) OF THE COMMITTEE ALSO JOINING THE MEETING VIRTUALLY: Andre Bourne

MEMBER(S) UNDER STANDING ORDERS ALSO JOINING THE MEETING VIRTUALLY: N/A

NB: Those Councillors listed as joining virtually were not in attendance for the purposes of the meeting being quorate, any decisions taken, or to satisfy the requirements of s85 Local Government Act 1972.

OFFICER(S) ALSO JOINING THE MEETING VIRTUALLY: Planning Officers, Paula Young, Senior Lawyer, Legal Services

Clerk: Committee Officers.

Apologies were received on behalf of Councillors Suzannah Clarke, Aisling Gallagher and Stephen Penfold.

# ltem

No.

# 1 Declarations of Interest

None

# 2 Minutes

RESOLVED that the minutes of the Strategic Planning Committee meetings held on 2 September 2021 be agreed.

# 3 Land on the corner of Briant and Besson Street, London, SE14

The Planning Officer, gave an illustrative presentation recommending the grant of planning permission for the comprehensive redevelopment of Land at the corner of Briant and Besson Street, SE14, including demolition of existing structures to deliver a mixed use development comprising:

 324 residential units (Use Class C3), flexible retail and commercial floorspace (Use Class A1/A3/B1), a Pharmacy (Use Class A1), a GP surgery (Use Class D1) and community space (Use Class D2) in buildings ranging from 3 to 12 storeys, provision of disabled car parking, cycle parking and servicing facilities, landscaping and other associated works.

Prior to the presentation the Planning Officer advised members of an error at paragraph 949 in the officer report. Members were advised that this currently reads as "moderate to high degree of less than substantial harm to the Hatcham Conservation Area". This should read as a "moderate" degree of harm to be consistent with the "moderate degree of harm" reported throughout the report

The Committee noted the report.

Following the Officers presentation, no questions were addressed to the Officer, by Members.

The agent addressed the Committee and described the application site. The agent discussed: history of the joint venture and its' intentions, potential income, tenure, employment, facilities provided, CIL section 106 contributions, technical issues, planning policy, consultation, community benefits ,noise impact and assessment, daylight and sunlight assessment, heritage assets and mitigation measures implemented to manage any concerns raised.

Following the address, no questions were put to the agent by Members.

A representative from the Telegraph Hill Society who was also representing the Hatcham Conservation Society addressed the Committee with objections. The representative discussed: the reduction in greenspace, parking, heritage, New Cross Gate Centre, materials, height, position of proposed tower blocks, privacy, public benefit, harms created, conservation area. The Committee was asked to refuse the proposal, not the concept. A local resident addressed the Committee with objections. The resident discussed: history of the area, local impact on school capacity and neighbours, light loss, loss of sunlight, loss of privacy, negative impact on schools, general practitioner services (GP), parking, air pollution near schools, mitigation measures proposed by developer. The resident felt if the proposal was approved, it would set a precedent.

Following the address from the Telegraph Hill Society and resident, there were no questions from Members.

During the applications consideration, Members raised concerns regarding: increase in cars, GP capacity, noise, a view of the development from another perspective, materials to be used and impact on New Cross Road frontage.

The Officer provided assurances to the issues raised regard cars and GP capacity, as outlined in the Officer's report.

The Officer assured Members of mitigation measures that would be implemented to minimise noise issues. The Committee were advised of mitigation measures that would be implemented prior to occupation of the development, such as an independent noise assessment. It was stated that the Independent Noise Assessment had found that the applicants' noise assessment report was satisfactory and no further mitigation measures over those identified in the applicant's noise assessment were required.

The Officer advised Members that there was no other views of the development, from a different perspective.

Members were advised it would be possible to add conditions to the planning permission with regard to concerns related to materials used. The Officer advised the Committee that the local authority's conservation officer had been consulted on the proposed 12 storey tower blocks. Members were advised that the issues raised, with regard to the tower blocks, would be addressed by condition. The Officer also informed the Committee of a similar application, which entailed a proposal for 10 storey tower block that had been approved. The Officer stated that officers were satisfied that the proposal was compliant with planning policy and BRE guidelines as set out in the Officers report and that the proposal would enhance the heritage. Members requested that an informative be added, that required the developer to consider the importance of the heritage and history associated with the application site when drawing up the detailed designs. The Officer agreed that such an informative, would be added to the agreement made with the applicant.

The Committee considered the submissions made at the meeting, and

# **RESOLVED** - unanimously

That it be noted that the Committee agreed:

# • That Recommendation A be agreed as follows:

To authorise officers to negotiate and complete a legal agreement under Section 106 of the 1990 Act (and other appropriate powers) to cover the principal matters outlined in Section 11 "Legal Agreement" including such other amendments as considered appropriate to ensure the acceptable implementation of the development.

# • That Recommendation B be agreed as follows:

Subject to completion of a satisfactory legal agreement, authorise the Head of Planning to **GRANT PERMISSION** subject to conditions, including those set out in the officer's report and with such amendments as are considered appropriate to ensure the acceptable implementation of the development.

 Subject to an additional informative requiring that the developer take into account the history and heritage significance of the application site and area, when finalising the detailed design for the development

The meeting closed at 8.36 pm.

Chair



Strategic Planning Committee

# Report title:

# LAND AT SURREY CANAL ROAD, STOCKHOLM ROAD, BOLINA ROAD AND ROLLINS STREET, LONDON SE15 AND SE16

Date: 27 January 2022

Key decision: No.

Class: Part 1

Ward(s) affected: New Cross

Contributors: Gareth Clegg

# **Outline and recommendations**

This report sets out Officer's recommendation for the above planning application. The report has been brought before Strategic Planning Committee for a decision as there are 7 valid planning objections and the application pertains to a site of strategic importance.

The application is recommended for approval subject to planning conditions and completion of a s106 agreement.

Application details		
Application reference number: DC/20/119706		
Application Date:	21 December 2020	
Applicant:	CarneySweeney on behalf of Renewal Group Ltd	
Proposal:	Hybrid planning application for the redevelopment of land at Surrey Canal Road, Stockholm Road, Bolina Road and Rollins Street, London SE15 and SE16 comprising: FULL planning application for Phase 1 comprising the demolition of existing buildings at Orion Business Centre and construction of residential dwellings together with auditorium, meeting rooms, offices, and restaurant/ café floorspace (Sui Generis and Class E) within a podium, with associated vehicular and cycle parking, public realm, amenity space, landscaping and infrastructure; and OUTLINE planning application for demolition of existing buildings (with the exception of Guild House and part of Rollins House which are to be retained) and construction of up to 400,000sqm of floorspace, comprising residential floorspace (Class C3), business floorspace, leisure floorspace, retail, food and drink floorspace and non-residential institution floorspace (Class E), learning and non-residential institutions (Class F1), pubs and takeaways (Sui Generis) together with associated basements, vehicular and cycle parking, public realm, amenity space, landscaping, highway works and infrastructure (scale, layout, landscaping, access and appearance reserved).	
Background Papers:	<ol> <li>Submission drawings</li> <li>Submission technical reports and documents</li> <li>Internal consultee responses</li> <li>Statutory consultee responses</li> <li>Design Review Panel responses</li> </ol>	
Designation:	Core Strategy Strategic Site Allocation 3 – Surrey Canal Triangle PTAL 1a, 1b, 2 and 3 Flood Risk Zones 2 and 3 Local Open Space Deficiency East London Line Extension Area of Archaeological Priority Air Quality London Underground Zone Not in a Conservation Area Not a Listed Building	
Screening:	No formal screening was carried out, but the application is submitted with a Environmental Impact Assessment	

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#### 1 EXECUTIVE SUMMARY

- 1 An application has been submitted by CarneySweeney on behalf of Renewal Group Ltd for the redevelopment of land parcels within the designated Surrey Canal Triangle Strategic Site Allocation in the Core Strategy (2011). The land parcels do not include land which is under lease to Millwall Football Club.
- 2 A masterplan has been prepared in accordance with the Surrey Canal Triangle Design Framework (2020) and is considered to be high quality and comprehensive in nature. The masterplan safeguards access to the Stadium of Millwall Football Club and would allow for its future expansion and redevelopment.
- 3 The proposed scheme would be delivered across 5 phases. Phase 1 is submitted in detail and Phase 2-5 in outline. The residential accommodation in phase 1 is considered to be of very high quality and comprises 600 units, 200 of which are affordable housing. The proposed auditorium and café in Phase 1 is flexible in nature and would offer creative and employment uses. Design controls are submitted to ensure that the outline phases maintain quality as they are delivered in future via Reserved Matters.
- 4 The scheme also proposes significant enhancement to public transport, including a Phase 1 bus route (required in the event the proposed Surrey Canal Overground Station does not open upon completion of Phase 1) and two further bus routes are proposed within Phases 2-5. New TfL cycle docking stations are also proposed in the scheme.
- 5 The proposed buildings range in scale and include several tall buildings, it is considered that they would have no harm to the London View Management Framework but, there would be some harm to the setting of the Hatcham Conservation Area. The report conludes that the harm to heritage assets is less than substansial and is outweighed by public benefit, in accordance with the NPPF.
- 6 There would be a significant impact upon existing surrounding properties including daylight and sunlight, the harm to these properties is considered to be outweighed by public benefit including over 1000 new affordable homes across the scheme, and provision of new transport infrastructure.
- 7 Subject to necessary conditions and legal obligations including securing all necessary land interests prior to commencement that the scheme is acceptable and is recommended for approval and referral to the Mayor of London for Stage 2.

# 2 SITE AND CONTEXT

#### Site description and current use

- 8 The application site comprises an area of 6.51 hectares, split across two separate parcels of land. The main parcel comprises land at Surrey Canal Road, Stockholm Road and Rollins Street, including the Orion Business Centre. The smaller parcel comprises land at Bolina Road including the Enterprise Industrial Estate.
- 9 The site lies at the north western corner of the borough of Lewisham, where it adjoins the London Borough of Southwark which lies directly to the north and west of the application site boundary. The site is bounded by railway embankments. The

# Is this report easy to understand?

Please give us feedback so we can improve. Go to https://lewisham.gov.uk/contact-us/sepd-us\_feedback-on-our-reports embankment carrying the line between South Bermondsey and Queens Road Peckham forms the site's western boundary, with the embankment carrying the line between London Bridge and New Cross Gate forming part of the site's northern boundary. In addition, the East London Overground Line runs through the application site and forming part of the site's eastern boundary.



Figure 1 – Site location plan

- 10 The site comprises predominantly of low-rise light industrial units, including the Orion Business Centre and Bolina and Enterprise Industrial Estates, the former Jewson Builders Merchants site at Rollins Street and the range of premises at Excelsior Works. The site also comprises a number of live/work and residential units off Rollins Street.
- 11 The site can be subdivided into five areas, which are each described in turn below:
  - 1) Land to the north of Surrey Canal Road Orion Business Centre
  - 2) Land to the south east of Surrey Canal Road Excelsior Works
  - 3) Land to the south west of Surrey Canal Road, adjoining Excelsior Works
  - 4) Land between Stockholm Road and Surrey Canal Road
  - 5) Land to the north and west of Bolina Road including Enterprise Industrial Estate

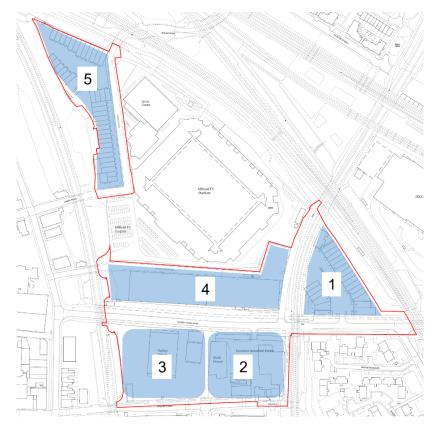


Figure 2 – Site plan identifying five sub-areas

- 1) Land to the north of Surrey Canal Road Orion Business Centre
- 12 This part of the site is broadly triangular in shape, and is bounded by the East London Overground Line to the west, the embankment carrying the rail line between London Bridge and New Cross Gate to the north east, and Surrey Canal Road to the south. It comprises 21 light industrial units occupied by a range of uses, comprising a total floorspace of approximately 2,702sqm (GIA). Vehicular access to the Orion Business Centre is via Surrey Canal Road.

#### 2) Land to the south east of Surrey Canal Road – Excelsior Works

13 This part of the site is broadly square in shape, and is bounded by Surrey Canal Road to the north, Rollins Street to the south, and the East London Overground Line to the east. It is comprises approximately 19 light industrial and workspace units, Guild House, Rollins House, live/work units, and limited residential accommodation in the south east corner, comprising a total floorspace across all uses of approximately 7,262sqm (GIA). Guild House is a three storey industrial warehouse building dating from the early 20<sup>th</sup> century which is occupied by a range of employment uses. Rollins House is a former industrial building dating from the middle of the 20<sup>th</sup> century which has subsequently been converted and extended to the rear to form live/work and residential accommodation. Vehicular access to the Excelsior Works buildings including Guild House and Rollins House is via Rollins Street, with an additional access via Surrey Canal Road.

3) Land to the south west of Surrey Canal Road, adjoining Excelsior Works

14 This part of the site is also broadly square in shape, lying directly to the west of Excelsior Works. It is bounded by Surrey Canal Road to the north, Rollins Street to the south, and

# Is this report easy to understand?

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#### 4) Land between Stockholm Road and Surrey Canal Road

15 This part of the site is bounded by Stockholm Road to the north and Surrey Canal Road to the south. It comprises a large warehouse building which is subdivided in to various elements. The central part of the building is occupied by The Thunderdome (home to London Thunder Basketball Club and Fusion Table Tennis Club) under a temporary planning consent (application reference DC/17/102987) which permits the change of use from B8 (warehouse) to D2 (sport) until 31 August 2022. The western part of the building was formerly occupied by Hillsong Church who vacated the premises in December 2020, and the eastern end of the building was formerly occupied by RTS Waste Management. The total floorspace of the building as a whole is approproximately 8,129sqm (GIA). Vehicular access to The Thunderdome and former Hillson Church premises is via Stockholm Road, whilst vehicular access to the former RTS Waste Mmanagement premises is via Senegal Road (which itself is accessed off Surrey Canal Road).

5) Land to the north and west of Bolina Road – including Enterprise Industrial Estate

- 16 This part of the site lies at the north east extent, with Bolina Road forming its eastern and southern extent, and bounded by the embankment carrying the line between South Bermondsey and Queens Road Peckham to the west, and the embankment carrying the line between London Bridge and New Cross Gate to the north. It comprises the light industrial units which make up the Bolina Industrial Estate and the Enterprise Industrial Estate, and includes a mix of industrial uses, two small church facilities and two cafés, totalling 4,395sqm of existing industrial floorspace.
- 17 The site is relatively flat, with the exception of level changes around Surrey Canal Road which marks the location of the former Grand Surrey Canal and its former towpath. The railway embankments which surround the site are elevated in relation to the application site, with the maximum height of the embankments being approximately 10m above the level of the application site.
- 18 The application site lies within Core Strategy Strategic Site Allocation 3 Surrey Canal Triangle. The Strategic Site Allocation extends beyond the 6.51 hectare application site to encompass an area totalling 10.74 hectares, which includes Millwall Football Club stadium and Lions Centre together with associated land. For the avoidance of doubt, the Millwall Football Club stadium, Lions Centre and associated land does not lie within the extent of the application site boundary.

#### Site surroundings

19 Millwall Football Club stadium (The Den) lies adjacent to the application site, lying to the north of Stockholm Road and to the east of Bolina Road. The stadium was completed in 1993 and has a capacity of approximately 20,000 spectators<sup>1</sup>. Surface car parking and areas of hardstanding surround the stadium. Vehicular access to the stadium is via Bolina Road with secondary access via Stockholm Road. There is an additional access

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<sup>&</sup>lt;sup>1</sup> Match day restrictions to afford separation of home and away fans reduce stadium capacity to approximately 17,000 spectators.

point to the area of hardstanding which surrounds the stadium via Senegal Road. The Lions Centre lies directly to the north east of the stadium and is home to Millwall Community Trust. The Lions Centre comprises a range of sports facilities including an indoor 4G football pitch, a sports hall, and a gym together with classrooms and a café area. The Lions Centre is accessed via Bolina Road.

- 20 To the west of the application site beyond the rail embankment and within LB Southwark lies an area around Ilderton Road which comprises a mix of residential and commercial uses. This includes a range of light industrial and commercial premises which lie between Surrey Canal Road and Hornshay Street, the residential community based around Verney Road which comprises predominantly of low rise apartments and houses, and the travelling persons site off Ilderton Road. This area is undergoing significant redevelopment with new mixed use development schemes recently completed and in the pipeline, and forms part of the Old Kent Road Opportunity Area where a significant quantum of new development will be coming forward including over 20,000 new homes.
- 21 To the north of the application site beyond the rail embankment lies the Bermondsey Dive Under comprising the Bermondsey Trading Estate and a range of plots identified for future development which lie predominantly within LB Southwark, and the residential community based around Silwood Street and Reculver Road which lies predominantly within LB Lewisham and comprises of mid/low rise apartments and houses.
- 22 To the east of the application site beyond the embankment carrying the rail line between London Bridge and New Cross Gate lies an established industrial area comprising the Elizabeth and Juno Way Industrial Estates to the south of Surrey Canal Road, and the British Wharf estate to the north of Surrey Canal Road. The South East London Combined Heat and Power Plant (SELCHP) which produces energy from waste incineration lies directly to the north east of the Orion Business Centre beyond the rail embankment.
- 23 To the south east is the residential community at Bridge Meadows, Myers Lane and Samuel Close (accessed off Mercury Way), which comprise predominantly low-rise apartments. Bridgehouse Meadows lies directly to the east of the East London Overground Line and provides a much valued open space resource locally.
- 24 To the south of the application site beyond Rollins Street is the residential community of the Winslade Estate which comprises blocks of apartments and maisonettes that are typically 3-4 storeys in scale.

#### Character of area

- 25 The application site largely enclosed by the rail embankments and lines which surround and cross it. These act as a visual barrier that serve to enclose the site, as well as a physical barrier to movement.
- 26 The application site area is predominantly light industrial in character. Whilst the units which comprise the Orion Business Centre and the Bolina and Enterprise Industrial Estates are relatively modern purpose built estates built in the late 1980s / early 1990s, the large industrial unit between Stockholm Road and Surrey Canal Road is older, as are the majority of industrial units at Exclesior Works and the former Jewson's site. These light industrial uses are sited in close proximity to residential uses, including the residential properties on the south side of Rollins Street which form part of the Winslade Estate, the live/work and residential units within the Excelsior Works plot itself, and the properties to the south of Surrey Canal Road at Bridge Meadows.

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- 27 With the exception of Guild House, none of the buildings across the application site are considered to be of any particular architectural value or merit. The buildings are predominantly utilitarian industrial and warehousing units dating from the second half of the 20<sup>th</sup> century.
- Associated with the light industrial character of the area, a large proportion of the site comprises industrial buildings and associated areas of hardstanding, which provide parking and service yards for the units. Tree cover and vegetation within the site is predominantly confined to Surrey Canal Road which is bounded by verges and mature trees on both its north and south sides, and along the line of the rail embankments which form the site's western and northern boundaries. There are also some mature trees lining Rollins Street. Whilst some areas of the site are relatively well maintained, other areas are of a poor quality environment and the general quality of the public realm across the area is poor.
- 29 Outside of the application site, the scale of the SELCHP plant with its stack represents a prominent landmark which is visible across a wide area.

#### Heritage/archaeology

- 30 Surrey Canal Road follows the line of the former Grand Surrey Canal. The canal was built through the area in the early 19<sup>th</sup> century to transport cargo, to the Surrey Commercial Docks and following the development of the railway lines through the area, by the late 19<sup>th</sup> century a tight network of terraced housing had been developed to the north of the canal, with industrial and warehouse buildings to the south. The area suffered extensive bomb damage during the Second World War and was subject to clearance and demolition in the post-war period. Following the closure of the Surrey Commercial Docks in 1971 the canal was subsequently filled in, with Surrey Canal Road laid out along its former route and the elevated grassed embankment to the north side of the road marking the location of the former canal towpath. The late 1980s / early 1990s saw redevelopment within the area including the development of the employment estates at Orion Business Centre and the Bolina and Enterprise Industrial Estates, together with the development of Millwall FC's stadium, The Den which was completed in 1993.
- 31 There are no designated heritage assets within the application site or its immediate surroundings. Guild House is identified as a non-designated heritage asset via Lewisham's locally listed buildings. Guild House was built in the early 20<sup>th</sup> century as an industrial warehouse and the building was used for moulding plastic and synthetic composites by Ebonestos up until 1937, when the building was acquired by Field & Co Fruit Merchants who continued to operate from the building until 1961.
- 32 There are three conservation areas within 1km of the site boundary. Hatcham Conservation Area (within LB Lewisham) is the closest to the site, lying approximately 325m to the south of the application site at its nearest point. Caroline Gardens Conservation Area (within LB Southwark) is located close to the south of the Old Kent Road, lying approximately 650m to the south west of the application site at its nearest point. Thorburn Square Conservation Area (within LB Southwark) lies approximately 925m to the north west of the application site at its nearest point.
- 33 There are three listed structures within 500m of the site boundary which all lie within LB Southwark. The Former Clare College Mission Church is Grade II listed and lies approximately 400m to the north east of the application site. Gasholder No.13 on the Old Kent Road is Grade II listed and lies approximately 490m to the south west of the

# Is this report easy to understand?

Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> application site. The Church of St Augustine is Grade II\* listed and lies approximately 650m to the north west of the application site. In addition, Southwark Park is a Grade II Registered Park and Garden, and lies approximately 450m to the north of the application site at its nearest point.

34 The application site lies within an identified Area of Archaeological Priority.

#### Surrounding area

- 35 There are a number of publicly accessible green spaces within the surrounding area. The recently established Pat Hickson Garden is a small area of green space located just to the west of the site beyond the rail embankment, at the junction of Surrey Canal Road and Ilderton Road (within LB Southwark). Bridgehouse Meadows is a larger area of open grassland which lies to the south east of the site, beyond the East London Line Extension, and can be accessed via a path connecting to Surrey Canal Road or via an underpass from Rollins Street. Bramcote Gardens is a small park with equipped pllyspace that lies approximately 230m to the west of the application site (within LB Southwark). Folkestone Gardens lies approximately 420m to the east of the applications site and provides access a skate park, multi-use games area (MUGA), table tennis and pond. Deptford Park lies approximately 450m to the east of the application site and comprises 7 hectares of green space with a playground, football pitch, outdoor gym and cricket square. Southwark Park lies approximately 500m to the north of the application site (within LB Southwark) and comprises 63 hectares of green space with facilities including a boating lake, cycle routes, football pitch, bowling green, fitness equipment, tennis court, café and playground.
- 36 In terms of retail facilities and services, there is a small local retail parade on Ilderton Road approximately 200m to the west of the application site (within LB Southwark). There are additional facilities within The Blue Local Town Centre at Southwark Park Road, located approximately 750m to the north west of the application site (within LB Southwark). Canada Water Major Town Centre lies approximately 850m to the north east of the application site (within LB Southwark) and there are retail facilities at New Cross Gate which lies approximately 1.25km to the south east, with additional facilities to the south west of the site along the Old Kent Road.
- 37 The provision of education and health facilities within the surrounding area is addressed within the report below.

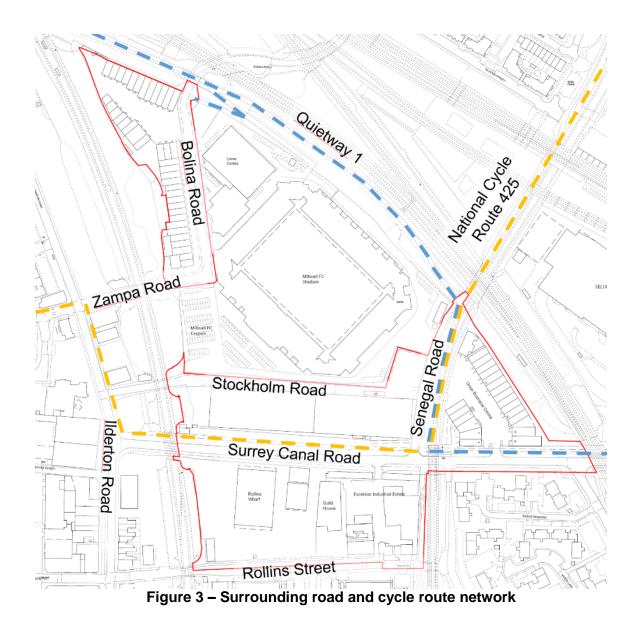
#### Local environment

38 The application site lies within Flood Risk Zone 3 (High Probability) associated with flooding from the Thames, however it is currently defended against flooding by the Thames Tidal Barrier. The site lies within a designated Air Quality Management Area. In terms of the noise environment, the principal sources of noise within the surrounding area include the noise from trains on the rail lines which bound and cross the application site, traffic movement on Surrey Canal Road, and vehicular and plant noise associated with SELCHP and the Lewisham Reuse and Recylcing Centre (Landmann Way) which lie directly to the east of the application site. There is also noise associated with a football match at Millwall FC's stadium during a match day event. Recognising the current and former industrial uses across the site, there is significant potential for contaminated soil and groundwater to be present across the site. The rail embankments which bound the site to the west, and to the north and east, are designated as Sites of Importance for Nature Conservation (SINC).

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#### Transport

- 39 The site has a PTAL of 2 reflecting that the site currently has limited access to public transport.
- 40 In terms of rail services, South Bermondsey rail station is the closest station, lying to the north west of the application site and accessible via Ilderton Road or via Quietway 1. South Bermondsey is operated by Southern Railway and National Rail services to London Bridge, Beckenham Junction, Tulse Hill and Selhurst are accessible from this station. Surrey Quays London Overground station lies approximately 1km walking distance to the north east of the application site, and a range of destinations and transport interchanges are accessible from Surrey Quays including Highbury & Islington, Dalston Junction, and Clapham Junction, New Cross / New Cross Gate, Crystal Palace and West Croydon.
- In terms of existing bus services, the nearest bus stops to the site are located on Ilderton Road (for the P12), Trundley's Road (for the 225) and Rotherhithe New Road / Galleywall Road (for the 1 and 381, and night services N1 and N381). Each of these stops is located within 640m of at least one of the phases of the proposed development.
- 42 The roads providing vehicular access to the application site are listed below:
  - Surrey Canal Road which runs east-west through the application site is a designated clearway with stopping prohibited at any point;
  - Rollins Street forms the site's southern boundary and provides access to the site via Ilderton Road;
  - Stockholm Road provides access to the site via Ilderton Road. Stockholm Road is adopted highway from Ilderton Road up to and including the southern access gate to Millwall FC's car park. Beyond this to the east, the road is privately owned (by the applicant) and is a no through route, being blocked off beyond The Thunderdome;
  - Senegal Road is accessed via Surrey Canal Road and provides vehicular access to the premises formerly occupied by RTS Waste Management. The carriageway is privately owned (by LB Lewisham) with Millwall FC granted pedestrian access over Senegal Road on match days and for special events, with the additional right to use it for access for emergency vehicles; and
  - Zampa Road / Bolina Road provides access to the northern part of the site, via Ilderton Road. This is a no through route for vehicular traffic, with bollards beyond the rail embankment carrying the line between London Bridge and New Cross Gate which prevent vehicular movement between Bolina Road and Silwood Street.
- 43 There are a number of cycle routes within the vicinity of the site. Quietway 1 runs through the application site, running along the rail embankment which forms part of the site's northern boundary, and then south alongside Senegal Road and westwards along Surrey Canal Road. Quietway 1 can also be accessed from Bolina Road where a switchback ramp provides an additional connection to the rotue. Quietway 1 connects Waterloo with Greenwich, running through the boroughs of Lambeth, Southwark, Lewisham and Greenwich. It also provides a pedestrian / cycle connection from the application site to South Bermondsey rail station. National Cycle Route 425 (connecting Camberwell and Rotherhithe) runs through the application site, along Surrey Canal Road and travelling north alongside Senegal Road towards Surrey Quays. London Cycle Network Route 2 also runs through the application site along Surrey Canal Road.



#### 3 RELEVANT PLANNING HISTORY

#### DC/11/076357 ('the outline permission')

44 Outline planning permission was granted on 30 March 2012 for the comprehensive, phased, mixed use development of the site for up to 240,000sqm (GEA) of development. The principal elements of the outline planning permission comprise up to 2,400 homes (Class C3); up to 6,300sqm of retail floorspace (Class A1-A5) floorspace; up to 15,000sqm of business floorspace (Class B1); up to 10,000sqm of hotel floorspace (Class C1); up to 10,000sqm of non-residential institution floorspace (Class D1); up to 15,800sqm of assembly and leisure floorspace (Class D2). The permission allows for the demolition of all existing buildings on the site with the exception of the Millwall FC Stadium (retained and its facade upgraded and/or re-clad), Guild House (retained and extended) and Rollins House (retained). The works also involve re-profiling of site levels, alterations to Surrey Canal Road and the re-alignment of Bolina Road, associated works and landscaping. 45 This application was granted subject to a legal agreement (dated 30 March 2012). The outline consent was granted for an extended timeframe of 10 years, allowing applications for approval of reserved matters to be made up until 30 March 2022.

#### DC/13/085143 ('the S73 permission')

- An application submitted under Section 73 of the Town & Country Planning Act 1990 was granted on 18 December 2015 for a minor material amendment to the previously consented outline planning permission DC/11/076357. This S73 consent involved amendments to certain plots of the previously approved Parameter Plans (and consequential changes to the approved Development Specification) involving the redistribution of land uses between these plots, within the overall approved development by floorspace area and land use. The changes related to Plots Timber Wharf 1 and 2, Stockholm 1 and 2, and Senegal Way 1 and 2 and included amendments to the massing of buildings and their heights, changes to the distribution of uses amongst the plots including the redistribution of part of the proposed residential accommodation from the south side of Surrey Canal Road to the north and of the approved leisure uses, and alterations to a parking space and loading bay, landscape, open space and public realm.
- 47 This application was subject to a deed of modification to the legal agreement associated with the previously consented outline planning permission DC/11/076357 (dated 18 December 2015). As a S73 application, the consent is subject to the same timeframe as the previously consented outline planning permission, allowing applications for approval of reserved matters to be made up until 30 March 2022.
- 48 The permission therefore remains extant.

#### Other relevant planning history

- 49 In addition to the outline permission and S73 permission as identified above, there have been a series of other relevant planning applications in relation to land within the application site. These include:
- 50 **DC/12/080047** planning permission was granted on 28 August 2012 for the temporary change of use of Unit 1 Stockholm Road from Use Class B8 to sui-generis waste transfer and installation of temporary weighbridge along with storage facilities and car parking on Stockholm Road
- 51 **DC/13/083681** planning permission was granted on 19 September 2013 for the temporary change of use of Unit 2 Stockholm Road from B8 (warehouse) to D2 (sport) to allow the installation of two indoor courts with changing facilities, office space and seating for 200 spectators
- 52 **DC/13/083984** planning permission was granted on 12 September 2013 for the temporary change of use of Unit 3 Stockholm Road from B8 (warehouse) to D1 (church) together with some ancillary B1(office) and B8 (storage)
- 53 **DC/13/082738** planning permission was granted on 19 April 2013 for the construction of an additional storey to the existing building at Guild House, Rollins Street to provide 161sqm of office floor space (Use Class B1), together with the formation of a new entrance on ground floor, enlargement of the existing lift shaft and staircase incorporating a timber canopy, alterations to elevations including installation of wall mounted lighting

- 54 **DC/13/082971** planning permission was granted on 1 July 2013 for the change of use of the existing building at Guild House, Rollins Street from storage and distribution (Use Class B8) to Business (Use Class B1)
- 55 **DC/13/085929** on 7 February 2014 a non-material amendment was granted under Section 96a of the Town and Country Planning Act 1990 to planning permission DC/13/082738 (dated 19 April 2013) in relation to Guild House, Rollins Street in order to allow the minor extension of all elevations to align with the existing building, the internal floor level to be raised by 300mm, internal cill height of north/east/west facing picture window to be lowered from 110mm to 500mm, slight increase in the size of lift shaft, canopy to the escape stair to be raised and changes to windows in the south and west elevations
- 56 **DC/14/089094** planning permission was granted on 11 February 2015 for the temporary change of use of an existing building and associated external area to import and process waste wood and plasterboard, external parking of HGVs and contained skips and the provision of independent artist studios with the use of separate storage units for non waste uses located within the curtilage of the property located at Ilderton Wharf (Former Jewson's Site), Rollins Street
- 57 **DC/15/090511** planning permission was refused on 9 May 2016 for the demolition of the existing workshop with ancillary office at mezzanine level at Unit 12 Excelsior Works, Rollins Street and the construction of a four storey building comprising gallery and workshop on the ground floor, 6 one bedroom self-contained flats on the floors above and solarium on the rooftop. The subsequent appeal was dismissed by the Planning Inspectorate (appeal decision dated 4 January 2017).

The grounds of the dismissal are summarised:

A scheme in principle would be capble of contributing to several of the overall objectives for the regeneration area, nevertheless...I have concerns about how it would fully accord with the aims of achieving a properly comprehensive and phased development for the wider area.

It is unclear how the development proposals would be able to satisfactorily link with its surroundings in the comprehensive manner sought by the Development Plan.

There is no information as to how the proposals would fit in with the pverall development phasing strategy of the area.

The proposal does not demonstrate how it would relate to any relevant obligations or conditions and adds to concern whether it would contribute to a comprehensive form of development as sought by the Development Plan.

- 58 **DC/16/096102** planning permission was granted on 13 July 2016 for the temporary change of use from MOT Centre (B1) to Minicab office (Sui Generis) at 6 Enterprise Industrial Estate, Bolina Road
- 59 **DC/17/102987** planning permission was granted on 6 October 2017 under Section 73 of the Town & Country Planning Act 1990 for a minor material amendment in connection with the planning permission (DC/13/83681) dated 12/09/2013 for the temporary change of use for Unit 2, Stockholm Road SE16, from B8 (warehouse) to D2 (sport) to allow the installation of two indoor courts with changing facilities, office space and seating for 200 spectators in order to vary condition 2 to extend the time limit for use until 31 August 2022.

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- 60 **DC/17/102988** planning permission was granted on 14 November 2017 under Section 73 of the Town & Country Planning Act 1990 for a minor material amendment in connection with the planning permission DC/13/083984 (dated 12 September 2013) for the temporary change of use of Unit 3, Stockholm Road SE16, from B8 (warehouse) to D1 (church) together with some ancillary B1(office) and B8 (storage) in order to vary Condition 1 to extend the time limit for use until 31 August 2022.
- 61 **DC/18/106707** planning permission was granted on 6 June 2018 under Section 73 of the Town and Country Planning Act 1990 to allow for the variation of the additional condition in connection with planning permission DC/13/082738 (dated 19 April 2013) for the construction of an additional storey to Guild House, Rollins Street to provide 161 (sq metres) office floor space (Use Class B1), together with the formation of a new entrance on ground floor, enlargement of the existing lift shaft and staircase incorporating a timber canopy, alterations to elevations including installation of wall mounted lighting, in order to extend the temporary permission for a further 5 years
- 62 **DC/19/113840** planning permission was granted on 8 January 2020 for the change of use of Unit 1 Stockholm Road from Use Class B8 to sui-generis waste transfer and retention of temporary weighbridge along with storage facilities and car parking on Stockholm Road
- 63 **DC/20/117192** planning permission was granted on 16 September 2020 to extend the existing tower at Senegal Fields, Bolina Road by 5 metres to an overall height of 36 metres, removal 3 antennas and replace with 12 antennas, together with the addition of 6 no new cabinets on concrete base and associated ancillary works
- 64 **DC/20/117728** planning permission was granted on 15 October 2020 for the construction of a below ground decentralised heating network pipeline (main route via Folkstone Gardens and Blackhorse Road) between SELCHP, Landman Way and Convoys Wharf
- 65 **DC/20/117685** planning permission was granted on 15 October 2020 for the construction of a below ground decentralised heating network pipeline (alternative route via Grinstead Road) between SELCHP, Landman Way and Convoys Wharf.
- 66 **DC/21/124016** planning permission was granted on 16 December 2021 for works above the 2001 Transport and Works Act Order vertical limits of deviation (5m above track level) comprising the top of the lift shafts, the top of the facade and canopies, rooftop services including handrails and solar panels on the northbound and southbound platforms, and associated works in connection with the delivery of a new London Overground station at Surrey Canal Road, SE14.

# 4 CURRENT PLANNING APPLICATION

#### 4.1 THE PROPOSALS

67 This is a hybrid planning application, which seeks full planning permission in relation to Phase 1, and outline planning permission in relation to the subsequent phases. The Phase 1 element comprises the existing Orion Business Centre, which is accessed off Surrey Canal Road and lies to the east of the East London Line Extension. The Phase 1 element comprises an area of approximately 1.1 hectares. The outline element comprises an area of approximately 5.4 hectares. Taken together, the application site

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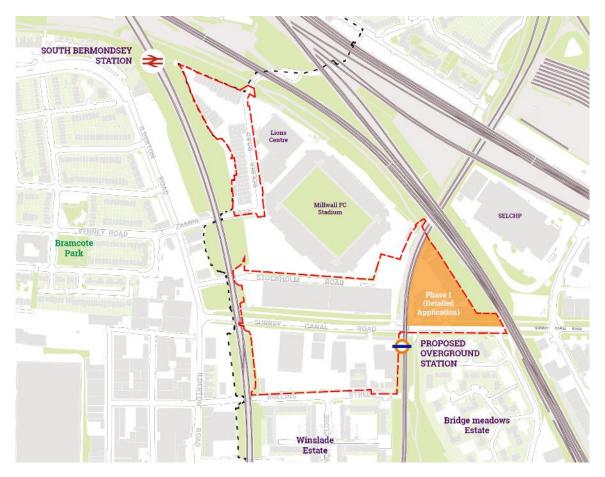


Figure 4 – Extent of outline and detailed application elements

#### Detailed element (Phase 1)

68 The detailed element of the application proposes the demolition of all existing buildings which occupy the Phase 1 site, in terms of the light industrial units which together comprise the Orion Business Centre. It proposes the mixed-use redevelopment of the site comprising an auditorium, meeting rooms, offices, and restaurant/ café floorspace (Sui Generis and Class E) within a podium, with three residential towers rising from the podium comprising a total of 600 apartments and associated facilities, together with vehicular and cycle parking, public realm, amenity space, landscaping and infrastructure.

#### Podium

69 The podium would accommodate three storeys of floorspace, at ground, first and second floor levels. It would accommodate a multipurpose flexible auditorium space with the capacity to accommodate up to 800 people. The auditorium would be accessed via a generous double height foyer space and would be provided with a range of ancillary and back of house facilities. A café space with a capacity of up to 200 people would also be accessible via the foyer, and would be provided with associated kitchen facilities. The foyer would extend up to first floor level, and would give access to an external terrace providing the opportunity for outside seating areas for the foyer and café. The first floor would also comprise two studios, ancillary office floorspace, together with staff and back of house facilities associated with the auditorium and café uses. The second floor space would accommodate plant and would not be generally accessible.

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#### Residential towers

- 70 The three residential towers would be accessed from residential lobbies at ground floor level within the podium. Towers A and C would comprise the private residential units. The stair and lift cores to both towers would both be accessed via a large lobby space with concierge facilities, located towards the western extent of podium space. Tower B would comprise the affordable housing and it is accessed via a lobby space at the southern extent of the podium space facing Surrey Canal Road.
- 71 Each of the three residential towers would rise to 32 storeys, and each tower would comprise 200 apartments, reflecting a total of 600 apartments. At third floor level where the towers meet the podium, each tower would be provided with access to external communal amenity space which occupies the podium roof space. This space would be accessible to residents of all three towers and would comprise areas of landscaping and planting and children's play space. Internal amenity space would also be provided at third floor level at the base of each tower, which would provide for a range of future uses to serve residents of the development.

#### ENVAC and plant

The Phase 1 development would incorporate an ENVAC waste station and plant which would serve the entire development (Phases 1 – 5). The ENVAC system is a vacuum waste handling system which would manages the operational waste from all residential residential uses across the development. The waste station would provide the a single location for the collection of residential waste, and provide for vehicular servicing by refuse vehicles. As identified above, a range of plant serving the proposed development would be accommodated within the podium, and at basement level.

#### Basement

A basement would be provided beneath the building which would accommodate cycle parking, disabled persons parking for the residential units, three dedicated move-in / move-out bays to serve each of the residential towers, and plant. Vehicular access to the basement would be via a dedicated service road running along the site's eastern boundary. A cycle ramp and dedicated cycle lift would provide access for cyclists, and each of the three residential tower cores would also provide direct access to the basement cycle and parking provision for residents.

#### Public realm

A new public space ('Phase 1 Square') would be provided to the south of the building fronting Surrey Canal Road. This space would be predominantly hard landscaped in order to afford a suitable space for congregation and spill-out associated with the auditorium use, but would also incorporate soft landscaping and tree planting. Additonal landscaping would provide convenient access bentween the proposed cycle parking and existing cycle routes which run adjacent to the site, and would also accommodate a series of public cycle stands for visitors.

#### Outline element (Phases 2 - 5)

75 In relation to the outline element, the hybrid application seeks outline permission, with matters of scale, layout, landscaping, access, and appearance reserved for future determination as part of subsequent reserved matters applications. In order to provide the framework for future reserved matters applications and demonstrate that the quantum of development proposed can be acheived, the current application comprises a

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series of Parameter Plans which define key parameters across the outline element. The submitted Parameter Plans are listed below:

Parameter Plan		Кеу ѕсоре	
01	Application Boundary	Defines the application red line boundary	
02	Existing Site Levels	Defines the existing site levels (metres Above Ordnance Datum)	
03	Detailed Planning Application Boundary	Defines the extent of the detailed element (Phase 1) and the outline element (Phases 2 – 5)	
04	Buildings to be Retained	Defines the existing buildings to be retained (Guild House and part of Rollins House)	
05	Tree Removal Plan	Defines those existing trees which are to be retained and those which are to be removed	
06	Proposed Ground Levels	Defines the proposed ground levels across the site, with a maximum and minimum ground level range for defined locations	
07	Proposed Critical Distances	Defines minimum distances between proposed blocks within the proposed development	
08	Ground Level Predominant Uses	Defines predominant uses (by Use Class) at ground floor level across all proposed blocks	
09	Podium Level Predominant Uses	Defines predominant uses (by Use Class) at podium level across all proposed blocks	
10	Typical Level Predominant Uses	Defines predominant uses (by Use Class) at typical upper levels across all proposed blocks	
11	Maximum Limits of Deviation	Defines the maximum building footprint and height across all proposed blocks and podia	
12	Basement extents	Defines the maximum basement extent and depth across all proposed blocks	
13	Landscape and Open Space Plan – Ground Level	Defines the extent of landscaping and open space at ground floor level, including publicly accessible public realm space and private yard space	
14	Landscape and Open Space Plan – Podium Level	Defines the extent of landscaping and open space at podium level, including communal amenity space and playspace for residents, and outside terraces serving commercial units	

Parameter Plan		Кеу ѕсоре
15	Landscape and Open Space Plan – Roof Level	Defines the extent of space for communal roof gardens / green roof / plant / PV at roof level across all proposed blocks
16	Highways Parameter Plan	Defines the key transport and highway parameters across the outline element, including bus stand / stop locations, vehicular access points to blocks, loading and drop off areas, Car Club parking bays, pedestrian routes, and vehicular access and circulation

- 76 The Parameter Plans are complemented by the Development Specification which must be read alongside them at all times. The Development Specification sets out the parameters and principles which future reserved matters applications will need to be brought forward in accordance with. It defines a series of key planning principles, including the quantum of floorspace and breakdown of Use Classes across the development; the residential mix; the quantum of affordable housing and its tenure mix; the extent of publicly accessible open spaces within the development; highways and access principles together with car and cycle parking provision; together with sustainability and energy, and waste management principles. In addition, it includes a series of environmental controls and commitments relating to the pedestrian wind environment, noise and vibration, drainage and flood management, ecology and nature, and construction and demolition.
- The Development Specification also includes a detailed suite of design controls which are designed to ensure that a high quality of design is secured across the outline element by providing clear design principles and parameters for any future reserved matters applications. The Design Controls section of the document includes scheme wide design controls relating to connections, layout and access, scale and massing, and appearance, character and materiality. It also includes design controls in relation to the public realm, including planting, trees, sustainable drainage, materials, lighting and maintenance. In addition it includes design controls for each phase of the outline element (Phases 2 – 5), detailing the approach to connections and access; height, scale, massing and form; appearance, character and materiality; amenity space provision; and landscape design.
- 78 In addition to the Development Specification and Parameter Plans, illustrative plans are included within the submitted Design and Access Statement to demonstrate how the outline element (Phases 2 5) could be developed within the ranges and principles set out in the Development Specification and Parameter Plans. These serve to clarify the application of the controls within these documents, and provide an illustratative example of how future phases could be developed. It is however important to note that these illustrative plans are not formally submitted for approval, with the detailed design of future phases to be determined through subsequent reserved matters applications in due course.

#### Development floorspace and land use

79 The Development Specification includes a series of provisions in relation to development floorspace and land use in relation to the outline element.

- 80 Across the outline element as a whole, the Development Specification allows for up to 52,000sqm of Class E (commercial, business, service, and indoor sport) floorspace, up to 5,000sqm of sui generis (public house, wine bar, or drinking establishment/ drinking establishments with expanded food provision/ hot food takeaways), up to 5,000sqm of Class F1 (learning and non-residential institutions) floorspace, and up to 330,000sqm of Class C3 (residential) floorspace (which equates to c. 2,900 residential units).
- 81 The Development Specification also provides further detailed provisions in relation to the proposed floorspace and land uses.
- 82 These include limits on the retail or service floorspace, including the maximum floorspace that may be used for retail, food and drink uses, the maximum floorspace that may be used for the sale of comparison goods, and the maximum floor area of individual retail units for the sale of convenience and comparison goods.
- 83 These also include a series of provisions in relation to the employment floorspace, including a minimum quantum of floorspace to be be provided for light industrial uses (Class E(g)(iii), and a maximum quantum of floorspace to be provided as office space (Class E(g)(i).
- 84 In addition, there are provisions regarding the siting of the proposed uses within the relevant phases of the outline element. The Class F1 (learning and non-residential institution) and Class E (d) (indoor sport, recreation and fitness) floorspace is to be within Phase 3 at ground / podium level. The Class E (e and f) (medical and health services) floorspace can be within Phases 2, 3 or 4, and the Class E (a), (b) and (c) (commercial and service) floorspace including relevant sui generis uses can be within Phases 2, 3, 4 or 5. The E(g)(iii) (light industrial) floorspace, will be predominantly within Phase 5, with some additional provision within Phase 2.
- The Development Specification also provides detailed provisions in relation to residential uses across the outline element. This includes the tenure mix of the proposed dwellings, the mix of units by number of bedrooms, and provisions relating to the provision of accessible dwellings to meet M4(2) and M4(3) Building Regulations 2015 requirements.
- 86 Additional detail on the relevant provisions is contained within the relevant topic sections of this report.



Figure 5 – Illustrative ground level plan

87 A summary of the development proposed for each phase, as secured by the Parameter Plans and Development Specification is set out below. The plan below identifies the location of each phase.

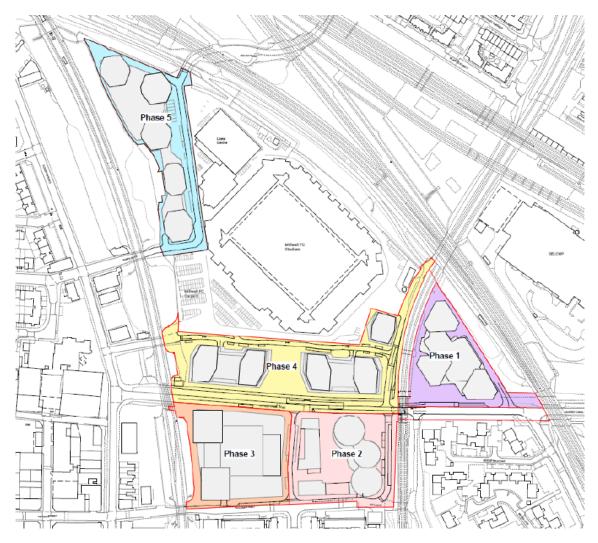


Figure 6 – Proposed phases

Phase 2 (Excelsior)

- 88 Phase 2 is located directly to the west of the proposed new London Overground station on the East London Line (Surrey Canal Station). It is bounded by Surrey Canal Road to the north, and by Rollins Street to the south.
- 89 Phase 2 would involve the formation of two new highway connections running northsouth to connect Surrey Canal Road and Rollins Street. One would run along the eastern boundary of the plot running parallel to the East London Line, and the other would form the western boundary of the plot forming an extension to the existing line of Lovelinch Close which runs perpendicular from Rollins Street to the south. This new highway infrastructure would facilitate a bus loop around Phase 2 to accommodate the provision of new bus services to serve the development and operate as an interchange with the proposed new Surrey Canal Station.
- 90 Phase 2 would involve the demolition of all existing buildings on the plot, with the exception of Guild House and part of Rollins House which would be retained. Phase 2 would comprise three linked rotunda buildings on the eastern half of the plot, which would be stepped in height rising to a maximum of 71m, 97m and 154m Above Ordnance Datum (AOD) respectively. Along the southern elevation to Rollins Street, the east elevation of the retained part of Rollins House would be joined to the rotunda block and its west elevation would be joined to a new block rising to a maximuxm of 51m AOD.

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- 91 Phase 2 would comprise a range of flexible space at ground floor level to accommodate commercial and service uses (Class E parts (a), (b) and (c) and relevant sui generis uses, and the potential for Class E (e and f) uses for the provision of medical or health services. Guild House and its rooftop extension would accommodate workspace, whilst the linked rotunda buildings and the new building at the south west corner of the plot would accommodate residential apartments at their upper levels. Basement space would accommodate vehicle and cycle parking together with plant.
- 92 A new public space would be created at the north western corner of the Phase 2 plot ('Station Square') adjacent to the proposed new Surrey Canal Station. This space would be a minimum size of 600sqm. A further public space ('Phase 2 Square') would be created at the centre of the plot forming a courtyard space largely enclosed by the buildings. This space would be a minimum size of 1,250sqm.

Phase 3 (Timber Wharf)

- 93 Phase 3 is located directly to the west of Phase 2. It is bounded by Surrey Canal Road to the north, by Rollins Street to the south, and by the embankment carrying the rail line between South Bermondsey and Queens Road Peckham to the west. It comprises the premises formerly occupied by Jewsons Builders Merchants.
- 94 Phase 3 would involve the demolition of all existing buildings on the plot, and the construction of a large mixed-use development which would accommodate a major new indoor sports and leisure facility within the podium building, with three residential towers rising from this. The podium building would rise to a maximum of 13m AOD to its northern and southern elevations, rising to a maximum of 26m AOD at its centre. The three residential towers would rise from the podium, with the tower at the north west corner of the block rising to a maximum of 117m AOD, the tower at the eastern extent of the block rising to a maximum of 91m AOD.
- 95 The proposed sports and leisure facility would include a range of facilities, including basketball facilities, indoor five-a-side pitches, a leisure centre with swimming pool and day spa, dance studios, gymnasium, facilities for table tennis, boxing and weightlifting, and a climbing wall. Phase 3 would also comprise a range of flexible space within the podium block to accommodate commercial and service uses (Class E parts (a), (b) and (c) and relevant sui generis uses, and the potential for Class E (e and f) uses for the provision of medical or health services. It would also accommodate Class F.1 (learning and non-residential institutions) floorspace. The three towers rising from the podium block would accommodate residential apartments. Basement space would accommodate elements of the sports and leisure facility, in addition to vehicle and cycle parking, and plant.
- 96 A new pedestrian route (and means of emergency vehicle access) would be created at the western extent of the plot adjacent to the rail embankment, providing an additional route between Rollins Street and Surrey Canal Road.

Phase 4 (Stockholm and Senegal)

97 Phase 4 lies to the north of Surrey Canal Road. It is bounded in part by Stockholm Road and by Millwall Football Club to the north, by the embankment carrying the rail line

between South Bermondsey and Queens Road Peckham to the west, and by Senegal Road to the east.

- 98 Phase 4 would involve the formation of a new shared surface carriageway at Stockholm Road, extending its existing route eastwards to connect with Senegal Road. It would involve the demolition of all existing buildings on the plot, and the development of two podium blocks between Surrey Canal Road and Stockholm Road, with two residential towers rising from each podium block. Each podium block would rise to a maximum of 17m AOD, with the pair of residential towers above each block rising to a maximum of 111m and 127m AOD respectively. In addition, a further residential tower would be developed on the parcel of land to the north of Stockholm Road. This would rise to a maximum of 94m AOD.
- 99 Phase 4 would comprise a range of flexible space at ground floor level to accommodate commercial and service uses (Class E parts (a), (b) and (c) and relevant sui generis uses. The five towers would comprise residential apartments. Basement space would accommodate vehicle and cycle parking together with plant.
- 100 A new public space would be created between the two podium blocks, providing a new connection between Surrey Canal Road and Stockholm Road. This space would be a minimum size of 1,750sqm. A new pedestrian connection would also be created at the western extent of the plot adjacent to the rail embankment, providing an additional route between Surrey Canal Road and Stockholm Road. The existing route at Senegal Road would be subject to improvement.

#### Phase 5 (Bolina)

- 101 Phase 5 lies to the north and west of Bolina Road. It is of Surrey Canal Road. It is bounded to the west by the embankment carrying the rail line between South Bermondsey and Queens Road Peckham, and to the north by the embankment carrying the line between London Bridge and New Cross Gate.
- 102 Phase 5 would involve the creation of a shared surface carriageway at Bolina Road. It would involve the demolition of all existing buildings on the plot, and the development of a large podium block across the majority of the plot. The podium block would rise to a maximum height of 11m AOD. Five residential towers would rise from the podium block, rising to maximum heights of 111m, 124m, 127m, 114m and 153m AOD respectively.
- 103 Phase 5 would comprise a range of flexible space at ground floor level to accommodate commercial and service uses (Class E parts (a), (b) and (c), including a minimum of 6,600 sq m of Class E(g)(iii) floorspace, together with relevant sui generis uses. The five towers would comprise residential apartments. Basement space would accommodate vehicle and cycle parking together with plant.
- A new area of public open space would be created at podium level ('Podium Gardens') with a minimum size of 250sqm. A pedestrian route would be provided across the podium level leading to South Bermondsey Station. In addition, along the plot's northern extent a new pedestrian route would be created to provide a future access from Bolina Road to South Bermondsey Station.

#### Supporting Documents

- 105 In addition to the plans and drawings, a series of supporting documents were submitted with the application. These are listed below:
  - Circular Economy Statement

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- Daylight, Sunlight and Overshadowing Amenity Report
- Delivery Strategy
- Design and Access Statement (and Access Statement)
- Energy and Sustainability Statement
- Environmental Statement with associated Technical Appendices including:
  - Air Quality Assessment
  - Archaeological Desk Based Assessment
  - Daylight, Subnlight, Overshadowing and Solar Glare Assessment
  - Development Specification
  - Ecological Assessment
  - Flood Risk Assessment and Surface Water Drainage Strategy
  - Framework Construction Environmental Management Plan
  - o Geoenvironmental and Geotechnical Desk Study Report
  - Noise Assessment
  - o Townscape, Visual and Built Heritage Assessment
  - Transport Assessment
  - Tree Survey Report
  - Wind Microclimate Report
- Financial Viability Assessment
- Fire Statement
- Operational Waste Management Strategy
- Planning Statement
- Regeneration Statement
- Relocation Strategy
- Site Waste Management Plan
- Statement of Community Involvement
- Utilities Strategy
- Whole Life Carbon Analysis
- 106 In October 2021 the applicant submitted a number of updated chapters to the Environmental Statement, together with associated Technical Appendices. In addition the applicant submitted a number of updated supporting documents together with amended plans.

#### Environmental Impact Assessment

107 The scheme has been subject to Environmental Impact Assessment in accordace with the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 (as amended).

#### 5 CONSULTATION

#### 5.1 PRE-APPLICATION ENGAGEMENT

- 108 The applicant carried out two key stages of pre-application public consultation.
- 109 The first stage of public consultation took place from 31 January to 28 February 2020. The applicant engaged with tenants, landowners, residents and businesses within the surrounding in addition to existing on-site occupiers and future occupiers including Fusion Table Tennis Club, Hillsong Church, London Thunder Basketball Club, Surrey Canal Sports Foundation (Energize) and OnSide Youth Zones. Two public exhibition events were held at The Thunderdome, on Tuesday 11 February from 4pm to 8pm, and on Sunday 16 February from 10am to 2pm. These events were publicised to

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Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> stakeholders, residents, local businesses, and people who work in the area via a flyer distributed to 2,972 property addresses together with a dedicated consultation website.

- 110 A total of 67 people attended the exhibition events, including residents from the Silwood Estate and Winslade Estate, Sport England, London Thunder Basketball Club and Millwall FC supporters. A total of 96 people submitted comments as part of the consultation, with the majority of these submitted via the dedicated consultation website. A total of 2,064 people visited the website during the consultation period. Of the 96 people who made comments, this represented a total of 320 individual comments. The overall response was positive, with 78% of all comments expressing a positive sentiment to the proposals, 17% expressing a neutral sentiment, and 5% a negative sentiment. A detailed breakdown of the comments submitted is set out within the Statement of Community Involvement (London Communications Agency) which has been submitted alongside the application.
- 111 The second stage of public consultation took place from October to November 2020, including an online consultation via a dedicated consultation website from 8 October to 30 October 2020. Due to the Covid-19 pandemic and the associated restrictions on faceto-face meetings and public gatherings, the applicant developed a virtual engagement strategy. The consultation was publicised via a flyer distributed to 2,972 property addresses together with an email distributed to those residents who had previously asked to be kept up to date with the proposals. The second stage of consultation provided more detail on the proposals, including building heights, massing and density, and materials.
- 112 A total of 863 people visited the consultation website during the second stage. 74 respondents submitted comments, representing a total of 310 individual comments. The overall response was positive, with 70% of all comments expressing a positive sentiment to the proposals, 7% expressing a neutral sentiment, and 23% a negative sentiment. A detailed breakdown of the comments submitted is set out within the Statement of Community Involvement.
- 113 The Statement of Community Involvement also details how the applicant has sought to respond to the comments raised through pre-application consultation and where feedback has informed changes to aspects of the proposed development.
- 114 The applicant has engaged extensively with LB Lewisham since 2018 as part of preapplication discussions, and with other key stakeholders including Millwall FC, the Greater London Authority, Transport for London, LB Southwark, the Metropolitan Police, the London Fire Brigade, Network Rail, Historic England and Sport England. The full range of stakeholder engagement undertaken as part of the pre-application process is summarised within the Statement of Community Involvement.

#### 5.2 APPLICATION PUBLICITY

- 115 Upon validation of the planning application in May 2021, publicity was carried out in accordance the statutory requirements and those required by the Council's adopted Statement of Community Involvement.
- 116 Site notices were displayed on 12 May 2021 and a press notice was published on the same date. Letters were sent to approximately 4,190 residents and businesses in the surrounding area and the relevant ward Councillors. Relevant consultees were also invited to comment.

- 117 Following the receipt in October 2021 of updated chapters to the Environmental Statement, together with associated Technical Appendices, and a range of other updated plans and supporting documents, formal consultation on this further information was undertaken in accordance with the requirements of Regulation 25 of the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 (as amended).
- 118 Site notices were displayed on 17 November 2021 and a press notice was published on the same date. Letters were sent to approximately 4,190 residents and businesses in the surrounding area and the relevant ward Councillors. Relevant consultees were also invited to comment.

#### 5.2.1 Comments in objection

119 7 representations in objection have been received:

Comment	Para where addressed
Absence of consultation from the developer. The consultation exercise undertaken by the developer was superficial and general.	108-114
Lossof pre-World War II structures	44, 551-559
The retention of Rollins House has not been given consideration for heritage and impact of the proposed skyscrapers	426-428
There is no consideration of transport infrastructure and impact on surrounding infrastructure	Discussed in detail at para 594-695
It is irresponsible to allow new housing next to SELCHP, this will have a harmful impact on air quality and human health	312-315
The applicants air quality reports fail to take into account all factors arising from SELCHP and the impact of residents, particularly children.	312-315
The impact from SELCHP would be even greater with the district heat network approved by the Council	775-789
The proposals are too dense	218-225
No new green space is proposed in an area of the borough which lacks such amenities	345-349
Loss of existing business and creative industries in the area	372-373
Buildings up to 45 storeys high are too tall and would reduce light to surrounding buildings and have a significiant impact.	475-506
The new Overground station is unlikely to happen given TfL finances, which	641-647

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#### Hatcham Society

Raise objection on the proximity of the development close to SELCHP. The Society do not believe that the area should be redeveloped for housing whilst SELCHP is operational. The Air Quality report fails to assess release of particles smaller than PM2.5 from the incinerator and is therefore flawed. The applicants Groundwater, Soil and Contamination Report also fails to examine contamination by airboune deposits of hazardous substances. The area cannot cope with 3,500 new homes and more than 7,000 residents. New Cross has one of the lowest concentrations of green space per person.

#### **Deptford Folk**

Deptford Folk, represent Deptford Park and Folkstone Gardens which lie next to the site. The group object on the basis of the incongruity and danger of the towers next to SELCHP. They raise concerns for health incomes to incoming residents and consider the land should not be developed into housing whilst SELCHP is operational. The group also consider that Deptford cannot cope with the density proposed and that the area lacks open space as Deptford has one of the lowest concentrations of green space per person.

Response to points not addressed within the body of the report

120 As identified above, the majority of points raised are addressed within the body of the report. Where this is not the case, the relevant points are responded to below.

Comment	Comment
The Council has obstructed existing tenants and occupiers from enabling planning applications and planning permissions	Proposed developments within the Strategic Site Allocation must be comprehensive in line with a masterplan, and should any application not conform with the requirements of Core Strategy SSA3 the development will be resisted in order to avoid piecemeal development. The Council has support for this approach tested by appeal (ref APP/C5690/W/16/3155355).

### 5.2.2 Comments in support

121 7 representations in support have been received:

Comment	Para where addressed
This area is prime for redevelopment. It is currently a dangerous area and cut off from surrounding South-East London.	191-208
A very detailed assessment has been made of the environmental impact of this	922-946 and Table 11

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development. The area is currently a semi-derelict backwater with poor transport links and no retail or entertainment facilities.	
The development will improve the area immensely and the well-being of all who live within it.	763-764
I whoreheartedly back the development and look forward to seeing it started as soon as possible.	914-920
The area severely lacks cafes, restaurant and shops which this development will bring to the area.	363-373
The development will improve the living conditions for existing residents.	763-764
The development is supported provided the developer keeps to their commitments on noise and air pollution, improving public realm and updating local residents on progress of construction.	Various planning conditions are proposed
The key to success of the development will be improvements to South Bermondsey and the new Overground Station, we hope these are completed in Phase 1 of the works.	641-647

#### 5.2.3 Neutral comments

- 122 Millwall FC have submitted comments on the proposals which are summarised below:
- 123 MFC's overriding comment is one of support for the principle of what Renewal is seeking to achieve through its proposed development. As part of the pre-application process Renewal's appointed architects, SEW, have consulted with MFC's appointed architects, AFL, to seek to ensure that Renewal's scheme does not prejudice future expansion of the stadium. The proposals, as submitted, largely reflect the outcome of this working relationship, and are a significant improvement by comparison with the Renewal's original consented scheme (LPA ref: DC/13/085143). There are, however, amendments that are required to the planning application to ensure that the key spatial objectives of the Development Plan, emerging Development Plan and the Surrey Canal Triangle Design Framework SPD ('the SPD') are met.
- 124 The Planning Statement is silent on the wider development capacity of the site allocation. CBRE, on behalf of MFC, has previously written to LB Lewisham regarding the Regulation 18 version of the new Lewisham Local Plan, on the importance of enabling development to unlock the redevelopment of the stadium. These points continue to stand, and MFC would reiterate that the indicative development capacity stated by Draft Site Allocation 8 should remain indicative, and Renewal's proposals for circa 3,500 homes should not constrain MFC's plans for new development, whether residential or otherwise, through absorbing what is nearly the indicative total capacity as currently set out within the draft allocation (3,600 homes).

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- 125 The scheme as submitted by Renewal, in terms of the height and distribution of towers, is only acceptable with a compatible scale of development being allowed on the "stadium land" to ensure for a coherent masterplan vision. The development of the "stadium land" is important for allowing enabling development, but it is also component of the wider masterplan and achieving a cohesive scheme, not least the public realm works that will take place on the MFC land that will serve as an important design function in tying the wider masterplan together. The development that will be brought forward on the MFC land will need to be deliverable, in order to ensure that Renewal's proposals, and the ambitions of the wider masterplan, are fully realised.
- 126 The relationship between proposed Phase 4 and the MFC stadium, which appears uncomfortably close to the expanded south stand as envisaged by MFC, and could have the unintended consequence of compromising signal accessibility to the Outside Broadcasting ('OB') area. Specifically, AFL suggest that Tower 4-E should be removed or reduced in scale from that proposed in the submitted parameter plan. The removal or reduction in scale of this, whilst justified in terms of design and stadium operation, will also contribute to 'freeing up' some of the indicative capacities assumed in the Regulation 18 Draft Local Plan.
- 127 Overshadowing to the MFC pitch during the winter months (the traditional football season) which can have a detrimental effect on grass growth. We note that this is principally in relation to Phase 4 which is sought in outline. It may be that specific mitigation measures can be included by way of planning condition to ensure that future reserved matters in this area achieve an acceptable level of overshadowing to the pitch.
- 128 The relationship between proposed Phase 5 to the west of Bolina Gardens, where four towers sit above a two-storey plinth. This has a potentially overpowering impact on the northern tip of MFC land, unless a balancing mass of development on the MFC side of the road can be appropriately integrated into the masterplan as a whole.
- As currently submitted, Renewal's planning application poses a significant risk of diluting MFC's ability to pursue its own enabling development works to subsidise and release the capital required to deliver the stadium works and associated development. MFC requires enabling development to fund the proposed works. A key requirement of the site allocation is to support the long-term future of the Club, and it is therefore essential that either (1) the Draft Plan expressly deals with the distribution of housing (and other uses) across the allocation, to provide for the enabling development needed to realise the ambitions of the allocation; or (2) the quantum of homes proposed within Renewal's planning application is reduced.
- 130 The operational needs of the club includes, amongst other things, ensuring that the pitch is not significantly overshadowed such that it either effects grass growing conditions or affects the broadcast quality of matches (due to parts of the pitch being in significant shadow). In addition, wind tunnel affects have the potential to create localised issues on the stadium, i.e. disruption when the ball is in the air particularly during corners.
- 131 A significant proportion of Renewal's scheme is submitted in outline. Whist we have no issue with this in principle, it means that much of the detail will not be available until reserved matters are advanced. It is imperative that through the planning obligations process MFC is appropriately engaged as the details are advanced, so that they can been involved in decisions that could affect their ability to operate at the site (this is consistent with Strategic Site Allocation 3).

- 132 It is critically important that MFC is able to continue to play matches during the construction process. As such, MFC must be engaged, as appropriate, in steering/working groups around details of the construction management process. Arrangements for match days and how elements of the wider public realm help in ensuring the safe evacuation of fans will also be necessary.
- 133 Page 103 of the Design and Access Statement refers to *"the need for a state-of-the-art sports complex for the local community, schools and local sports clubs."* Whilst we have no issue in principle with the provision of additional facilities for use by the local community, it is important that the viability of Lions Centre is not undermined through the provision of competing uses.

### 5.3 INTERNAL CONSULTATION

- 134 The following internal consultees were notified and their responses are summarised below. All copies of representations are available for inspection via the Council website:
- 135 <u>Ecological Regeneration</u> No objection subject to conditions
- 136 <u>Environmental Protection</u> No objection subject to conditions in relation to land contamination, noise and air quality.
- 137 <u>Environmental Sustainability</u> queries raised about building fabric and mechanical ventilation and building efficiency, a meeting has been held with the applicant and their technical consultants which has addressed matters.
- 138 <u>Local Lead Flood Authority</u> no objection subject to conditions.
- 139 <u>Highways</u> ongoing detailed negotiations with the applicant have taken place. There is no objection to the proposals subject to securing detailed matters by condition, s106 and s278 agreements.
- 140 <u>Occupational Therapy (Housing)</u> have a preference for additional wheelchair parking for Phase 1 and that all wheelchair accessible units are located no higher than level 4 of the tower.
- 141 <u>Strategic Development Team (Housing)</u> No objections to this application. During the course of the development, the Strategic Development Team would welcome continued collaboration with the Applicant, Planning and the Strategic Development team to continually re-evaluate the viability to exploit every opportunity to ensure the maximum amount of affordable housing and family sized-homes throughout each phase of this important strategic development of the Surrey Canal Triangle is being delivered.

### 5.4 EXTERNAL CONSULTATION

- 142 The following external consultees were notified, and their responses are summarised below. All copies of representations are available for inspection via the Council website:
- 143 <u>Biggin Hill Airport</u> No comments received
- 144 <u>Civil Aviation Authority</u> No comments received
- 145 <u>Environment Agency</u> No objection subject to planning conditions.

- 146 Greater London Archaeological Advisory Service (Historic England) -
- 147 <u>Greater London Authority</u> Strategic issues summarised within the Stage 1.

Land use principles: The uses proposed for this brownfield site within an Opportunity Area, providing a significant number of new homes and non-residential uses are generally supported; however, the scale of development is very significant in an area which currently has limited public transport and connectivity, to which improvements will need to be secured in order to support this scale of development. Further discussion is required on the scale of light-industrial re-provision, affordable workspace, social infrastructure, and the proposed Phase 1 auditorium. Hot food takeaway uses are not supported as the site is within 400 metres of existing schools.

Housing and affordable housing: A minimum of 35% affordable housing (by unit) across all phases, with an indicative 40% by habitable room (60% social rent, 40% intermediate); including 34% (by habitable room) in Phase 1. While the significant increase in affordable housing compared to the consented scheme (12%) is welcomed; this does not meet the requirements of the fast-track viability route for which the threshold level is 50%. The applicant has therefore submitted a Financial Viability Assessment, which is being reviewed by the GLA Viability Team. Early and late stage viability reviews will be required, as well as mid stage viability reviews attached to phases. The proportion of family sized units appears low and should be agreed with the Council. Play space requires clarification.

*Urban design and historic environment*: Tall buildings are identified as appropriate in principle on this site, which has an extant consent for tall buildings, is within a context of emerging tall buildings, and within an Opportunity Area. Further consideration is required of the tall building strategy, wind impacts, podia design, and crowd movement. Design, transport, connectivity, and other concerns need to be addressed before such a high-density scheme can be supported. The Development Specification requires amendment. The proposals are not in accordance with Policy HC1 due to the 'less than substantial' harm caused to surrounding Conservation Areas; however, this is at a very low level and could potentially be outweighed by the significant public benefits proposed. The impact on strategic views would be negligible, and Strategically-Important Landmarks and Protected Vistas would be protected.

*Transport:* Substantial contributions to public transport and active travel will be required in mitigation. Further discussions are required to ensure a high-quality pedestrian and cycling environment; to enable construction of the proposed Surrey Canal Overground Station and safeguard new and existing operational railway infrastructure; details of the Phase 2 bus interchange and loop arrangements; Grampian arrangements pending the delivery of transport infrastructure improvements; agent of change principles; and crowd movements associated with Millwall FC. The trip generation assessment requires amendment.

Climate change and environment: Further technical information is required.

*Recommendation*: That Lewisham Council be advised that the uses proposed are generally supported; however, the application does not currently comply with the London Plan for the reasons set out in paragraph 175. Where the associated concerns within this report are addressed, the application may become acceptable in strategic planning terms.

148 <u>Health and Safety Executive</u> – the site does not lie within the consultation distance of a major hazard site or major accident hazard pipeline, and therefore the HSE dos not need to be consulted on any developments on this site.

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149 <u>Historic England (Archaeology)</u> – consider that borehole testing for archaeology should be carried out prior to decision. Planning conditions should be attached in the event of the grant of permission.

<u>Historic England (Conservation)</u> – no comments to make and advice should be sought from in house conservation specialist.

- 150 <u>London City Airport</u> No objection and a planning condition requested for crane details.
- 151 <u>London Fire Brigade</u> The LFB note that existing hydrant provision is not within 9-m of at least one proposed inlet location. The applicant should contact the Brigade Water Office. The London Fire Brigade (LFB) has been consulted with regard to the abovementioned premises and have no further observations to make. It should be ensured that if any material amendments to this consultation is proposed, a further consultation may be required.
- 152 London Fire and Emergency Planning Authority no comments received
- 153 <u>London Heathrow Airport Safeguarding</u> No objection subject to planning conditions regarding construction and crane details.
- 154 <u>London Westland Heliport</u> no comments received.
- 155 <u>Metropolitan Police Crime Prevention Officer</u> No objection and recommend a number of planning conditions.
- 156 <u>National Air Traffic Services</u> No objection
- 157 <u>Natural England</u> No objection
- 158 London Borough of Southwark No objection
- 159 <u>London Borough of Tower Hamlets</u> No comments
- 160 <u>Network Rail</u> A significant amount of people will use South Bermondsey Station for London Bridge connections. Further investigation is need into the feasibility of providing a second entrance at the southern entrance of the station halfway down Ilderton road. Network Rail welcome further discussions with the applicant and Lewisham Council to gain a better understanding of how this development will impact South Bermondsey Station. This will enable Network Rail to identify suitable mitigation measures to cope with the additional demand brought by this proposal. Network Rail request the developer continues to liaise with NR's Asset Protection team to enter into an Asset Protection Agreement.
- 161 <u>Port of London Authority</u> No comments
- 162 <u>Royal Borough of Greenwich</u> No comments
- 163 <u>Sport England</u> No objection to the proposals based on the revised documents.
- 164 <u>Thames Water</u> Raised a number of queries about water capacity and have requested planning conditions including for piling construction methods.
- 165 <u>Theatres Trust</u> The auditorium space lends itself well to religious services and potentially lectures or presentations given its layout, there are constraints which would

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limit theatre and other live performance to any great extent. Primarily this is because there is little backstage provision, for example no obvious storage area for any sets or equipment or dressing rooms although there is a green room and bank of showers upstairs but with a convoluted route into the auditorium. This is not necessarily a problem if only very limited and occasional theatre use is envisaged, but if there is some reliance on wider use for the auditorium's viability there would be great merit in engaging a specialist theatre consultant. Some consideration will also need to be given as to how the space is managed given that it appears to share its foyer and services with other functions within the block. There is no objection to the auditorium space but urge that points are addressed.

- 166 <u>Transport for London</u> The development needs to secure financial contributions and details for a Phase 1 bus route, required in the event that Orion completes ahead of the opening of the Surrey Canal Overground station. Financial contributions for Phase 2-5 bus routes are also required. Cycling docking stations in two locations are required with funding, a request for Canada Water staffing funding is no longer sought on the provision the development secures transport infrasturcure and active travel measures
- 167 There remains concerns at the Phase 2 bus loop and bus priority schemes, and planning obligations are required for further design work and modelling prior to Phase 2.
- 168 <u>Transport for London (London Overground)</u> No objection. Planning conditions are recommended.
- 169 <u>UK Power Networks</u> no response received.

#### 5.5 DESIGN REVIEW PANEL

- 170 The scheme was presented to the Lewisham Design Review Panel on 2 May 2019. Informed by the comments of the Panel, an updated version of the scheme was subsequently presented to the Panel on 29 October 2019 for their further review and comment.
- 171 An application based Design Review Panel was held on the 1 December 2020, the key comments raised by the Panel are summarised below, with an officer response detailing how these issues are considered.

Design Review Panel comments	Officer response
Scheme wide comments	
The Panel were appreciative of the quality of the team's presentation and recognised the demands on delivering a high quality, high density project on this very large strategic site.	Positive comments noted.
The Panel also appreciated the very positive design development undertaken in response to commentary of the previous LDRP reviews and the considerable improvement that had been	

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Design Review Panel commentsOfficeundertaken in the final designs which	er response
have addressed a good many of the	
issues raised at earlier review.	
The Panel commented that this The S	Surrey Canal Triangle Design
	ework SPD was prepared by the
piece of city. Whilst noting that this Coun	cil in anticipation of a planning
particular site is covered by The Surrey applic	cation to be submitted on the
	ey Canal Triangle Strategic Site
	ation. The framework sets
	n parameters including
•	opriate locations for tall buildings
	permeability and route
· · · · · · · · · · · · · · · · · · ·	ections. The SPD does not
	ct a single application across the
•	site allocation noting the
	ent land ownerships across the
	but expects development to be
-	hitted with a masterplan and
	poration with adjacent
It was also not yet clear how at a	
•	scheme through its design
•	ion at pre-application stages has
	into account of neighbouring
<b>v</b>	osals including in Southwark.
	applicant has also engaged with
•	outhwark, the GLA and Millwall
	t pre-application stage.
strategic views and were not wholly	
convinced over the massing rationale It is n	oted that LB Southwark have
	d no objection to the scheme.
proposed towers and their potential to	
identify the landmarks such as the	
station or the public square. The Panel	
felt that greater cadence and emphasis	
on certain towers should add focus and	
help identify key urban spaces	
and transport hubs as well as key points within the development.	
The project capacity of 3500 homes will	
	development will make a
	icant contribution to
	ehouse Meadows.
and their proximity to the site. The	
	Is of amenity space across the
•	opment is provided at para 334-
• •	of the report.
is somewhat remote and should not be	-
construed as the central piece of green	
space for this development.	
The Panel commented that a more	
generous strategy to the provision of	
green space needs to be found to	

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accommodate the amount of development coming forward and a green infrastructure analysis identifying walking distances for locations in the neighbourhoods to give indication of proximate green provision. It is helpful that the design team working on the redevelopment of Millwall Stadium have now been able to share their designs and enter into constructive dialogue with this team, which has enabled this team to develop meaningful urban linkages and strategies to clear benefit of both developments. The Panel supported the removal of the fifth proposed tower on the Stockholm (Phase 4) in order to create a new public square (Stadium Square). This helps to avoid Surrey Canal Road becoming a canyon and clearly improves the north/ south permeability to and from the stadium. The Panel welcomed the much improved pedestrian connectivity across the site. In particular the north- south connectivity across Surrey Canal Road, improved as a result of the reduction in the number of towers on Stockholm has been substantially beneficial and now links successfully to the future development of Millwall Stadium itself. The development will clearly offer better access to access to retail and additional green/public space, but more work needs to be done to clarify the benefits of the proposals to the existing communities notably the neighbouring social housing to ensure social cohesion is maximised as a result of the development. The Panel noted the mandatory requirement for 10% biodiversity net gain across the site and were interested	Design Review Panel comments	Officer response
<ul> <li>working on the redevelopment of Millwall Stadium have now been able to share their designs and enter into constructive dialogue with this team, which has enabled this team to develop meaningful urban linkages and strategies to clear benefit of both developments.</li> <li>The Panel supported the removal of the fifth proposed tower on the Stockholm (Phase 4) in order to create a new public square (Stadium Square). This helps to avoid Surrey Canal Road becoming a canyon and clearly improves the north/ south permeability to and from the stadium.</li> <li>The Panel welcomed the much improved pedestrian connectivity across the site. In particular the north- south connectivity across Surrey Canal Road, improved as a result of the reduction in the number of towers on Stockholm has been substantially beneficial and now links successfully to the future development of Millwall Stadium itself.</li> <li>The development will clearly offer better access to access to retail and additional green/public space, but more work needs to be done to clarify the benefits of the proposals to the existing communities notably the neighbouring social housing to ensure social cohesion is maximised as a result of the development.</li> <li>The Panel noted the mandatory requirement for 10% biodiversity net</li> </ul>	accommodate the amount of development coming forward and a green infrastructure analysis identifying walking distances for locations in the neighbourhoods to give indication of	
fifth proposed tower on the Stockholm (Phase 4) in order to create a new public square (Stadium Square). This helps to avoid Surrey Canal Road becoming a canyon and clearly improves the north' south permeability to and from the stadium.Comments noted.The Panel welcomed the much improved pedestrian connectivity across the site. In particular the north- south connectivity across Surrey Canal Road, improved as a result of the reduction in the number of towers on Stockholm has been substantially beneficial and now links successfully to the future development of Millwall Stadium itself.Comments noted.The development will clearly offer better access to access to retail and additional green/public space, but more work needs to be done to clarify the benefits of the proposals to the existing communities notably the neighbouring social housing to ensure social cohesion is maximised as a result of the development.The Panel noted the mandatory requirement for 10% biodiversity net	working on the redevelopment of Millwall Stadium have now been able to share their designs and enter into constructive dialogue with this team, which has enabled this team to develop meaningful urban linkages and strategies to clear benefit of both	Positive comments noted.
<ul> <li>improved pedestrian connectivity across the site. In particular the north- south connectivity across Surrey Canal Road, improved as a result of the reduction in the number of towers on Stockholm has been substantially beneficial and now links successfully to the future development of Millwall Stadium itself.</li> <li>The development will clearly offer better access to access to retail and additional green/public space, but more work needs to be done to clarify the benefits of the proposals to the existing communities notably the neighbouring social housing to ensure social cohesion is maximised as a result of the development.</li> <li>The Panel noted the mandatory requirement for 10% biodiversity net</li> </ul>	fifth proposed tower on the Stockholm (Phase 4) in order to create a new public square (Stadium Square). This helps to avoid Surrey Canal Road becoming a canyon and clearly improves the north/ south permeability	
access to access to retail and additional green/public space, but more work needs to be done to clarify the benefits of the proposals to the existing communities notably the neighbouring social housing to ensure social cohesion is maximised as a result of the development. The Panel noted the mandatory requirement for 10% biodiversity net	improved pedestrian connectivity across the site. In particular the north- south connectivity across Surrey Canal Road, improved as a result of the reduction in the number of towers on Stockholm has been substantially beneficial and now links successfully to the future development of Millwall	Comments noted.
requirement for 10% biodiversity net	access to access to retail and additional green/public space, but more work needs to be done to clarify the benefits of the proposals to the existing communities notably the neighbouring social housing to ensure social cohesion is maximised as a result of	
in how the masterplan can be adapted to achieve that objective.	requirement for 10% biodiversity net gain across the site and were interested in how the masterplan can be adapted	
The design of the three towers was strongly supported at earlier review.Positive comments noted.		Positive comments noted.

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Design Review Panel comments	Officer response
The plan layouts for the tower are broadly as presented at earlier DRP, and seem to be very well laid out. Along with the external amenity space for each of the apartments, which is to be provided through winter gardens, the apartments indicate very appropriate high quality environments.	
The architecture, massing, elevational treatment and materiality are distinctive and of very high quality and the Panel was pleased to offer its endorsement.	
The Panel raised the issue of the wider strategic views and were not wholly convinced over the massing rationale and the relationship between the proposed towers and their potential to identify the landmarks such as the station or the public square. The Panel felt that greater cadence and emphasis on certain towers should add focus and help identify key urban spaces and transport hubs as well as key points within the development.	The location of tall building clusters is discussed at para 475-506 of the report.
Phase 1 comments The Panel commented that the loss of the Hillsong Church has caused a partial reset and the design has been adapted to provide a much more flexible flat floor multi-form venue. The Panel congratulated the team on the rethink commenting that the multipurpose flat floor room should allow many uses and offer the best chance of achieving a workable business model.	Positive comments noted. The design of the ground floor auditorium and podium level is discussed at para 334-348 and 556-569 of the report.
Whilst the podium has certainly improved relative to previous iterations the Panel in general issues remain commenting that the podium would benefit from further design development.	
As before, the Panel supported the concept of the idea of the podium as a free-flowing quasiorganic form that sits abstractly beneath the geometrically precise towers, but the engagement between the base and the towers would benefit from further design refinement, and the Panel were not persuaded that the podium design had yet reached the	

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Design Review Panel comments	Officer response
high quality resolution that had been	•
achieved on the towers directly above.	
The podium still feels as though it's too close to the underbelly of the tower soffits. There should be a way of moulding the podium to create a more generous undercroft where the towers spatially soar above the podium in a more dynamic way. Lowering the solid parapet line of the podium by 1 storey where it passes under the base of the towers would allow the height of glazed cladding to the shaft/cores to increase, a move which would help break up the massing of the podium further still, improve its proportions, and would have produced a more convincing engagement with the towers.	
The Panel were very pleased to see that the Applicant Team have undertaken detailed microclimate studies, but the Panel remained concerned over the likely wind effect from the towers to the communal garden space, commenting that if the solution to mitigate is to break up the space into a series of small packets, then this would suggest that the strategy and design needs some rethinking.	Comments noted. Microclimate is discussed at part 876-878 of the report.
The Panel were very supportive of the proposals for the integration of artificial lighting within the landscape design, which it thought extremely well considered and detailed in principle.	Positive comments noted.
The refinements in terms of the back of house and the introduction of the ENVAC seem very positive moves.	Comments noted. Sustainability is discussed at para 610-614 and 775-793 of the report
The panel noted that it is important that the services route way to the support spaces in the podium and the ENVAC between the railway embankment is of high quality and part of the shared surface environment. As drawn it appears as a sea of tarmac when vehicles should on occasion be driving over a normally pedestrianized shared surface.	

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Design Review Panel comments	Officer response
In terms of sustainability, BREEAM Excellent as a target is reasonable, but	
the Panel questioned why the Applicant	
Team are not working to achieve the	
very top level of BREEAM Outstanding	
given the scale and freedom to design	
that the site offers. The Panel endorsed the excellent	Positive comments noted. Detailed
approach to the integration of the	architectural plans have been
architectural detail and materiality	submitted and will be secured by
which has been further refined since	condition. The final materials will be
earlier reviews and was now of a very	secured by condition with schedule
design higher quality.	and on site samples to be approved.
The applicant team should note the	
Panel's general guidance on material,	
quality and detail. At planning	
application stage the quality of the	
detailing needs to be demonstrated	
through large scale drawings 1:20 and	
1:5 of key elements of the building and landscape, and should be accompanied	
by actual material samples which	
should be secured as part of any	
planning approval.	
The Panel were very supportive of	Positive comments noted.
approach to the diurnal/nocturnal	
aspects of the public realm and with high quality low energy lighting	
integrated into the landscape and	
architectural strategy.	
Discussed only in outline at this review,	Comments noted.
the Panel encouraged the highest	
levels of sustainability and noted the	
emerging intentions in the Design Team's statements to that effect. The	
Design Team should establish clearly to	
the satisfaction of the LPA, their	
intentions toward sustainability, carbon	
reduction and energy use targets for	
the development and further work	
needs in particular to be undertaken to more accurately define the carbon	
reduction strategy.	
The Panel were appreciative of the	Positive comments noted.
quality of the team's presentation and	
recognised the demands on delivering	
a high quality, high density project on	
this site. The Panel also appreciated the very positive design development	
undertaken in response to commentary	
of the previous LDRP reviews and the	
considerable improvement that had	
· · · · ·	

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Design Review Panel comments	Officer response
been undertaken in the final designs	
which have addressed many of the	
issues raised at earlier review.	
The Panel fully endorsed the design of	Positive comments noted.
the three Phase 1 towers which it	
regarded as of very high quality form,	
architectural design and detail.	
Whilst the podium has certainly	Detailed consideration of the Phase 1
improved relative to previous iterations	towers is discussed at para 429-433
the Panel in general issues remain. As	and 511-515 of the report.
before, the Panel supported the	
concept of the idea of the podium as a	
free-flowing quasi-organic form that sits	
abstractly beneath the geometrically	
precise towers, but the engagement	
between the base and the towers and	
the Panel were not persuaded that the	
podium design had yet reached the	
high quality resolution that had been	
achieved on the towers directly above.	
The podium seems too close to the	
underbelly of the tower soffits. There	
should be a way of moulding the	
podium to create a more generous	
undercroft on such large buildings.	
Lowering the solid parapet line of the	
podium by 1 storey where it passes	
under the base of the towers would	
allow the height of glazed cladding to	
the shaft/cores to increase, a move	
which would help break up the massing	
of the podium further still, improve its	
proportions, and would have	
produced a more convincing	
engagement with the towers.	
The Panel noted the large area of plant	Comments noted.
encapsulated within the podium,	
stressing the importance of ensuring	
that the vents, grilles and external plant	
do not impact negatively on the	
green landscaped and that the promise	
of the verdant "hill town" concept can	
be delivered as designed.	
The external approach to the Phase 1	The landscaping concept is
complex could be improved, and the	discussed at para 567-569 of the
ramps and landscape to Phase 1	report.
Square further refined. The ramp ways	
appear quite narrow and constrained	
for such a large development. The	
planters seem to form a visual barrier	
from Surrey Canal Road when the	
approach should be more naturally	
inviting with a good visual and physical	
flow through the space. The ground	
new anough the option the ground	

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Design Review Panel comments	Officer response
plane is too complex in terms of legibility and should be simplified with natural and obvious links to the main entrances to the podium and its facilities.	
The Panel commented that must be a good degree of activation at the ground floor/street level in order to provide a very active space and public realm. The podium visual permeability is not yet strong enough, and whilst improved relative the previous iteration, still seems rather defensive in character as opposed to open and welcoming and still needs greater visual permeability.	The ground floor activation / layout of Phase 1 is discussed at para 511-515 and 567-569 of the report.
Internally, the internal communal entrance hall beneath the podium is animated by the new move of bringing daylight through the roof. The columns clearly communicate that there is a very large structure and the fact that the columns and the podium do not all align is a consequence of the deliberately jarring geometry and produces a really interesting highly imaginative outcome	Positive comments noted.

### 6 POLICY CONTEXT

#### 6.1 LEGISLATION

- 172 Planning applications are required to be determined in accordance with the statutory development plan unless material considerations indicate otherwise (S38(6) Planning and Compulsory Purchase Act 2004 and S70 Town & Country Planning Act 1990).
- 173 Planning (Listed Buildings and Conservation Areas) Act 1990: S66 and S72 give the LPA special duties in respect of heritage assets.

#### 6.2 MATERIAL CONSIDERATIONS

- 174 A material consideration is anything that, if taken into account, creates the real possibility that a decision-maker would reach a different conclusion to that which they would reach if they did not take it into account.
- 175 Whether or not a consideration is a relevant material consideration is a question of law for the courts. Decision-makers are under a duty to have regard to all applicable policy as a material consideration.
- 176 The weight given to a relevant material consideration is a matter of planning judgement. Matters of planning judgement are within the exclusive province of the LPA. This report sets out the weight Officers have given relevant material considerations in making their recommendation to Members. Members, as the decision-makers, are free to use their planning judgement to attribute their own weight, subject to the test of reasonableness.

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### 6.3 NATIONAL POLICY & GUIDANCE

- National Planning Policy Framework 2021 (NPPF)
- National Planning Policy Guidance 2014 onwards (NPPG)
- National Design Guidance 2019 (NDG)

## 6.4 DEVELOPMENT PLAN

- 177 The Development Plan comprises:
  - London Plan (March 2021) (LPP)
  - Core Strategy (June 2011) (CSP)
  - Development Management Local Plan (November 2014) (DMP)
  - Site Allocations Local Plan (June 2013) (SALP)
  - Lewisham Town Centre Local Plan (February 2014) (LTCP)

## 6.5 SUPPLEMENTARY PLANNING GUIDANCE

- 178 Lewisham SPG/SPD:
  - Planning Obligations Supplementary Planning Document (February 2015)
  - Surrey Canal Triangle Design Framework Supplementary Planning Document (February 2020)
- 179 London Plan SPG/SPD:
  - Planning for Equality and Diversity in London (October 2007)
  - London World Heritage Sites (2012)
  - London View Management Framework (March 2012)
  - All London Green Grid (March 2012)
  - Play and Informal Recreation (September 2012)
  - Character and Context (June 2014)
  - The control of dust and emissions during construction and demolition (July 2014)
  - Accessible London: Achieving an Inclusive Environment (October 2014)
  - Social Infrastructure (May 2015)
  - Housing (March 2016)
  - Homes for Londoners: Affordable Housing & Viability (August 2017)

## 180 Other London Plan Guidance:

- Energy Planning Guidance (updated April 2020)
- Contaminated land process note (June 2020)

## 7 PLANNING CONSIDERATIONS

- 181 The main issues are:
  - Principle of Development
  - Housing
  - Employment
  - Community Uses including Sport & Recreation
  - Urban Design and Impact on Heritage Assets
  - Transport Impact
  - Living Conditions of Neighbours
  - Sustainable Development
  - Natural Environment
  - Public Health, Well-being and Safety
  - Environmental Impact Assessment
  - Planning Obligations

#### 7.1 PRINCIPLE OF DEVELOPMENT

General policy

- 182 NPPF paragraph 11 states that there is a presumption in favour of sustainable development and that proposals that accord with an up-to-date development plan should be approved without delay.
- 183 Lewisham is defined as an Inner London borough in the London Plan and the application site is located within the Lewisham/New Cross/Catford Opportunity Area. The Mayor's vision for Inner London includes among other things sustaining and enhancing its recent economic and demographic growth; supporting and sustaining existing and new communities; addressing its unique concentrations of deprivation; ensuring the availability of appropriate workspaces for the area's changing economy; and improving quality of life and health.
- 184 LPP H1 'Increasing housing supply' states that boroughs should optimise the potential for housing delivery on all suitable and available brownfield sites through their Development Plans and planning decisions. The policy sets out the requirements for boroughs to achieve the increased housing supply targets set out in Table 4.1, which identifies a ten year (2019/20-2028/29) net housing completion target for Lewisham of 16,670. Brownfield sites with existing or planned public transport access levels (PTALs) 3-6 or which are located within 800 metres of a station are identified in particular as a source of capacity.
- 185 London Plan Objective GG2 'Making the best use of land' supports the development of brownfield land, particularly in Opportunity Areas.
- 186 LPP SD1 'Opportunity Areas' supports the growth potential of Opportunity Areas and Table 2.1 gives an indicative capacity of 13,500 new homes and 4,000 jobs for the Lewisham/New Cross/Catford Opportunity Area over the period 2019-2041.
- 187 CS Spatial Policy 2 'Regeneration and growth areas' reflects the London Plan Opportunity Area designations. It contains five strategic development sites (including the Surrey Canal Triangle site) which are to act as a catalyst for the regeneration of the area. The policy also supports the redevelopment of designated under-utilised employment sites for a mix of uses, at Mixed Use Employment Locations (MELs), of which the Surrey Canal Triangle Site is one. CS Policy 4 states that in MELs comprehensive redevelopment will provide a range of employment uses; residential uses with a proportion of on-site affordable housing; improvements to the overall environmental quality; and improvements to the social, cultural and leisure facilities of the area.
- 188 CS Strategic Site Allocation 1 (Requirements for strategic site allocations) states that for each strategic site allocation, a site masterplan must be prepared by the prospective applicant/s with the involvement of landowners, local communities, the local planning authority and other interested parties and be consistent with CABE's 'Creating Successful Masterplans' guidance. The masterplan must be prepared with a clear understanding of the vision (Section 4), strategic objectives (Section 5), the spatial strategy (Section 6) and cross cutting policies (Section 7) of the Core Strategy and its relationship with the London Plan and national planning policies. The Masterplan will need to be submitted as part of an initial outline or full planning application. If the applicant submits an outline planning application then this should be accompanied by a full planning application for Phase 1 of the strategic site.

- 189 CS Strategic Site Allocation 3 'Surrey Canal Triangle' allocates the 10.74ha Surrey Canal Triangle site for mixed use development. The policy identifies the requirement for a comprehensive phased approach to redevelopment in line with an approved masterplan that delivers the following priorities:
  - a) new 'destination' development that capitalises on the opportunities presented by Millwall Stadium and allows for the future of the long term future of the football club including future requirements for stadium improvement and expansion; it should also seek to enhance the existing football and sports facilities, and make these accessible to the public and allow for the long term future of the Millwall Community Scheme;
  - b) provides at least 20% of the built floorspace developed on the site (excluding the Millwall Stadium area) for a mix of business space (B1(c), B2, B8) as appropriate to the site and its wider context;
  - c) creates a sustainable high density residential environment at a density commensurate with the existing public transport accessibility level (PTAL) of the site or the future PTAL achieved through investment in transport infrastructure and services;
  - d) provides for a mix of dwelling types accommodating, subject to an acceptable site layout, scale and massing, up to 2,500 new homes (C3) with a proportion of on-site affordable housing;
  - e) makes provision for the Surrey Canal Road Overground Station which will be located to the south of Surrey Canal Road and a new pedestrian and cycle bridge adjacent to the East London Line (London Overground) Phase 2 extension;
  - f) provides retail uses to serve local needs that do not adversely impact existing town centres (A1, A2);
  - g) provides for a mix of restaurant, food and drink uses to serve the site and immediate neighbourhood;
  - h) enhances Bridge House Meadows, and provides appropriate amenity open space within the development including children's play space to provide health and recreational opportunities for new residents;
  - improves connectivity of the site and locality to the other strategic sites, the rest of the borough and adjoining sites within the London Borough of Southwark, through the provision of new pedestrian and cycling facilities and public transport services to increase permeability and accessibility;
  - ensures the design enables the continued functioning of the adjoining Surrey Canal Road Strategic Industrial Location, including the waste transfer and processing uses on Surrey Canal Road;
  - k) ensures appropriate noise mitigation against the surrounding railway viaducts; and
  - take opportunities to use energy generated by the South East London Combined Heat and Power Station (SELCHP) for district heating or other suitable sources of decentralised energy.
- 190 The Surrey Canal Triangle Design Framework SPD provides further design guidance for the development of a comprehensive masterplan for the strategic site allocation. The framework includes a number of land use, access and movement as well as public realm

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and space requirements to transform the location from a somewhat fragmented part of the borough into a thriving new area for London with a retained Millwall Football Club and Lions Centre and creating a new 'destination'.

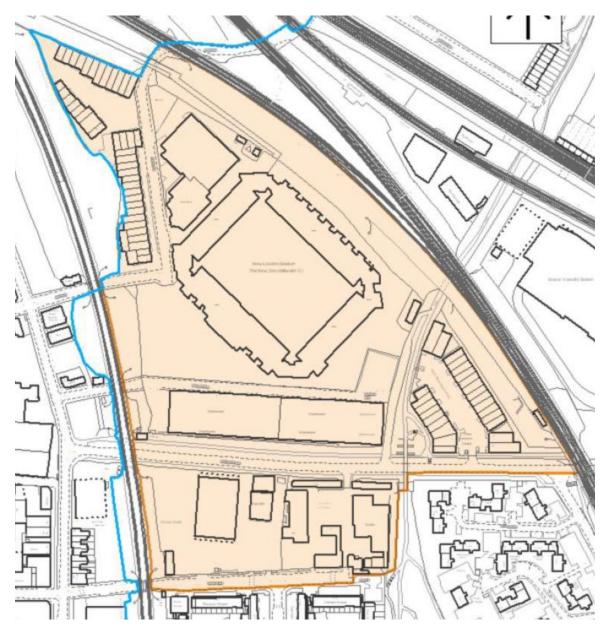


Figure 7 – Core Strategy Strategic Site Allocation 3: Surrey Canal Triangle

Discussion

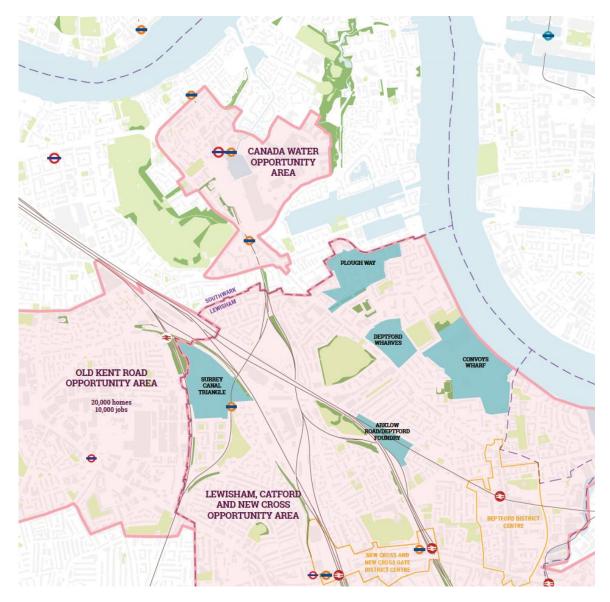


Figure 8 – Strategic site allocation within context of London Plan Opportunity Areas

- 191 In 2011 an outline planning application was submitted for the comprehensive, phased, mixed use development of the strategic site allocation for up to 240,000sqm (GEA) of development comprising residential and a mix of other uses including business, hotel, non-residential institutions, and assembly and leisure floorspace. On 30 March 2012 outline planning permission for the development was granted (subject to a s.106 and conditions) for an extended timeframe of 10 years, enabling applications for approval of reserved matters to be made up until 30 March 2022. A subsequent application was submitted under Section 73 of the Town & Country Planning Act 1990 was granted on 18 December 2015 for a minor material amendment to the development approved in 2012. The s.73 permission is subject to the same timeframe as the previously permitted outline planning permission i.e. applications for approval of reserved matters can be made up until 30 March 2022. The outline planning permission for the comprehensive redevelopment of the Surrey Canal Triangle Strategic Site Allocation therefore remains extant and is a material consideration in the determination of the current application.
- 192 Since the grant of planning permissions in 2012 and 2015 there have been changes to national and strategic policy and in addition Millwall FC have been progressing plans for development of the stadium and associated land in accordance with the development priorities set out for the Strategic Site Allocation. The adoption of the Surrey Canal

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Triangle SPD in February 2020 has provided further guidance on the approach to the comprehensive development of the land, reinforcing the importance of making the best use of available land close to transport hubs, increasing the delivery of affordable housing and facilitating the expansion aspirations of Millwall FC.

- 193 As a consequence the Applicant (Renewal Group Limited) have reviewed proposals for that part of the strategic site allocation largely within their control, and excluding the stadium together with its associated facilities and the Lions Centre that Millwall FC are progressing themselves. This review has reassessed the layout, townscape and massing strategy as well as the form and content of a new planning application for this part of the strategic site allocation. This review has been undertaken within the context of a broadly similar mix of uses to that previously approved, but with an increased quantum of development to facilitate the delivery of more affordable housing.
- 194 CS Strategic Site Allocation 1 states that a masterplan will need to be submitted as part of an initial outline or full planning application and that if an outline planning application is submitted then this should be accompanied by a full planning application for Phase 1 of the strategic site. The current hybrid planning application comprises full details for Phase 1 and the remainder of the site (Phases 2-5) submitted in outline with all matters (scale, layout, landscaping, access and appearance) reserved for subsequent approval. That part of the application submitted in outline is defined and described by a set of Parameter Plans that establish key dimensions for the development such as maximum building heights, building footprint at different levels, minimum distance between buildings and predominant uses at different levels. In addition a Development Specification is submitted for approval which provides further explanation and definition of the proposed development including design controls for the development as a whole as well as on a phase-by-phase basis which will inform future reserved matters applications. These design controls cover topics such as connections, layout and access; scale, massing and form; appearance and materiality; and landscape. The planning application is considered to comply with CS Strategic Site Allocation 1 in respect of the form and content of the submission.
- 195 CS Policy 4 states that the Council will require a masterplan to be submitted with a planning application to ensure a comprehensive approach to the development of each Mixed Use Employment Location. This comprehensive approach to the planning and development of the site is reflected in the adopted SPD which states that the Surrey Canal Triangle development area should be planned comprehensively to ensure an outcome which achieves the highest standards of design quality and deliverability. To this end, piecemeal development will not be supported but if more than one planning application is required then the comprehensive ambitions set out in the Core Strategy and SPD still need to be capable of being achieved.
- 196 Given the different timescales of Renewal and Millwall FC, the two main parties with interests in the site, in bringing forward proposals more than one application will be submitted to deliver the overall vision. The current application site comprises the majority of the land in Strategic Site Allocation 3, with the boundary reflecting the overall Vision set out in the adopted SPD for a retained Millwall Stadium and associated land including the existing car park as well as a retained Lions Centre (located to the north of the stadium). The site boundary and current application proposals therefore enable Millwall FC to progress their expansion and enhancement plans that will be the subject of future and separate planning application(s).
- 197 The current application itself comprises two main development parcels: one bounded to the west by the railway embankment and including land south of Stockholm Road extending to Rollins Street (incorporating Surrey Canal Road) and east to include the

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Orion Business Park (incorporating the Overground railway line); the other bounded to the west and north by the railway embankments, to east by Bolina Road and to the south by Zampa Road. Taken together, the current application by Renewal and land relating to Millwall FC's future plans will encompass the land covered by CS Strategic Allocation 3 and in doing so support the delivery of the comprehensive vision for the area as set out in the Core Strategy and refined and further elaborated on in the adopted SPD.

- 198 LP Objective GG2 supports the development of brownfield land, particularly in Opportunity Areas to create successful sustainable mixed-use places that make the best use of land. LP Policy SD1 states that to ensure that Opportunity Areas fully realise their growth and regeneration potential the Mayor will, amongst other things, provide support ... for the ... implementation of planning frameworks that set out a clear strategy for accommodating growth. The Mayor will also ensure that Opportunity Areas maximise the delivery of affordable housing and create mixed and inclusive communities and that they contribute to regeneration objectives by tackling spatial inequalities and environmental, economic and social barriers that affect the lives of people in the area.
- 199 The Surrey Canal Triangle SPD requires that planning applications coming forward should develop a unique identity for the area, through positive and careful regeneration and building upon the things that already make the area special. These include its multicultural community, young population and creative enthusiasm, its location, and the heritage established through sport. This vision reflects the land use, access, environmental and sustainability priorities that comprehensive phased redevelopment of Surrey Canal Triangle is expected to deliver. These include creating a new 'destination' through a sustainable high density residential environment including a proportion of onsite affordable housing and a mix of business space and that capitalises on the opportunities presented by Millwall Stadium.
- 200 The current application comprises:

Phase 1 (submitted in detail)

- 60,234sqm residential (600 units)
- 530sqm commercial space
- 3,785 sqm auditorium with associated uses
- 7,353sqm car park/plant and storage

Phases 2-5 (submitted in outline) up to:

- 330,000sqm residential (approx. 2,900 units)
- 52,000sqm commercial space and indoor sports
- 5,000sqm learning and non-residential institution
- 5,000sqm public house, wine bar, or drinking establishment, hot food takeaways
- 201 The current application proposes a mix of uses broadly consistent with that set out in the Core Strategy and adopted SPD and, in land use terms, the principle of development is considered acceptable. Each of the proposed land uses including the quantum, location and delivery is considered in more detail elsewhere in this report.

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- 202 The proposed scale of development is significantly above that envisaged in the Core Strategy and adopted SPD, particularly the number of new homes at 3,500 compared with 2,500 (to be delivered on a larger site). It is relevant to note however that the Core Strategy set out a vision for the borough to 2026 and a new Local Plan to cover the period to 2040 is currently being prepared. In the London Plan the housing capacity in the Lewisham/New Cross/Catford Opportunity Area Opportunity Area has increased significantly from 8,000 to 13,500 and Lewisham's 10 year target has increased from 13,847 to 16,670. In this context the emerging site allocation for Surrey Canal Triangle in the Lewisham Draft Local Plan identifies an indicative net development capacity of 3,504 homes.
- 203 LP Policy D3 states that all development must make the best use of land by following a design-led approach that optimises the capacity of sites and ensuring development is of the most appropriate form and land use for the site that responds to the site's context and capacity for growth, and existing and planned supporting infrastructure capacity. The current application could make a significant contribution to London Plan and emerging Local Plan policies and housing targets however the acceptability and delivery of a sustainable high density residential environment is heavily dependent on the delivery of public transport capacity and connectivity. Critical to this is the opening of the London Overground station on Surrey Canal Road which will provide significantly improved rail access to the area, as well as the provision of two new bus routes along Surrey Canal Road and an extension to existing services to serve the site and station and delivery of significant improvements to inclusive access and local connectivity for pedestrians, cyclists.
- A Housing Infrastructure Fund bid to provide capacity enhancements on the London Overground, that will facilitate the realisation of significant housing development opportunities in Lewisham and Southwark, includes funding for the station on Surrey Canal Road as well as infrastructure works to increase train frequency. TfL have tested a greater level of housing and non-residential floorspace than is proposed in the current application and subject to the opening of the station and provision of other public transport services and station access enhancements the principle of a higher quantum of development than that set out on the Core Strategy is considered acceptable.

#### 7.1.1 Waste capacity

#### Policy

205 LPP SI8 'Waste capacity and net waste self-sufficiency' states that in order to manage London's waste sustainably, the equivalent of 100% of London's waste should be managed within London (i.e. net self-sufficiency) by 2026; and that existing waste management sites (defined as land with planning permission for a waste use or a permit from the Environment Agency) should be safeguarded as per LPP SI9. LLP SI9 'Safeguarded waste sites' states that the proposed loss of an existing waste site will only be supported where appropriate compensatory capacity is made within London, at or above the same level of the waste hierarchy and at least meet the maximum achievable throughput of the site to be lost.

#### Discussion

206 Two meanwhile waste operators were formerly located on the application site however both vacated some time ago and the temporary planning permissions for that use have now expired. Given that Environment Agency permits are attached to the operator, no permits are currently in place on the site and no waste operations have taken place on the site for over a year. The adopted Core Strategy and emerging Local Plan do not

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safeguard these sites and accordingly given the definition of waste management sites (i.e. land with planning permission for a waste use or a permit from the Environment Agency) the redevelopment of these sites without compensatory capacity would not be conflict with LPP S19.

### 7.1.2 Principle of development conclusions

- 207 The application site forms part of CS Strategic Site Allocation 3, identified for mixed use development with the objective to deliver a new 'destination' that capitalises on the opportunities presented by Millwall Stadium and allows for the long term future of the football club including future requirements for stadium improvement and expansion as well as the enhancement of the existing football and sports facilities on the site. The mix of uses proposed in this application is consistent with that set out in the Core Strategy.
- 208 CS Policy 4 states that the Council will require the comprehensive redevelopment of designated Mixed Use Employment Locations and the Council will require a masterplan to be submitted with a planning application to ensure a comprehensive approach to development. The adopted Surrey Canal Triangle Design Framework SPD provides further guidance on the development principles that proposals will need to deliver, noting that the development of the site should be planned comprehensively. The current application relates to the majority of the Surrey Canal Triangle strategic site allocation. Land not within the red line boundary comprises Millwall FC stadium and associated land including the existing Lions Centre as well as railway embankments that adjoin the site to the north, east and west parts of which (to the west) lie within LB Southwark. Taken together however the application site and Millwall FC stadium (and associated land) comprise the extent of developable land and safeguards the potential for future development, expansion and enhancement of Millwall FC stadium (and associated land). This approach supports the delivery of the comprehensive vision for the area as set out in the Core Strategy and SPD.

#### 7.2 HOUSING

209 This section covers: (i) the contribution to housing supply, including density; (ii) the dwelling size mix; (iii) the standard of accommodation; and (iv) total affordable housing proposed and its tenure split.

#### 7.2.1 Contribution to housing supply, and residential density

Policy

- 210 National and regional policy promotes the most efficient use of land. The NPPF states that housing applications should be considered in the context of the presumption in favour of sustainable development, and sets out the need to deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities.
- 211 The NPPF encourages the efficient use of land subject to the criteria set out in paragraph 124. Paragraph 125 applies where there is an existing or anticipated shortage of land for meeting identified housing needs and strongly encourages the optimal use of the potential of each site.
- 212 LPP SD1 'Opportunity Areas' supports the growth potential of Opportunity Areas and Table 2.1 gives an indicative capacity of 13,500 new homes and 4,000 jobs in the Lewisham/New Cross/Catford Opportunity Area.
- 213 LPP H1 'Increasing housing supply' sets out the requirements for boroughs to achieve the increased housing supply targets set out in Table 4.1, which identifies a ten year housing completion target of 16,670 for Lewisham. Brownfield sites with existing or planned public transport access levels (PTALs) 3-6 or which are located within 800 metres of a station are identified in particular as a source of capacity. Part E of LPP H1 identifies that where new sustainable transport infrastructure is planned, boroughs should re-evaluate the appropriateness of land use designations and the potential to accommodate higher-density residential and mixed-use development, taking into account future public transport capacity and connectivity levels.
- 214 LPP D2 'Infrastructure requirements for sustainable densities' states that the density of development proposals should be linked to the provision of future planned levels of infrastructure and be proportionate to the site's connectivity and accessibility by walking, cycling, and public transport to jobs and services.
- 215 LPP D3 'Optimising site capacity through the design-led approach' encourages the optimisation of sites, having regard to a site's context and capacity for growth, and existing and planned supporting infrastructure capacity, including transport. It also states that higher density developments should generally be promoted in locations that are well connected to jobs, services, infrastructure and amenities by public transport, walking and cycling, in accordance with LPP D2 'Infrastructure requirements for sustainable densities'. Where these locations have existing areas of high density buildings, expansion of the areas should be positively considered by boroughs where appropriate, including Opportunity Areas.
- 216 CS Strategic Site Allocation 3 Surrey Canal Triangle allocates the 10.74ha Surrey Canal Triangle site for mixed use development and identifies that development should create a sustainable high density residential environment at a density commensurate with the existing public transport accessibility level (PTAL) of the site or the future PTAL achieved through investment in transport infrastructure and services. It also identifies

**Is this report easy to understand?** Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/sepd-us-feedback-on-our-reports</u> that development should provide for a mix of dwelling types accommodating, subject to an acceptable site layout, scale and massing, up to 2,500 new homes (C3) with a proportion of on-site affordable housing.

217 The Surrey Canal Triangle Design Framework SPD identifies that development must make efficient use of land providing much needed housing within the borough with a mix of dwelling types and tenures including a significant proportion of on-site genuinely affordable housing.

#### Discussion

- 218 The proposed development would deliver c. 3,500 new homes across all phases, with the detailed element delivering 600 of these new homes within Phase 1. The illustrative scheme proposes the delivery of 2,918 new homes as part of Phases 2 5, which taken together with the Phase 1 detailed element would result in a scheme wide total of 3,518 new homes.
- 219 There would be a loss of 26 residential units as part of the proposed redevelopment, associated with the demolition of buildings adjacent to Rollins House. The units to be demolished comprise apartments, live/work units and a HMO, which are all market rental units and together have a gross internal area of 1,283sqm. Having regard to these demolitions, and based on the illustrative scheme for Phases 2 5, the proposed development could be expected to deliver a net increase of 3,492 homes.
- In terms of contribution to the borough's housing targets as defined in the London Plan, Phase 1 would deliver 35.9% of the borough's annual housing target, and the scheme as a whole would deliver c. 21% of the borough's ten year housing target. Reflecting the site's allocation within the Core Strategy as a strategic site, the development would make a very substantive contribution towards housing delivery within the borough, and officers give very significant weight to this in planning terms.
- The Core Strategy strategic site allocation envisaged that the site would accommodate up to 2,500 new homes. This figure was largely based on the previous development scheme (and as reflected in the extant consent), which comprised c. 2,400 new homes. Whilst the number of new homes proposed goes beyond the 2,500 identified within the Core Strategy strategic site allocation, it is noted that the capacity of the Lewisham/New Cross/Catford Opportunity Area has increased significantly in the intervening period, from 8,000 in the previous London Plan (2011) to 13,500 in the current London Plan. Similarly, Lewisham's 10 year housing target has also increased from 13,847 in the previous London Plan (2011) to 16,670 in the current London Plan. The proposed site allocation within the Regulation 18 Local Plan identifies an indicative development capacity of 3,600 new homes.
- 222 It is likely in future that Millwall FC look to redevelop the Stadium and surrounding land owned by the Council. At present whilst MFC have presented some indicative visuals and vision for an enlarged and redeveloped stadium to Officers and the public, there is no detailed pre-application for this site and nor submitted planning application. Any future development on the stadium/ Council land would be additional the indicative site capacity listed in the draft Local Plan, but this would not preclude development coming forward. The site capacities are minimum figures and the masterplan presented by the applicant for this application is considered to be robust ad deliverable (see viability, phasing and delivery comments in this report). Officers would expect that any proposal on the club land build upon the established masterplan of this scheme.

- 223 The density of the proposed scheme would be c. 657 units per hectare, which represents a significant increase compared to the consented scheme which would have a density of c. 312 units per hectare. This reflects that the extent of the red line boundary has been substantively reduced compared to the extant consent (from 10.28 hectares under the extant consent, to 6.51 hectares under the current application). As discussed above in relation to the principle of development, this reduction reflects that Millwall FC stadium and associated land does not lie within the red line boundary of the current application. The increase in density also reflects the increase in overall quantum of new dwellings associated with the delivery of an increased proportion of affordable housing. Where the extant consent would deliver c.12% of units as affordable housing, the current application represents a very substantive increase on this and would deliver at least 35% of all units as affordable housing.
- Having regard to the requirements of LPP D2 and D3, it is considered that the development makes the optimum use of land in accordance with a design-led approach that optimises site capacity. Issues of design are addressed in detail throughout the report, however in relation to quantum and density it is considered that the proposed development responds to the site's context and capacity for growth, having regard to the Core Strategy strategic site allocation on Opportunity Area status, together with the quantum of development that is proposed within the neighbouring Old Kent Road Opportunity Area which lies directly to the west of the site within LB Southwark. The proposed quantum and density also responds to planned improvements is supporting infrastructure capacity, most notably in terms of the proposed new Surrey Canal station which lies directly adjacent to the proposed development, and the proposed improvements to bus service provision which the scheme would deliver.

#### Summary

Having regard to the policy and strategic context, the extant consent, and the planned public transport improvements, it is it is considered that the proposed density is acceptable in this location. In delivering c. 3,500 new residential units, the proposed development would make a very substantive contribution towards housing delivery within the borough, and officers give very significant weight to this in planning terms.

#### 7.2.2 Dwelling mix

#### Policy

- 226 NPPF paragraph 62 expects planning policies to reflect the need for housing size, type and tenure (including affordable housing) for different groups in the community.
- 227 LPP H10 'Housing size mix' states that schemes should generally consist of a range of unit sizes and sets out several factors that should be considered when determining the appropriate housing mix of a scheme, including the nature and location of a site. This policy also states that a higher proportion of one and two-bed units may be more appropriate in locations with higher public transport access and connectivity.
- 228 CSP 1 'Housing provision, mix and affordability' echoes the above with several other criteria however expects the provision of family housing (3+ bedrooms) in major developments and DMP 32 confirms that single person dwellings will not be supported other than in exceptional circumstances where they are of exceptional design quality and in highly accessible locations.
- 229 Determining an appropriate mix of dwelling sizes for a site depend on several criteria in CSP 1, relating to: (i) the site's character and context; (ii) previous or existing use of the

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site; (iii) access to amenity space for family dwellings; (iv) likely parking demand; (v) local housing mix and population density; and (vi) social and other infrastructure availability and requirements.

230 The Surrey Canal Triangle Design Framework SPD identifies that development must make efficient use of land providing much needed housing within the borough with a mix of dwelling types and tenures including a significant proportion of on-site genuinely affordable housing. The SPD confirms that provision of affordable housing will be required in line with the delivery of private homes so that various tenures come forward in tandem.

Discussion

231 The proposed dwelling mix across Phase 1 (for which full planning permission is sought) is summarised in the table below:

Unit Size	No. of Units	% of Total	No. of Hab Rooms	% of Total		
1B1P	56	9.3%	56	3.6%		
1B2P	211	35.2%	422	27.0%		
2B3P (M4(3))	45	7.5%	135	8.6%		
2B4P	200	33.3%	600	38.3%		
3B4P (M3(3))	15	2.5%	60	3.8%		
3B5P	28	4.7%	112	7.2%		
3B6P	45	7.5%	180	11.5%		
TOTAL	600	100%	1,565	100%		

Table 1: Phase 1 – Dwelling Mix

- 232 The proposed mix of units is considered appropriate, with 55.5% of units having two or more bedrooms, and 14.7% of units having three bedrooms. 10% of units would be studio units. Having regard to the provisions of DMP 32 in relation to the circumstances where single person units will be considered acceptable, having regard to the scale and nature of the scheme as a whole, taken together with the planned level of accessibility, and the design quality, it is considered that this represents an acceptable provision of studio units.
- 233 In relation to the outline element, the Development Specification confirms that the dwelling mix will be within the following range:
  - Studio units: 7 13%
  - 1 bed units: 25 30%
  - 2 bed units: 47 53%
  - 3 bed units: 12 18%
- The Development Specification allows for a degree of flexibility in relation to the overall dwelling mix, to allow future reserve matters applications to respond to market conditions and the detailed design of the blocks. The ranges identified are however considered to be acceptable, as they would ensure at least 59% of units will have two or more

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bedrooms, and at least 12% of units will have three bedrooms. Studio units would account for a maximum of 13% of all units.

For a high density development within an Opportunity Area, the dwelling mix for Phase 1 and the ranges set out within the Development Specification for Phases 2 – 5 are considered to represent a positive mix that provides for a good range of dwelling sizes, which will contribute towards the creation of a balanced community. As such, the proposed development would make a very substantive contribution to Lewisham's housing needs by providing a range of dwelling sizes, and officers attach very significant weight to this in planning terms.

#### 7.2.3 Affordable housing

#### Percentage of affordable housing

Policy

- 236 NPPF paragraph 63 confirms that planning policies should specify the type of affordable housing required and that it should generally be provided on site.
- 237 LPP H4 'Delivering affordable housing' seeks to maximise affordable housing delivery, with the Mayor of London setting a strategic target for 50% of all new homes to be genuinely affordable. LPP H5 'Threshold approach to applications' states that the threshold level of affordable housing is a minimum of 35%, or 50% for public sector land and industrial land appropriate for residential uses in accordance with LPP E7 'Industrial intensification, co-location and substitution' where the scheme would result in a net loss of industrial capacity. Schemes can follow the fast-track viability route and are not required to submit viability information nor be subject to a late stage viability review if they meet or exceed the relevant threshold level of affordable housing on site without public subsidy; are consistent with the relevant tenure split; meet other relevant policy requirements and obligations to the satisfaction of the borough and the Mayor where relevant; and demonstrate that they have taken account of the strategic 50% target and have sought grant to increase the level of affordable housing.
- 238 CSP 1 'Housing provision, mix and affordability' and DMP 7 'Affordable rented housing' reflect the above, with an expectation of 50% affordable housing, subject to viability.

#### Discussion

- Phase 1 would deliver 200 affordable units, which reflects an affordable housing provision of 33.3% by unit or 33.9% by habitable room. Phases 2 5 would deliver a minimum provision of 35% affordable housing (by unit). Based on the illustrative scheme of 2,918 units within Phases 2 5, this envisages provision of 1,032 affordable units, which reflects an affordable housing provision of 35.4% by unit or 40.2% by habitable room. Taken together across the scheme as a whole, this would represent a total of 1,232 affordable units.
- 240 The marginally lower level of affordable provision in relation to Phase 1 results from the design of the block, which comprises three towers of equal sized footprint rising to 32 storeys. The affordable housing within Phase 1 is to be located within one of three towers (Tower B) and therefore, the 200 affordable housing units within this block represents one third of the 600 units across the three blocks, and hence the percentage affordable housing provision within Phase 1 is 33.3%.

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- 241 The consented scheme provided 12% affordable housing (by habitable room) with a tenure split of 26% social rented and 74% intermediate, which was accepted as the maximum reasonable amount of affordable housing. The permission was subject to review mechanisms, whereby additional affordable housing could be provided up to a maximum amount of 50% (by habitable room).
- 242 The Core Strategy established the policy expectation of 50% affordable housing, and this 50% requirement also applies in the context of the London Plan given that the site involves industrial land appropriate for residential uses in accordance with Policy E7, but would result in a net loss of industrial capacity, and therefore the applicable threshold level of affordable housing is 50% (by habitable room).
- As the application proposal does not meet the requirements of LPP H5 in terms of the fast-track viability route in this context, the applicant submitted a Financial Viability Assessment (FVA) as part of the application submission. The submitted FVA has been subject to detailed independent review by Gerald Eve, the Council's appointed viability consultants in relation to this application. The FVA has also been subject to independent assessment by the GLA's viability team.
- 244 In terms of affordable housing the headline conclusion of the assessment is that the application scheme is providing the maximum level of affordable housing that it is capable of delivering in viability terms at the present time. Scheme viability will be reviewed as the development progressed with early and late stage reviews per phase. A copy of the external viability review is provided in Appendix 1.

#### Affordable housing tenure and dwelling size mix

Policy

- LPP H6 'Affordable housing tenure' sets out a preferred tenure split of at least 30% low cost rent (London Affordable Rent or social rent), at least 30% intermediate (with London Living Rent and shared ownership being the default tenures), and the remaining 40% to be determined by the local planning authority taking into account relevant Local Plan policy. It is the expectation, however, that the remaining 40% is weighted towards affordable rented products. The affordability of intermediate units must be in accordance with the Mayor's qualifying income levels, as set out in the Mayor's Affordable Housing and Viability SPG, and the London Plan Annual Monitoring Report, including a range of income thresholds. Affordability thresholds must be secured in the section 106 agreement attached to any permission, as well as the relevant review mechanisms.
- 246 CSP 1 expects 70% of affordable housing to be social rent and 30% to be intermediate housing. The Lewisham Planning Obligations SPD (2015) allows for some flexibility to reflect site context (para 3.1.52).
- 247 CSP 1 also expects 42% of the affordable housing offer to be family dwellings (3+ bedrooms). DMP 7 gives priority to providing family dwellings in the rented housing.

#### Discussion

248 The application proposes the affordable housing is to be provided as 60% Social Rent and 40% Intermediate, with the latter split as 20% Discounted Market Rent and 20% London Shared Ownership. The FVA assumes that that the affordable rent units are let at London Affordable Rent levels. This tenure split would apply to both Phase 1 and to the outline element in terms of Phases 2 – 5.

- 249 In terms of Phase 1, this equates to 120 Social Rent units and 80 Intermediate units. Based on the illustrative scheme of 1,032 affordable units within Phases 2 – 5, this would result in provision of 619 Social Rent units and 413 Intermediate units. Taken together across the scheme as a whole, this would represent a total of 739 Social Rent units, and 493 Intermediate units.
- 250 Whilst this tenure split does not meet Lewisham's policy requirement for 70% Social Rent and 30% Intermediate, the submitted viability assessment demonstrates that the application scheme is providing the maximum level of affordable housing that it is capable of delivering in viability terms.
- 251 The submission documents identify that the private element within Phase 1 is intended to be delivered as Build to Rent. Notwithstanding this, it is not proposed that the private rental accommodation within Phase 1 will qualify as a Build to Rent scheme pursuant to the criteria based requirements of LPP H11 'Build to Rent', principally in relation to the covenant arrangements that Policy H11 requires. In this context, it must be recognised that had the scheme been developed to comply in full with the requirements of LPP H11, this would have allowed the Phase 1 affordable housing offer to be delivered entirely as Discounted Market Rent. Having regard to Lewisham's strategic housing priorities, the proposed tenure mix involving the delivery of 60% Social Rent and 40% Intermediate within Phase 1 is considered to be substantially preferable to a situation where all of the affordable housing provision within Phase 1 was to be delivered as Discounted Market Rent.
- The tables below present the dwelling mix of the 200 affordable units within Phase 1, and compare this to the mix of the private tenure units.

Unit Size	No. of Units	% of Total	No. of Hab Rooms	% of Total	Social rent	Intermediate
1B1P	-	-	-	-	-	-
1B2P	89	44.5%	178	33.5%	48	37
2B3P (M4(3))	15	7.5%	45	8.5%	15	-
2B4P	76	38%	228	42.9%	37	43
3B4P (M3(3))	5	2.5%	20	3.8%	5	-
3B5P	-	-	-	-	-	-
3B6P	15	7.5%	60	11.3%	15	-
TOTAL	200	100%	531	100%	120	80

 Table 2: Phase 1 – Dwelling Size of Affordable Housing

#### Table 3: Phase 1 – Dwelling Size by Tenure

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Туре	Private		Affordable		Total	
	Units	% of Total	Units	% of Total	Units	% of Total
1B1P	56	14%	0	-	56	9.3%
1B2P	122	30.5%	89	44.5%	211	35.2%
2B3P (M4(3))	30	7.5%	15	7.5%	45	7.5%
2B4P	124	31%	76	38%	200	33.3%
3B4P (M3(3))	10	2.5%	5	2.5%	15	2.5%
3B5P	28	7%	0	-	28	4.7%
3B6P	30	7.5%	15	7.5%	45	7.5%
TOTAL	400	100%	200	100%	600	100%

- 253 None of the affordable units would be provided as studio units, with studios only provided within the private tenure mix. 44.5% of the affordable units would have one bedroom, which is a higher percentage than in relation to the private tenure element at 30.5%. 45.5% of the affordable units would have two bedrooms, which is slightly higher than the 38.5% of private units which would have two bedrooms. 10% of the affordable units would have three bedrooms, which is lower than the 17% of private units which would have three bedrooms.
- 254 20 of the affordable units would be wheelchair user dwellings (15 x 2B3P and 5 x 3B4P), representing 10% of the affordable units.
- In relation to the outline element, the dwelling mix of the affordable units would be determined as part of future reserved matters applications, but the overall mix would need to be within the ranges set out within the Development Specification and as outlined above in relation to dwelling mix.

#### Location of affordable housing

Policy

- 256 The National Design Guide (October 2019) places an emphasis on social inclusivity in reference to the delivery of a mix of housing tenures. The guidance states that where different tenures are provided, these should be well-integrated and designed to the same high quality to create tenure neutral homes and spaces, where no tenure is disadvantaged.
- 257 The guidance goes on to define 'Tenure Neutral' as "Housing where no group of residents is disadvantaged as a result of the tenure of their homes. There is no segregation or difference in quality between tenures by siting, accessibility, environmental conditions, external facade or materials. Homes of all tenures are represented in equally attractive and beneficial locations, and there is no differentiation

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in the positions of entrances. Shared open or play spaces are accessible to all residents around them, regardless of tenure."

Discussion

#### Detailed element - Phase 1

- For Phase 1, the 200 affordable units would be located entirely within Tower B, which is the tower which lies at the south eastern corner of the plot. The affordable units have been located together within one of the three towers on the basis of discussions with Registered Providers, having regard to their operational and management requirements. This offers advantages in terms of the management and maintenance of the affordable units together with service charge arrangements. Whilst it is recognised that the affordable units are located within one tower rather than being pepperpotted across all three towers, the design of the development has sought to ensure that the affordable block is tenure neutral and that the standard of accommodation is commensurate to that of the private units.
- 259 The residential entrance to Tower B is sited on the block's southern elevation, providing direct access from Surrey Canal Road. A lobby space is provided which gives access to the residential core comprising three lift shafts and an emergency stairwell. Recognising the implications for service charges, Tower B would share its concierge facilities with those located within the lobby space serving the private units within Towers A and C. A link corridor would provide access through the entrance to the auditorium foyer and café space during operational hours, with the lobby serving Towers A and C also being accessible to residents of Tower B would also be able to access the basement cycle parking provision via the cycle lift within the lobby serving Towers A and C.
- 260 The residents of Tower B would have full access to the outdoor communal amenity space at podium level, which would be shared with residents of Towers A and C. All residents would also be able to use the indoor communal spaces provided at Level 03 (which could potentially include uses such as a gym, workspace, or a function space for hire), however it is recognised that there may be charges associated with accessing these facilities.
- As such, whilst the affordable units would be located exclusively within one tower, the physical integration of this block within the Phase 1 development as a whole, taken together with the shared access to communal spaces, and commensurate standard of accommodation would ensure that the principles of tenure neutrality are reflected within this first phase. Tower B would have a prominent and well located entrance providing direct access from Surrey Canal Road, and the siting of the affordable units within this particular block would in no way result in a lower standard of amenity for future residents compared to either Towers A or C, having regard to issues such as outlook, daylight and sunlight, privacy, and noise and air quality.
- Provisions ensuring access in perpetuity for residents of Tower B to the shared spaces and facilities would be secured through the s106 agreement.

Outline element - Phases 2 to 5

263 In relation to the outline element, the location of the affordable housing would be determined as part of future reserved matters applications. The principles of tenure neutrality would be secured as part of this, ensuring that no group of residents would be disadvantaged as a result of the tenure of their homes.

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#### Review mechanisms

264 LPP H5 'Threshold approach to applications' and the Mayor of London's Affordable Housing and Viability SPG require that schemes which have been subject to viability testing at the application stage are subject to viability review mechanisms. As such, the proposed level of affordable housing will be subject to both early and late stage viability review mechanisms.

#### Discussion

- 265 The applicant has submitted a viability assessment, which details an approach existing land value, construction costs, finance costs, scheme deficit, residential and non-residenital sales values. The report assumes a profit of 20% on private residential homes and 6% on affordale housing.
- 266 The Councils consultants Gerald Eve have been appointed to review the applicants viability assessment, and conducted a thorough assessment of the inputs as well as adopting alternative scenarios. The Existing Use Value and approach to premium has been tested, with a further Alternative Use method also adopted. A sales analysis has been undertaken and a review of the deliverability of the auditorium and lesure centre as a new significant build spaces. The levels of return and profit has also been rigorously tested at various levels and finance costs. Gerald Eve have tested profit levels at 18.5% as opposed to 20% being a more realistic figure. The GLA support the testing of profit at 18.5% and affordbale housing at 6%.
- 267 Gerald Eve conclude that at the present time, the maximum level of affordable housing which can be reasonably justified by viability has been included within the scheme. Given the mutli phase approach of the development, and likely change in values over the coming years as the area is redeveloped, that it will be necessary to secure review mechanisms per phase including early, mid-stage and late-stage reviews. The specific inputs into the S106 will need to be agreed with the GLA at Stage 2 referral. This will be a necessary and detailed approach in re-assessing viability as the development is delivered over time to ensure the maximum level of affordable housing is delivered across each phase. A copy of the external viability assessment by Gerald Eve is at Appendix 1.

#### Summary of affordable housing

268 Phase 1 will provide 120 social rent and 80 intermediate units. This is afforded significant weight and will make a valuable contribution towards affordable housing. Phases 2-5 at present have an indicative mix, which based on the Phase 1 allocation would provide a further 619 social rent units and 413 intermediate units. The development providing 739 social rent units and 493 intermediate units. The delivery of over 1000 affordable units in the scheme is strongly supported. The quality of the affordable units in Phase 1 is considered to be of a very high order.

### 7.2.4 Residential Quality

#### General Policy

269 NPPF paragraph 130 sets an expectation that new development will be designed to create places that amongst other things have a high standard of amenity for existing and future users.

- 270 LPP D6 'Housing quality and standards' promotes quality in new housing provision, with further standards and guidance set out in the Mayor's Housing SPG (2016) and the emerging London Plan Guidance on Good Quality Homes for All Londoners.
- 271 This approach is also reflected in CSP 15 'High quality design for Lewisham', DMP 32 'Housing design, layout and space standards' and associated guidance including the Alterations and Extensions SPD (2019).
- 272 The main components of residential quality are: (i) space standards; (ii) outlook and privacy; (iii) overheating; (iv) daylight and sunlight; (v) noise and disturbance; (vi) accessibility and inclusivity; and (vii) children's play space.

#### Units per core

273 Phase 1 has been designed having regard to best practice as set out within the Mayor's Housing SPG. Within each tower, there would be a maximum of eight units at each level per residential core, and each tower would be served by three lift shafts and an emergency access stairwell. The towers have been designed to ensure that the residential core at each level would be provided a floor-to-ceiling window providing outlook and natural light.

#### Internal and private amenity space standards

Policy

- 274 Nationally Described Space Standards (NDSS) were published by the Department of Communities and Local Government in March 2015.
- 275 LPP D6 'Housing quality and standards' defines the minimum requirements for private internal space within new dwellings, taking forward the approach within the NDSS. The policy also defines minimum requirements for private outside space for new dwellings, requiring a minimum of 5 sqm of private outdoor space for 1-2 person dwelling with an additional 1 sqm for each additional occupant. The Mayor of London's Housing SPG complements this with additional guidance.
- 276 In addition to this, DMP 32 'Housing design, layout and space standards' seeks to ensure that new residential development provides a satisfactory level of privacy, outlook, direct sunlight and daylight. It also states that new housing should be provided with a readily accessible, secure, private and usable external space and includes space suitable for children's play.

#### Discussion

277 There are 22 individual flat layouts within Phase 1, which all comply with or exceed the minimum requirements in terms of internal floorspace and private amenity space as summarised within the table below.

Flat Type	London Plan min GIA (sqm)	Actual GIA (sqm)	London Plan min private amenity (sqm)	Actual private amenity (sqm)	Built-in storage (sqm)
1B1P – Type 1	39	43.3	5	5.2	2.2
1B1P – Type 2	39	42.5	5	5.2	2.7
1B1P – Type 3	39	42.5	5	5.2	2.7
1B1P – Type 4	39	44.0	5	5.2	2.2
1B2P – Type 1	50	52	5	7.2	2.8
1B2P – Type 2	50	50.5	5	7.2	2.5
1B2P – Type 3	50	50.5	5	7.2	2.5
1B2P – Type 4	50	52.4	5	7.2	3
2B3P – Type 1 (M4(3)	61	70.7	6	7.2	3.8
2B3P – Type 2 (M4(3)	61	70.3	6	7.2	3.6
2B4P – Type 1	70	70.3	7	7.2	3.1
2B4P – Type 2	70	70	7	7	3.6
2B4P – Type 3	70	70.6	7	7	4.1
2B4P – Type 4	70	70.7	7	7.2	3.4
3B4P – Type 1 (M4(3)	74	101.3	7	18.9	4.2
3B4P – Type 2 (M4(3)	74	102	7	19.3	4.4
3B5P – Type 1	86	86.5	8	9	4.3
3B5P – Type 2	86	87.4	8	9	3.7
3B6P – Type 1	95	101.2	9	18.4	4.1

# Table 4: Phase 1 – amenity space provision

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Flat Type	London Plan min GIA (sqm)	Actual GIA (sqm)	London Plan min private amenity (sqm)	Actual private amenity (sqm)	Built-in storage (sqm)
3B6P – Type 2	95	103.3	9	18.4	3.8
3B6P – Type 3	95	102.2	9	18.9	4.1
3B6P – Type 4	95	101.3	9	18.9	4.1

- 278 The majority of units would be provided with glazed winter gardens which have been designed as an integral feature of the apartment floorplan. These spaces sit within the thermal envelope of the building and represent an extension of the internal living environment, providing a usable space throughout the year. There would be the option to introduce an internal glazing screen should residents wish to separate the winter garden space from the main living accommodation.
- 279 Those units which occupy the building setback levels at Levels 08, 13, 18, 23 and 28 benefit from generously proportioned external terraces. Due to the setback of these levels, the external terraces are afforded shelter by being set within the building envelope. The towers have been designed such that all units at these setback levels are three bedroom units, to ensure that these family sized units benefit from this generous external amenity space provision.



Figure 9 – illustrative sketch of the generous external terrace serving apartments at each setback level, equal on both private and affordable homes.

280 In relation to the outline element, internal and private amenity space standards would be determined as part of future reserved matters applications. The Development Specification confirms that all residential units will be designed in congruity with the relevant adopted standards as at August 2021 including the Mayor's Housing SPG.

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#### Aspect, Outlook & Privacy

Policy

- 281 LPP D6 'Housing quality and standards' states that housing development should maximise the provision of dual aspect dwellings and normally avoid the provision of single aspect dwellings, except where it is considered a more appropriate design solution and will have adequate passive ventilation, daylight and privacy, and avoid overheating. Standard 29 in the Mayor's Housing SPG states that single aspect dwellings that are either north facing, exposed to significant noise levels, or contain three or more bedrooms should be avoided.
- 282 DMP 32 'Housing design, layout and space standards' expects new developments to provide a satisfactory level of privacy, outlook and natural lighting for its future residents. It also identifies that there will be a presumption that residential units should be dual aspect and that north facing single aspect units will not be supported.

Discussion

#### Detailed element – Phase 1

283 The design of the residential element of Phase 1, comprising three towers of broadly triangular floorplate, has sought to maximise the provision of dual aspect units and outlook for future occupiers. 77.5% of units within Phase 1 would be dual aspect, with just 22.5% being single aspect. Of those single aspect units, none would face directly north, and offset relationship of the broadly triangular floorplates of the towers would mean that the majority of single aspect units would benefit from open aspects across the wider area.

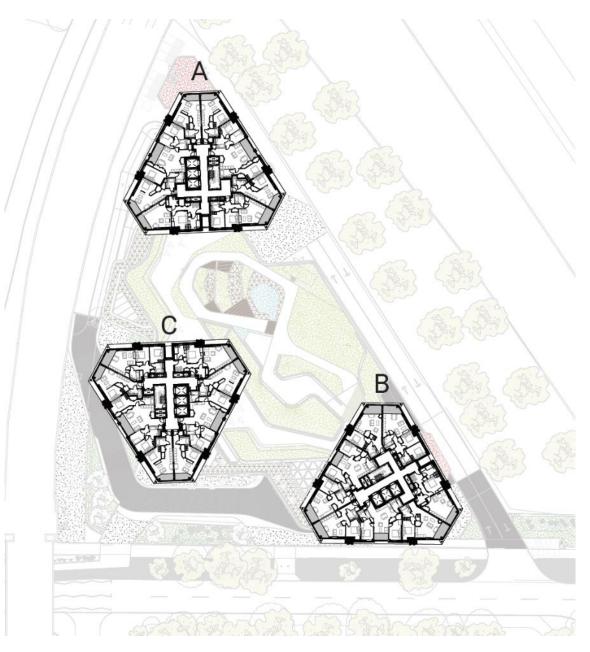


Figure 10 – Phase 1: arrangement of the three towers

284 The arrangement of the broadly triangular floorplates of the three towers means that the only directly facing relationships established are between the south elevation of Tower A and the north elevation of Tower C, and the north west elevation of Tower B and the south east elevation of Tower C. A minimum separation distance of 25m would exist between facing habitable room windows on these elevations, which is considered to be an acceptable distance to ensure a suitable level of privacy and outlook for future occupiers. Given this arrangement of the towers, the majority of units would benefit from an open outlook across the surrounding area. Having regard to the outline element, the siting of the blocks as secured via the provisions of the Parameter Plans and Development Specification would ensure that there would be no direct facing relationship between Phase 1 and the other blocks within the outline element, with minimum separation distances of c.30m to the nearest point of the block north of Stockholm Road (Phase 4) and of c.40m to the nearest point to the block south of Stockholm Road. The closest relationship to SELCHP would be from Tower A, which would be c.70m from the north east elevation of Tower A at its nearest point. Tower B would be sited approximately 105m from SELCHP at its nearest point.

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#### Outline element - Phases 2 to 5

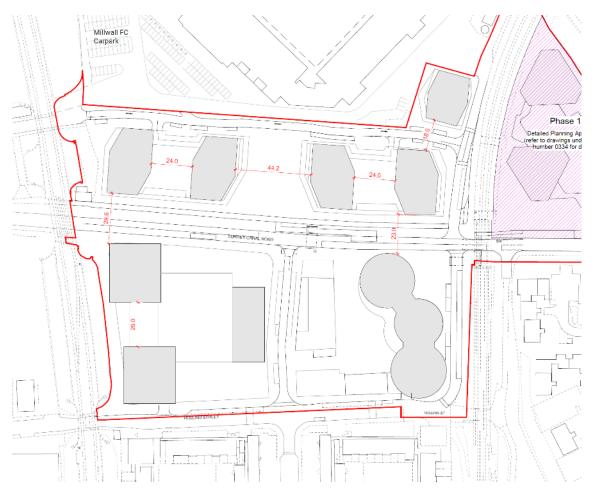
286 The provisions of the Parameter Plans and Development Specification establish the siting, scale and form of future phases. Parameter Plan 07 – Proposed Critical Distances is of particular relevance with regard to privacy and outlook, as it defines minimum separation distances between relevant blocks. The closest facing relationship between blocks would be in relation to Phase 5 where 16m would be the minimum separation distance between facing elevations of the residential towers. The hexagonal floorplate of the Phase 5 towers would however serve to minimise the extent of any direct facing relationship between blocks, and it is likely that the arrangement of units within each hexagonal floorplate block would be able to ensure that those units which would experience a direct facing relationship would also be dual aspect such that they would benefit from a more open outlook from other habitable rooms.



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# Figure 11 – Phase 5 minimum separation distances (extract from Plan 07)

287 The extract from Parameter Plan 7 below identifies the minimum separation distances in relation to Phases 2, 3 and 4. The closest facing relationship would be 18m as part of Phase 4 between the south elevation of the block to the north of Stockholm Road and the north elevation of the easternmost block to the south of Stockholm Road. As identified above in relation to Phase 5, given the form of these blocks it is likely that the arrangement of units within each block would be able to ensure that those units which would experience a direct facing relationship would also be dual aspect such that they would benefit from a more open outlook from other habitable rooms. In relation to all other facing relationships as part of Phases 2, 3 and 4, separation distances of at least 24m would apply.





- An assessment of the impact of the proposed development on the amenity of surrounding development is addressed within paras (proposed) 291-306 (existing) 719-746 of this report. Given the scale of existing development, and the separation distances between the application proposals and the proposed development at Ilderton Road within LB Southwark, it is not considered that surrounding development would result in any unacceptable impact in terms of privacy or outlook for the proposed development.
- 289 In this context, it is considered that an acceptable level of amenity would be afforded for future occupiers of the development having regard to issues of privacy and outlook.

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290 Whilst it is recognised that Millwall FC's development proposals are at an earlier stage than the application proposals, it is not considered that the proposed development would unacceptably constrain development opportunities on the adjacent land in terms of ensuring an acceptable level of privacy and outlook. This applies to the land to the east of Bolina Road, and the land to the north of Stockholm Road. Subject to the particular arrangement of development blocks and having regard to the separation distances that would be established as part of any grant of consent of the current application, it is considered that a development scheme could come forward on the Millwall FC land in a way that would ensure an acceptable standard of amenity for occupiers of both developments.

#### Daylight and Sunlight

#### Policy

- 291 LPP D6 'Housing quality and standards' states that the design of development should provide sufficient daylight and sunlight to new housing that is appropriate for its context, whilst avoiding overheating, minimising overshadowing and maximising the usability of outside amenity space.
- 292 DMP 32 'Housing design, layout and space standards' expects new developments to provide a satisfactory level of privacy, outlook and natural lighting for its future residents.
- 293 Daylight and sunlight is generally measured against the Building Research Establishment (BRE) standards. This is not formal planning guidance and should be applied flexibly according to context. The BRE standards set out below are not a mandatory planning threshold.
- In new dwellings, the BRE minimum recommended average daylight factor (ADF) is 1 % for bedrooms, 1.5% for living rooms and 2 % for kitchens.

#### Discussion

- An assessment of daylight and sunlight levels within the proposed residential units and an assessment of overshadowing of the public realm and amenity space that would be provided as part of the development was undertaken by the applicant's daylight and sunlight consultants, Avison Young. The results of this assessment are reported in the Daylight, Sunlight and Overshadowing Amenity Report (updated November 2021) which was submitted as part of the application submission.
- 296 The assessment is based on the detailed designs for Phase 1, and on 3D model reflecting the illustrative scheme in relation to Phases 2 5, which reflects the provisions of the Parameter Plans and Development Specification. It also takes into account relevant cumulative developments within the surrounding area.

#### Daylight and Sunlight

- 297 In terms of daylighting, the assessment has utilised Average Daylight Factor (ADF) and Daylight Distribution (DD) / No Sky Line (NSL) as methods of measurement. In terms of sunlighting, the assessment has used Annual Probable Sunlight Hours (APSH) as the method of measurement.
- Having regard to the site's Opportunity Area status, the internal amenity assessments for living areas have been assessed both against the default target of 2% and 1.5% ADF, which reflects an approach found acceptable by the Planning Inspectorate in respect of

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- 299 In relation to Phase 1, the assessment finds 98% of all living areas would meet the BRE target in terms of ADF, 91% would meet the target in terms of NSL, and 75% would meet the target in terms of APSH. The assessment finds that 86% of all bedrooms would meet the BRE target in terms of ADF, 51% would meet the target in terms of NSL, and 39% would meet the target in terms of APSH. Notwithstanding that the BRE targets would not be met in all cases, the assessment concludes that the proposed development would achieve a high degree of compliance particularly given existing constraints such as site orientation and shape. It is noted that the living areas would achieve the highest levels of compliance, reflecting that bedrooms typically have a lesser requirement for sunlight and daylight.
- 300 The assessment undertakes a similar assessment in relation to Phases 2 5, albeit it must be recognised that this is based on a illustrative scheme given that the detailed design, layout and fenestration of future phases will be determined as part of future reserved matters applications. In relation to Phases 2 5, the assessment finds that notwithstanding that there would be instances where the BRE targets would not be met, the proposed development would generally achieve a high degree of compliance especially given its density and existing constraints such as site orientation and shape.
- 301 It is of note that the assessment finds that Phase 5 has the highest levels of compliance with the BRE targets in terms of sunlight and daylight, resulting from the arrangement of blocks on this plot and the limited extent of direct facing relationships due to the siting of the blocks and their hexagonal floorplate. The assessment highlights that this is of note in the context of future development proposals on the Millwall FC land to the east of Bolina Road and to the north of Stockholm Road, and which indicates that the proposed development should not unacceptably compromise future development options on this adjacent land.
- 302 Having regard to these issues, and the fact that in the context of high density development within a built up urban area it will rarely be possible to achieve the BRE recommended levels in terms of daylight and sunlight for units located at lower levels, it is considered that an acceptable standard of amenity for future occupiers would be provided in relation to daylight and sunlight within the proposed development.

#### **Overshadowing**

- 303 The assessment has also considered the impact of the proposed development on the external amenity spaces that are proposed, within both the detailed and outline elements.
- 304 In terms of overshadowing of amenity space, BRE guidance recommends that at least half of the amenity space should receive at least two hours of sunlight on 21st March.
- 305 The assessment found that eight of the ten external amenity spaces tested would meet the BRE target of achieving at least 2 hours of sun on ground on 21 March across more than half of their areas. Of the two spaces which failed to meet this target (Phase 2 podium, and Phase 4 podium), the results demonstrate that 49.9% and 48.4% of these spaces would receive at least two hours of sunlight on 21st March, which represents a very marginal shortfall against the BRE target.
- 306 Overall it is considered that the proposed development would deliver an acceptable level of sunlight to the proposed public realm and communal amenity space areas. Some of

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#### Noise & Disturbance

Policy

- 307 NPPF paragraph 174 states decisions should among other things prevent new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by, unacceptable levels of noise pollution. Development should help to improve local environmental conditions.
- 308 With regard to internal noise levels, Part E of the Building Regulations controls noise transmission between the same uses and is usually outside the scope of Planning.
- 309 Planning controls the effect of noise from external sources on residential uses and noise transmission between different uses. The relevant standard is BS: 8233:2014. This states the internal noise levels within living rooms must not exceed 35dB(A) during the daytime (0700-2300) and 30 dB(A) in bedrooms during the night (2300-0700).
- 310 With respect to external areas, BS 8233:2014 recommends that external noise level does not exceed 50dB LAeq,T with an upper guideline of value of 55dB LAeq,T
- 311 CS Strategic Site Allocation 3 Surrey Canal Triangle allocates the 10.74ha Surrey Canal Triangle site for mixed use development and identifies that development should ensure appropriate noise mitigation against the surrounding railway viaducts.

#### Discussion

- 312 Phase 1 of the site lies directly adjacent to the South East London Combined Heat and Power energy recovery facility (SELCHP). The operator Veolia have been consulted on the planning application. They have reviewed the applicants Environmental Statement and engaged with the applicant over the input and modelling. Following revisions to the Environmental Statement, Veolia have confirmed they are comfortable with the Air Quality reporting.
- 313 Phase 1 will provide a flexible use auditorium at ground level with café. The residential units are elevated above the auditorium space with each tower having a communal amenity space at the base with the residential above. This provides physical separation between the residential units and the roof level of auditorium. The development must also meet building regulations for noise insulation and the scheme is considered to provide a high quality standard of accommodation and safeguarding for noise transfer between the auditorium space and residential units.
- 314 Phase 5 accommodates industrial uses at lower levels, a communal roof garden and residential units above. This Phase is being applied for in outline only at this stage and details of noise insulation and protection will be required at Reserved Matters stage.
- 315 It is also noted that the Councils Environment Protection Officer has raised no objections with regard to noise levels. A welcome pack is also to be secured by s106 for all occupiers which advises residents of noise sources which would include the auditorium,

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#### Agent of Change

Policy

316 LPP D13 'Agent of Change' places the responsibility for mitigating impacts from existing noise and other nuisance-generating activities or uses on the proposed new noisesensitive uses. The policy states that boroughs should ensure that planning decisions reflect the Agent of Change principle and take account of existing noise generating uses in a sensitive manner when new development is proposed nearby. Development should be designed to ensure that established noise and other nuisance-generating uses remain viable and can continue or grow without unreasonable restrictions being placed on them.

#### Discussion

- 317 Veolia whilst raising no objection to the final Air Quality reporting in the Environmental Statement. There remains an element of concern with regard to noise impacts. The modelling scenario is considered to be acceptable, however, Veolia note that this remains a scenario only and cannot accept any compromise on their future operations as SELCHP is a strategic London waste facility. Therefore it is considered appropriate to ensure that post construction / occupation monitoring and reporting which could identify any required mitigation that has not been forecast in the modelling. This would allow the operations of Veolia to be safeguarded and in accordance with the principles of the agent of change, this should be secured via the S106 agreement.
- 318 Future units auditorium / industrial phase 5 insulation and noise standards

#### Accessibility and inclusivity

Policy

- 319 LPP D5 'Inclusive design' seeks to ensure that new development achieves the highest standards of accessible and inclusive design, that any development should ensure that it can be entered and used safely, easily and with dignity by all; is convenient and welcoming (with no disabling barriers); and provides independent access without additional undue effort, separation or special treatment.
- 320 LPP Policy D7 'Accessible housing' requires that at least 10% of new build dwellings meet Building Regulation requirement M4(3) 'wheelchair user dwellings' (designed to be wheelchair accessible or easily adaptable for residents who are wheelchair users); and all other new build dwellings must meet Building Regulation requirement M4(2) 'accessible and adaptable dwellings'. Wheelchair accessible homes should be distributed across tenure types and sizes to give disabled and older people similar choices to non-disabled.

#### Discussion

#### Detailed element – Phase 1

321 The application is accompanied by an Access Statement prepared by Systra which details the approach in terms of accessibility and inclusivity.

- 322 Phase 1 would comprise a total of 60 wheelchair accessible M4(3) units, representing 10% of the total number of units. The majority of these would comprise 2B3P units (accounting for 7.5% of the total number of units), with the remainder being 3B4P units (accounting for 2.5% of the total number of units). As identified in Table 1 above, 20 of the affordable units would be wheelchair accessible units, reflecting 10% of the total number of affordable units and with the same percentage split in terms of unit size. All remaining units would be M4(2) compliant accessible and adaptable dwellings.
- 323 In relation to Towers A and C, the wheelchair accessible units would be distributed relatively evenly throughout each tower with one M4(3) unit per floor on Levels 04 21, 23 and 28. In relation to Tower B, in response to discussions with the Council's Occupational Therapy (Housing) team, the plans were amended to concentrate the wheelchair accessible units towards lower levels of the tower, reflecting that the typical preference for affordable housing tenants who require wheelchair accessible units is for these units to be located at lower levels to assist with access in the event of an emergency or should there be a lift failure. Within Tower B, the wheelchair accessible units are therefore concentrated on Levels 04 13 with an additional unit on Level 18.
- 324 In accordance with Standard 4 of the Mayor's Housing SPG the areas of communal amenity space would be accessible to disabled people including people who require level access and wheelchair users. In accordance with Standard 16, all wheelchair dwellings would be served by more than one lift, as there are three lifts serving the core of each tower.
- 325 The Phase 1 element of the proposed development is car free, with the exception of 18 accessible car parking spaces at basement level.

Outline element - Phases 2 to 5

The Development Specification confirms that all residential units across the outline element will be designed to meet Part M Building Regulations 2015 (incorporating 2016 amendments), with 10% of residential dwellings designed to meet M4(3) Category 3 Wheelchair User Dwellings and 90% designed to meet M4(2) Category 2 Accessible and Adaptable Dwellings. The detailed arrangement, layout and siting of wheelchair accessible units will be determined as part of future reserved matters applications.

#### **Digital connectivity**

- 327 LPP SI6 states that development proposals should: ensure that sufficient ducting space for full fibre connectivity infrastructure is provided to all end users within new developments unless an affordable alternative 1GB/s-capable connection is made available; meet expected demand for mobile connectivity generated by the development; take appropriate measures to avoid reducing mobile connectivity in surrounding areas, with mitigation where not possible; and support the effective use of rooftops and the public realm (such as street furniture and bins) to accommodate well-designed and suitably located mobile digital infrastructure.
- 328 The GLA state that a condition is recommended on any permission, requiring detailed plans to be submitted to and approved in writing by the local planning authority demonstrating the provision of sufficient ducting space for full fibre connectivity infrastructure within the development prior to the commencement of each building.
- 329 With regard to inclusivity for residents of all tenures and access to broadband, this is now handled via Building Regulations under Approved Document R, which came into force in 2017. This introduced a new requirement for in-building physical infrastructure,

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#### Communal external space and children's play space

Policy

- 330 LPP S4 'Play and informal recreation' states that development proposals should incorporate high quality, accessible play provision for all ages, of at least 10 sqm per child. Play space provision should normally be provided on-site, however, off-site provision may be acceptable where it can be demonstrated that this would address the needs of the development and can be provided nearby within an accessible and safe walking distance. In these circumstances contributions to off-site provision should be secured by s106 agreement. Play space provision should be available to all housing tenures to promote social inclusion. The play space requirement should be based on the GLA Population Yield Calculator.
- 331 Standard 4 within the Mayor's Housing SPG identifies that where communal external space is provided, it should be well overlooked, accessible to those who require level access and wheelchair users, designed to take advantage of direct sunlight, and have suitable management arrangements in place.
- 332 The Mayor's Shaping Neighbourhoods: Play and Informal Recreation SPG provides additional detailed guidance. This divides the requirements of children's play space into three categories: (i) under 5s, described as doorstep play and generally considered as part of the plot; (ii) ages 5-11; and (iii) ages 12+.
- 333 CS Strategic Site Allocation 3 Surrey Canal Triangle allocates the 10.74ha Surrey Canal Triangle site for mixed use development and identifies that development should enhance Bridgehouse Meadows, and provide appropriate amenity open space within the development including children's play space to provide health and recreational opportunities for new residents.

Discussion

Detailed element - Phase 1

334 Phase 1 would be provided with external communal amenity space on the roofspace of the podium element. This well-proportioned space extending to a total area of 2,145sqm would be accessible to residents of all three towers from the residential core of each tower at Level 03. This space would be contoured and landscaped, and would feature a grass mound with a south facing lawn, a sensory garden and play area, planting beds, hard landscaping and seating. The soft landscaping planting palette for the podium would comprise three elements; a 'hill top' palette which reflects a heath planting character, planting for the specific play elements including the sensory garden and grass trails, and planting for the social spaces and lawn area. The details of the landscaping strategy for the podium level amenity space contained within the Design and Access Strategy imply a high quality treatment to the design of this space. Full details of the landscape treatment would be secured by condition.



Figure 13 – Illustrative sketch of the Phase 1 communal amenity space

335 Using the calculator provided in the Mayor of London's Play and Informal Recreation SPG, the estimated child yield and associated play space requirement for Phase 1 of the development is set out in the table below.

	No. of children	Play space requirement (sqm)
Under 5	90	899
5 to 11	65	647
12+	36	362
Total	191	1,908

Table	5 –	Phase	1 –	play	space

The proposed development would generate an estimated child yield of approximately 191 children and the associated play space requirement would therefore be 1,908sqm. 899sqm of play space provision for under 5s would be provided within the communal amenity space on the roof of the podium element, comprising play equipment and a sensory garden. In addition to this provision for under 5s, the 2,145sqm podium space is capable of meeting the required provision of playable space for the 5 to 11 age group.

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- 337 In terms of provision for older children, there are a number of green spaces within or just beyond 800m of the application site that provide existing play and sports facilities for ages 12+. These include Deptford Park, Folkestone Gardens, Bramcote Park and Somerfield Street. In addition to this, the development will make a significant financial contribution towards improvements to Bridgehouse Meadows (detailed below). In addition to these open spaces, Phase 3 of the development includes space for an Onside Youth Zone for young people aged 8 to 19 or up to 25 for those with a disability which would provide an important local resource to meet the needs of young people.
- 338 In summary, it is considered that Phase 1 would deliver high quality play space for future occupiers that would meet the London Plan requirement in terms of quantum of provision for the under 5 and 5 to 11 age groups. The podium level play space would provide a secure and well overlooked space for play, and would provide areas of seating for parents to sit whilst their supervising their children play.

Outline element - Phases 2 to 5

339 Using the calculator provided in the Mayor of London's Play and Informal Recreation SPG, the play space requirement for the development as a whole (based on the illustrative scheme for Phases 2 to 5) is set out in the table below.

	Under 5 (sqm)	5 to 11 (sqm)	12+ (sqm)	Total playspace requirement
Phase 1	899	647	362	1,908
Phase 2	949	719	485	2,153
Phase 3	836	634	427	1,897
Phase 4	1,426	1,081	729	3,236
Phase 5	1,713	1,298	875	3,886
Total	5,824	4,377	2,878	13,079

Table 6: All phases – play space

340 The table below presents the cumulative requirement of the Under 5 and 5 to 11 age groups, and presents this in relation to the quantum of podium amenity space across each phase.

	Under 5 (sqm)	5 to 11 (sqm)	Under 5 plus 5 to 11 (sqm)	Overall podium size (sqm)
Phase 1	899	647	1,546	2,145sqm
Phase 2	949	719	1,668	1,975
Phase 3	836	634	1,470	2,385
Phase 4	1,426	1,081	2,507	1,110
Phase 5	1,713	1,298	3,011	3,765
Total	5,824	4,377	10,202	11,380

#### Table 7. All Dhases

- 341 The table above details the overall podium amenity spaces across each phase, and the extent of this area is defined on Parameter Plan 14 Landscape and Open Space Podium Level.
- 342 In relation to Phases 2 to 5, the playspace provision for under 5s across all phases will be provided within the podium amenity spaces. In relation to Phases 2, 3 and 5 the podium amenity spaces are also capable of meeting the required provision of playable space for the 5 to 11 age group. In relation to Phase 4, the podium size falls below the level required to fully accommodate the requirement for the 5 to 11 age group. As part of Phase 4, the new public realm known as Stadium Square will be delivered which will be readily accessible to residents of Phase 4 and will provide an area of publicly accessible open space (between 1,750sqm – 2,250sqm), with a playable water feature which will complement the provision at podium level for this age group.
- Across all phases, it is intended that play provision for older children would be met off site. As set out above in relation to Phase 1, this would be met through existing green spaces within the vicinity of the site, a financial contribution towards improvements to Bridgehouse Meadows, and the Onside Youth Zone facility within Phase 3 of the development.
- 344 The improvements to Bridgehouse Meadows are not included for the purposes of the playspace area calculations above, but would provide additional facilities for local play to both existing and new communities and provide space suitable for older children.

#### **Bridgehouse Meadows**

- 345 Bridgehouse Meadows lies outside of the application site boundary, but given its proximity to the application site it represents an important part of the scheme's landscape and open space strategy as it provides a larger green space suitable for outdoor play and exercise.
- 346 There are four existing points of access to Bridgehouse Meadows; from Surrey Canal Road via the north, via an underpass from Rollins Street from the west, via an underpass from Hornshay Street and John Williams Close from the south west, and with an additional means of access to the south via John Williams Close. Bridgehouse Meadows comprises predominantly of semi-natural greenspace and open grassed areas surrounded by a line of trees and mature vegetation. The space has a contoured landscape profile at its northern extent, which derives from the spoil associated with the former New Cross greyhound and speedway stadium which occupied this site. A hard landscaped path run along the western boundary of the space, adjacent to the London Overground rail embankment, but there no other formal landscaping features or play facilities within the space. There is limited natural surveillance of the space, with it being bounded by the London Overground rail embankment to the west, and by the rear of residential developments to the north, east and south.
- 347 The applicant's architect has worked up an indicative scheme for Bridgehouse Meadows to demonstrate how access to the space could be improved and how investment in new landscaping and facilities could enhance this space for existing and future residents. This includes opening up additional access points from the south and east, the formation of a stepped amphitheatre, the provision of play equipment and facilities together with new paths and hard landscaping, tree planting and soft landscaping, and lighting. The indicative scheme also identifies the potential for a small pavilion or café within Bridgehouse Meadows to attract people to the space and provide a focus for activity.

- 348 Recognising that Bridgehouse Meadows is within the Council's ownership and lies outside the application site boundary, the applicant would make a financial contribution of up to £1,465,800 through the s106 agreement to facilitate improvements to Bridgehouse Meadows. The extant consent provided for a £1m contribution towards improvements to Bridgehouse Meadows, and the uprated figure reflects inflation together with a pro-rata increase associated with the uplift in the quantum of residential units.
- 349 The Council would consult with the local community as part of developing any future programme of improvements to ensure that the design of the space can best meet the needs of residents. As part of the agreed s106 heads of terms, the financial contribution of up to £1,465,800 would be payable to the Council prior to the occupation of 950 dwellings (all of Phase 1, and small part of phase 2), enabling the Council to consult on and implement the improvement works to Bridgehouse Meadows during the early phases of the development.

#### Summary of Residential Quality

350 Overall the proposed development would provide a high quality environment for future occupiers. Appropriate provisions would be secured by condition and s106 agreement, to secure this and ensure any required mitigation is in place.

#### 7.2.5 Housing conclusion

- 351 It has been demonstrated that the proposed development would provide a substantial uplift in housing and above the previously approved scheme, at a appropriate density that is located in a Strategic Site Allocations, Regeneration and Growth and Opportunity Area.
- 352 The proposals would utilise this brownfield site, providing an appropriate dwelling mix and tenure split with a very high quality standard of accommodation provided for all future occupiers and a substantial number of new homes including genuinely affordable homes within the Borough. This public benefit is afforded substantial weight by officers.
- 353 The applicant has demonstrated that the proposed quantum of affordable housing is the maximum and reasonable amount at this time, in accordance with the Core Strategy, the London Plan and the NPPF. Early and late stage review mechanisms will be secured as part of a Section 106 agreement, to ensure that any uplift is captured appropriately.

#### 7.3 EMPLOYMENT

Policy

- 354 Paragraph 81 of the NPPF states that significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development.
- 355 London Plan Policy E2 'Providing suitable business space' supports the provision of a range of business space, in terms of type, use and size, at an appropriate range of rents, to meet the needs of micro, small and medium-sized enterprises and to support firms wishing to start-up or expand. London Plan Policy E3 'Affordable workspace' states that planning obligations may be used to secure affordable workspace at rents maintained below the market rate for that space for a specific social, cultural or economic development purpose.
- 356 London Plan Policy E4 'Land for industry, logistics and services to support London's economic function' states that a sufficient supply of land and premises to meet current and future demands for industrial and related functions should be provided and maintained, taking into account strategic and local employment land reviews, industrial land audits and the potential for intensification, co-location and substitution. Any release of industrial capacity should be focused in locations that are (or are planned to be) well-connected by public transport, walking and cycling and contribute to other planning priorities, including housing (and particularly affordable housing), schools and other infrastructure.
- 357 London Plan Policy E7 sets out the requirements for industrial intensification, colocation, including through more efficient use of land through higher plot ratios having regard to operational yard space requirements (including servicing) and mitigating impacts on the transport network where necessary. Mixed-use or residential development proposals on Non-Designated Industrial Sites should only be supported where there is no reasonable prospect of the site being used for industrial and related purposes; or it has been allocated in an adopted local Development Plan Document for residential or mixed-use development; or industrial, storage or distribution floorspace is provided as part of mixed-use intensification. Proposals must ensure that the industrial and related activities on-site and in neighbouring areas are not compromised; and that the intensified industrial, storage and distribution uses are completed in advance of any residential component being occupied. Appropriate design mitigation is also required in any residential element. For the purposes of London Plan Policies E4 and E7, the site is categorised as a Non-designed industrial site.
- 358 CSP 4 'Mixed Use Employment Locations' states that comprehensive redevelopment of the Mixed Use Employment Locations will be required to provide employment uses within the B Use Class amounting to at least 20% of the built floorspace of any development as appropriate to the site and its wider context, and that the design of the employment uses and the design of the development as a whole should enable the continued employment functioning of the areas.
- 359 DMP 9 'Mixed Use Employment Locations' states that new proposals will need to be provided with an internal fit out to an appropriate level to ensure the deliverability and long term sustainability of the employment uses on the site and be designed to ensure future flexibility of use by a range of businesses in the B Use Classes in line with CSP 4 and the Strategic Site Allocations.
- 360 CS Strategic Site Allocation 3 Surrey Canal Triangle allocates the 10.74ha Surrey Canal Triangle site for mixed use development and identifies that development should

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Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> provide at least 20% of the built floorspace developed on the site (excluding the Millwall Stadium area) for a mix of business space (B1(c), B2, B8) as appropriate to the site and its wider context. It also identifies that development should enable the continued functioning of the adjoining Surrey Canal Road Strategic Industrial Location, including the waste transfer and processing uses on Surrey Canal Road.

- 361 The Surrey Canal Triangle Design Framework SPD identifies that there should be creativeness about the form of new employment uses in order to create a 'destination', to build in flexibility for the future and to ensure that all the uses are complementary. It also identifies that employment generating uses should be maximised, such as light and general industry, creative industries, leisure and supporting retail and food and drink uses. The SPD also notes that some of the existing occupiers within the development area will need to be relocated and a strategy for supporting their relocation should be provided.
- 362 Under the Use Classes Order 2020 a new category of 'Commercial, Business and Service' uses, Class E, has been introduced. This combines a number of uses previously forming different Use Classes including retail (A1), professional services (A2), and cafes and restaurants (A3) with office (B1(a), research and development B1(b) and light industrial (B1(c) as well as clinics, health centres, crèches and day nurseries (D1) and gyms and indoor recreation (D2).

#### Discussion

- 363 It is estimated that 1,000-1,250 jobs could be provided on the site, plus 875 during construction, compared to approximately 156 existing (as at November 2020).
- 364 The planning application proposes a mix of employment uses:

Phase 1 (submitted in detail):

- 530sqm commercial space

Phases 2-5 (submitted in outline) up to:

- 52,000sqm commercial space and indoor sports
- 5,000sqm public house, wine bar, or drinking establishment, hot food takeaways
- 365 In addition, the application proposes other employment generating uses with a 3,785sqm auditorium in Phase 1 and up to 5,000sqm of learning and non-residential institution space in Phase 2-5.
- 366 CS Policy 4 states that comprehensive redevelopment of the Mixed Use Employment Locations will be required to provide employment uses within the B1(c), B2, B8 Class uses amounting to at least 20% of the built floorspace. This is re-stated in CS SSA3. The application does not include Class B2 (general industry) or Class B8 (storage and distribution) floorspace. Given the potential impacts of these uses in terms of traffic (including HGVs) as well as potential noise and fumes from operations and the intensive, high density proposals for the wider development it is considered that omitting these uses is acceptable. Under the new Use Classes Order, B1(c) (light industrial) is now categorised as Class E (g)(iii).

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- 367 With a total development of up to around 456,500sqm (excluding car park, plant and storage) around 66,300sqm is proposed for non-residential uses of which up to 52,500sqm would be for Class E uses. This includes a minimum of 6,823sqm of light industrial floorspace (Class E (g)(iii)) to replace that existing on the site. The total non-residential element amounts to approximately 15% of the total built floorspace of which Class E uses represent 12%. In the case of Class E (g)(iii) floorspace (i.e. the B1(c) specified in the Core Strategy) this represents about 1.5% of the total built floorspace.
- 368 Whilst the proposed Class E (g)(iii) space is significantly below that what is required by Policy SSA3, the development will re-provide the light industrial floorspace currently on the site (6,823sqm). In addition to this space, the proposals include around 59,500sqm of other non-residential floorspace providing a range of other employment opportunities, of which approximately 45,700 would be for other Class E uses.
- 369 Depending on the final quantum and mix of non-residential floorspace built on the site as well as the business sector of the future occupiers, if the maximum proposed floorspace is provided the development has the potential to deliver around 3,000 full time equivalent jobs, although this could be considerably lower (around 715 jobs) if the minimum nonresidential floorspace is provided. An illustrative mix of employment space, within these parameters, considered by the Applicant as a reasonable likely mix indicates an estimated full time equivalent of 1,000-1,250 jobs on completion of the development. This compares with 156 jobs on the site (November 2020), indicating a net increase in employment of between around 855 and 1,105 jobs. Additional job opportunities are also likely to come forward in the up to 5,000sqm of Class F.1 floorspace (Learning and nonresidential institutions) that could include education and art/museum space.
- 370 Within Phase 1 the majority of non-residential floorspace is in the proposed auditorium and associated floorspace (including green room/lobbies/offices). This is intended as a flexible space and could be used by a range of live music, performance, events, exhibition, e-sports and filming events. Although no occupier has yet been identified information submitted with the application indicates there is demand for a multi-purpose auditorium that with appropriate programming would be successful at offering a mix of conferences, civic uses and other live events. Given a lack of supply of entertainment, performance, event and exhibition space in the surrounding area it is contended that the proposed auditorium would fill a gap in the market.

### 371 <u>Relocation Strategy</u>

- 372 The land within the application boundary currently provides around 23,000sqm (GIA) of non-residential floorspace (excluding livework units). This includes a number of light industrial units in Orion Business Centre (forming part of Phase 1 of the proposed development), Bolina Road (Phase 5) as well as units on Excelsior Industrial Estate, Timber Wharf, Stockholm Road and in Guild House. The existing buildings provide a mix of office, light industrial, general industrial and warehouse floorspace and open storage. The majority of this space will be lost as part of the proposed development although the commercial space in Guild House (and live/work in Rollins House) will retained. It is relevant to note that CS Policy 4 and SSA3 do not seek to protect existing business floorspace, rather they seek to ensure that mixed-use redevelopment contains a minimum amount of business space. Accordingly the loss of existing employment floorspace is not contrary to development plan policies and is in principle considered acceptable.
- 373 As at October 2020, 27 units remained in use by 22 businesses, five in the Orion Business Centre (Phase 1) occupying approximately 760sqm of space and 14 in Phase 5 (Bolina Road) occupying approximately 2,125sqm of space plus three businesses in

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Guild House (360sqm) that is to be retained and the livework unit in Rollins House. As part of the application a Relocation Strategy has been submitted. This focusses on the availability of alternative employment space for the purpose of relocating the businesses within Phase 1 of the scheme. The strategy identifies around 8,700sqm and 60 alternative premises within the unit size range occupied by the remaining businesses in an area comprising SE1 (including in later phases of the development) and east on the A2/A20 as far as Woolwich. In a wider search area (from Woolwich/Eltham on the A2/A20 heading eastward out to Dartford and Swanley on the M25) there is an additional 6,000sqm and 34 units within the unit size range occupied by the remaining businesses. The total available floorspace (i.e. including larger and smaller sized units) is considerably higher at around 29,500sqm / 132 units and 45,360sqm/102 units respectively. Whilst this availability is specific to the time of the search it demonstrates that there is sufficient available space in the market and across a range of sizes similar to those units on the site for tenants to relocate to.

#### 7.3.1 Employment conclusion

- 374 The application proposes a mix of non-residential uses with the potential to provide a range of employment opportunities. This includes light industrial space to replace that existing on the site currently, space for other commercial uses and indoor sports, a range of food and beverage outlets, an auditorium and space for learning and non-residential institutional uses. This space has the potential to provide an estimated 1,000-1,250 full time equivalent jobs on completion of the development. This compares with 156 jobs on the site (November 2020), indicating a net increase in employment of between around 855 and 1,105 jobs
- 375 Whilst the quantum of light industrial space is significantly below the 20% of built floorspace set out in CS SSA3, the development will provide employment opportunities in a range of sectors and at a substantially higher level than exists on the site at present. Subject to an appropriate contribution to skills training and other economic development activities the employment aspects of the proposed development are supported and the employment space contributes to the corporate vision for regeneration.

### 7.4 TOWN CENTRE USES

Policy

- 376 NPPF paragraph 86 states that planning decisions should support the role that town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaptation. Paragraphs 87 and 90 set out that sequential and impact assessments will be required for retail and leisure development outside town centres, except where proposals are in accordance with an up-to-date plan.
- 377 London Plan Policies SD6 'Town centres and high streets', SD7 'Town centres: development principles and Development Plan Documents', SD8 'Town centre network', SD9 'Town centres: Local partnerships and implementation', and E9 'Retail, markets and hot food takeaways' support mixed use development in town centres. Policy SD7 states that boroughs should take a town centres first approach, discouraging out-of-centre development of main town centre uses. A sequential test is required for applications including main town centre uses, requiring them to be located in town centres. An impact assessment is required for proposals for new, or extensions to existing, edge or out-ofcentre development for retail, leisure and office uses that are not in accordance with the Development Plan. Supporting paragraph 2.7.4 states that developments of retail, leisure and office uses that are not in accordance with the Development Plan should be accompanied by a robust and detailed impact assessment. This applies to development greater than a locally set floorspace threshold, or 2,500 sq.m. if a local floorspace threshold has not been set. In addition, an impact assessment may be required where a proposal is likely to give rise to development at a scale not related to the role and function of a centre. Policy E9 states that development proposals containing hot food takeaway uses should not be permitted where these are within 400 metres walking distance from primary or secondary school.
- 378 CSP 6 'Retail hierarchy and location of retail development' defines the borough's retail hierarchy. DMP 18 'Hot food take-away shops' confirms that the Council will not grant planning permission for new hot food take-aways that fall within 400 metres of the boundary of a primary or secondary school, and identifies requirements specific to this use. The site is not within a designated town centre.
- 379 CS Strategic Site Allocation 3 Surrey Canal Triangle allocates the 10.74ha Surrey Canal Triangle site for mixed use development and identifies that development should provide retail uses to serve local needs that do not adversely impact existing town centres, and provide for a mix of restaurant, food and drink uses to serve the site and immediate neighbourhood.

### 7.4.1 Retail, food and drink

- 380 'Main town centre' uses are defined in the NPPF as retail (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).
- 381 The application proposes a range of uses that fall within this definition comprising:
  - up to 52,530sqm commercial space and indoor sports
  - 3,785sqm auditorium with associated uses

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- 5,000sqm public house, wine bar, or drinking establishment, hot food takeaways
- 382 The total floorspace of Class E a, b and c uses (shops other than for the sale of hot food; food and drink which is mostly consumed on the premises; services principally to visiting members of the public) together with sui generis uses (hot food takeaways, pubs, wine bars and drinking establishments and pubs with expanded food provision) across the development as a whole will not exceed 6,700 sqm (GEA). The intention is that the level of retail floorspace within the development will provide local neighbourhood 'top up' shopping and services to serve the proposed new homes proposed rather than create a new retail destination. To this end, of the total of 6,700sqm of retail or service floorspace, no more than 2,000sqm will be used for the sale of comparison goods and convenience goods floorspace not exceeding 1,000sqm.
- 383 The current application is not accompanied by a sequential test to assess the potential impact of the proposed development on local town centres. An assessment was carried out in support of the extant planning permission for development of the site granted in 2015 which concluded that there are no sequentially preferable alternative sites within the catchment area and that the disaggregation of the relevant proposed uses and location of them in existing town centres would be counter to CS SSA 3, which seeks to create a destination around Millwall FC Stadium. In addition with restrictions on the size and nature of the floorspace, to be controlled by planning condition, no negative impact was identified in terms of existing, planned or committed investment in Lewisham Town Centre, Canada Water Town Centre, the vitality or viability of New Cross District Centre, New Cross Gate Neighbourhood Centre or Surrey Quays Shopping Centre or other allocated sites outside of town centres, or on in-centre trade/turnover within a wider catchment area.
- 384 Notwithstanding the changes to the Use Classes Order, there have been no material changes in development plan policy since the grant of planning permission in 2015 and guidance in the NPPF is also unchanged in terms of the need for and criteria for triggering an impact assessment. In the circumstances it is considered that the conclusions of the assessment undertaken in 2015 are still relevant and that subject to appropriate controls on the total amount of floorspace as well as on retail unit sizes the development will not have an adverse impact on existing town centres.
- Within Phases 2-5 (i.e. applied for in outline only) the application includes up to 5,000sqm of public house, wine bar, drinking establishment and hot food takeaway use (classified as sui generis). The application does not provide a breakdown of floorspace between these different uses nor a breakdown by building or phase other than to specify that the uses could be located in any building other than Guild House, a new building adjacent to Rollins House and one other building on the north side of Surrey Canal Road. Whilst CS Strategic Site Allocation 3 identifies the provision of a mix of restaurant, food and drink uses to serve the site and immediate neighbourhood as one of the priorities for the site it does not specifically identify hot food takeaways as an appropriate use.
- 386 It is noted that the extant planning permission for development of the site includes up to 300sqm of hot food takeaways and in the circumstances, it is considered reasonable that subject to a 300sqm cap being imposed on the total floorspace for hot food takeaways such a use would be acceptable. The planning considerations of hot food takeaway with regard to public health is addressed at para 890-909 of the report.

#### 7.4.2 Auditorium and event space

Policy

387 LPP HC5 'Supporting London's culture and creative industries' identifies that proposals should support the development of new cultural venues in town centres and places with good public transport connectivity, and seek to ensure that Opportunity Areas and largescale mixed-use developments include new cultural venues and/or facilities and spaces for outdoor cultural events.

Discussion

- 388 Phase 1 of the proposed development includes an 800 seat auditorium at podium level with foyer space and associated studio space. The auditorium is intended as a flexible space with a level floor and free-standing chairs enabling it to be used for a variety of community and cultural activities and functions including theatrical performance, live music and dance. A potential occupier, Hillsong Church, were located in temporary space elsewhere on the application site but have since vacated the premises and do not intend to take space in the development.
- 389 London Plan policy supports the development of new cultural venues in town centres and places with good public transport connectivity. Whilst the application site is located outside a town centre and currently has a PTAL of 2, with planned public transport improvements including the new Overground station and extended bus routes connecting to the site with the site the PTAL is expected to increase to a PTAL of 4. In addition, the site is located in an Opportunity Areas where large-scale mixed-use developments are encouraged to include new cultural venues. In this context it is considered that in land use terms the proposed auditorium is acceptable in principle.
- 390 The Theatres Trust have commented on the application noting that whilst the space lends itself well to religious services and potentially lectures or presentations, there are constraints in terms of backstage provision, storage area for sets and equipment, or dressing rooms which would limit the use of the space for theatre and other live performance. Concern has also been raised regarding the appropriateness of this use in this location and that without an identified occupier potential difficulties in securing a tenant the space resulting in the space being left vacant.
- 391 The Financial Viability Assessment acknowledges that the auditorium is a somewhat unique facility, with demand likely to come from an organisation looking to deliver their own facility. The Applicant has provided supplementary information from their Agents based an informal soft market test exercise with a number of parties that are prominent in the London entertainment sector covering live music, performance, events, exhibition, e-sports and filming. They conclude that there is demand for a multi-purpose auditorium that with appropriate programming would be successful at offering a mix of conferences, civic uses and other live events such as music, comedy, theatre. Given a lack of supply of entertainment, performance, event and exhibition space in the surrounding area, they consider that the proposed auditorium would fill a gap in the market. Accordingly, whilst a single occupier (such as Hillsong) might not be found at the present time, the space provides flexibility for a range of uses and users that should widen its general appeal to potential operators.

# 7.4.3 Indoor sport and leisure facility

Policy

- 392 LPP S5 'Sports and recreation facilities' identifies that proposals for sports and recreation facilities should increase or enhance the provision of facilities in accessible locations, well-connected to public transport and link to networks for walking and cycling and maximise the multiple use of facilities, and encourage the co-location of services between sports providers.
- 393 CS SSA3 seeks to create a 'destination' development capitalising on the opportunities provided by Millwall Stadium and the enhancement of the existing football and sports facilities, and make these accessible to the public.

Discussion

- 394 Phase 3 of the development is identified as the location for a multi-sports arena comprising a leisure centre with swimming pool, climbing walls, gymnasium and sports halls as well as a youth centre. There are existing indoor sports organisations (London Thunder Basketball and Fusion Table Tennis) currently located elsewhere on the application site and it is proposed that they would be relocated to the new sports complex.
- 395 The provision of a multi-sports arena capable of accommodating a range of sports, colocated with the existing Millwall FC Stadium and Lions Centre, will complement and enhance existing sports provision in the area. Sport England have identified a lack of multi-court facilities suitable for basketball development and competitive games in Lewisham and consider the proposal has the potential to be of benefit to the development of basketball through the provision of space capable of accommodating basketball courts with spectator seating. Basketball England are supportive of the project on the basis that the development is phased in a way that ensures London Thunder maintain access to the two courts they currently use while the new basketball facilities are built. Basketball England also request that the new facility has a community use agreement to ensure the future affordable use of the facilities for the Thunder Basketball programme. Sport England considers that the facility can offer significant benefits to the delivery of community sport in the locality and that the applicant should enter into a community use agreement. The applicant has stated the running of the new facility including pricing policy, hours of use, access by non-members and management responsibilities will be with the tentant rather than the developer. The applicant has offered a s106 contribution that requires a Sports Faciliites Stratefy which includes a commitment to a discounted entrance fee for residents of Lewisham and Southwark (as well as students attending educationfacilities in those borough) during a minimum of 20% of the opening hours. This is consistent with the prevolus scheme in 2011/2013.
- 396 The proposed use is consistent with LPP S5 and CS SSA3 and subject to an appropriate agreement to secure future community sport within the development the principle of the proposed indoor sport and leisure facility is supported.

### 7.5 SOCIAL INFRASTRUCTURE

- 397 LPP S1 'Developing London's social infrastructure' states that development proposals that provide high quality social infrastructure will be supported in light of local and strategic social infrastructure needs, which should be easily accessible by public transport, cycling and walking, particularly in high streets and town centres. Development proposals that would result in a loss of social infrastructure in an area of defined need should only be permitted where there are realistic proposals for reprovision that continue to serve the needs of the neighbourhood and wider community, or the loss is part of a wider public service transformation plan.
- 398 LPP DF1 states that development proposals should provide the infrastructure and meet the other relevant policy requirements necessary to ensure that they are sustainable and to support delivery of the Development Plan. It identifies that the Community Infrastructure Levy and planning obligations should be used to secure a proportionate contribution towards social infrastructure where the needs arising from the development are not to be met on site.

#### 7.5.1 Healthcare provision

Policy

399 CSP 19 states that the Council will work with its partners to ensure a range of health, education, policing, community, leisure, arts, cultural, entertainment, sports and recreational facilities and services are provided, protected and enhanced across the borough. CSP 20 also promotes healthcare provision and healthy lifestyles.

#### Discussion

- 400 The applicant has set out health and socio economic matters in the Environmental Statement (chapter 12).
- 401 The NHS London Healthy Urban Development Unit (HUDU) have made representations for the development. They request a detailed Health Impact Assessment from Phase 2 of the development onwards. HUDU run a planning obligations model to calculate developer contributions necessary to mitigate the impact of specific developments on health infrastructure and a figure of £5,341,935 is stated. This is split as £904,037 for Phase 1 and £4,437,898 for Phases 2-5.
- 402 The applicant considers that health is a form of infrastructure which should be secured within Community Infrastructure Levy. Members are advised that the project will deliver significant public benefit with projects that will improve the local area. Phase 3 will deliver a significant new leisure centre which will offer discounted rates to local residents. Bridgehouse meadows will have a financial payment of £XX. Surrey Canal Road will be landscaped, Rollins Street and Lovelinch Close will be extended and landscaped as public realm. Zampa Road, Stockholm Road and Bolina Road will be landscaped as public realm.
- 403 The delivery of public health care facilities was on the Council's CIL Regulation 123 (Infrastructure provisions) list and remains something which can be delivered by CIL. The Councils Infrastructure Funding Statement (2019-2020) states that the Council will prioritise the spending of S106 contributions and CIL in line with the Infrastructure Delivery Plan. Officers have considered the matter with CIL and S106 Officers and

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404 With regard to health service space provision. The original 2011/2013 scheme included a health facility at Phase 4. The applicant has again stated that a health facility can be provided in phase 4. The NHS have stated that there is unlikely to be a need for a health facility here. However, phase 4 is not to be delivered for some years given the order of phasing. Therefore it is considered appropriate to secure in the s106 a suitably worded obligation that does not preclude a health facility coming forward should the NHS decide that one is required in the future.

#### 7.5.2 Public toilets

Policy

405 LLP S6 states that large-scale developments that are open to the public and large areas of public realm, should provide and secure the future management of free publically-assessable toilets and free changing places.

#### Discussion

- 406 The proposed development will provide significant new areas of public realm. Phase 1 provides a public auditorium and café and Phase 3 provides a leisure centre.
- 407 The provision of publically accessible toilets are to be secured by planning obligation.

#### 6.5.3 Existing social infrastructure

408 Across the outline Phases 2-5 there are two church uses in Bolina Road (Phase 5). These do not benefit from planning permission and are unauthorised uses. Notwithstanding, the play a community role and are a form of social infrastructure. Phase 5 is the last to be developed and as such there is no immediate requirement to relocate. The applicant has confirmed that the leases in Bolina are short let. The submitted Relocation Strategy is detailed and builds upon the previously approved Relocation Strategy from the 2011/2013 scheme. The 2020 Relocation Strategy will need to be secured in the S106.

#### 408.1 URBAN DESIGN AND IMPACT ON HERITAGE ASSETS

#### General Policy

- 409 NPPF paragraph 126 states the creation of high quality, beautiful and sustainable buildings and places is fundamental to what the planning and development process should achieve. The NPPG encourages decision takers to always secure high quality design; this includes being visually attractive and functional, however other issues should be considered:
  - local character (including landscape setting)
  - safe, connected and efficient streets
  - a network of greenspaces (including parks) and public places
  - crime prevention
  - security measures
  - access and inclusion
  - efficient use of natural resources
  - cohesive and vibrant neighbourhoods
- 410 Chapter 3 of the London Plan sets out key urban design principles to guide development in London. Design policies in this chapter seek to ensure that development optimises site capacity; is of an appropriate form and scale; responds to local character; achieves the highest standards of architecture, sustainability and inclusive design; enhances the public realm; provides for green infrastructure; and respects the historic environment.
- 411 LPP D3 'Optimising site capacity though the design-led approach' states that the designled optimisation of sites should consider details of form, layout, experience, quality and character. The higher the density of a development, the greater the level of design scrutiny that is required, particularly qualitative aspects, as described in LPP D4 'Delivering good design', which states that proposals that exceed 350 units per hectare, or include a tall building should be subject to a greater level of design scrutiny.
- 412 LPP D9 'Tall buildings' states that development plans should define what is considered a tall building for specific localities, although not less than 6 storeys or 18 metres (Part A); identify suitable locations where tall buildings may be appropriate (Part B1); and identify any such locations and appropriate tall building heights on maps in Development Plans (Part B2). Policy D9 (Part B3) states that tall buildings should only be developed in locations that are identified as suitable in development plans. Part C of Policy D9 also sets out requirements for assessing tall buildings, including addressing their visual, functional, environmental, and cumulative impacts.
- 413 CSP 15 repeats the importance of achieving high quality design.
- 414 DMLP 30 'Urban design and local character' states that all new developments should provide a high standard of design and should respect the existing forms of development in the vicinity. The London Plan, Core Strategy and DMLP policies further reinforce the principles of the NPPF setting out a clear rationale for high quality urban design.
- 415 CSP 18 provides parameters associated with the location and design of tall buildings. It identifies that the location of tall buildings should be informed by the Lewisham Tall Buildings Study and sets out a clear rationale for tall buildings in design terms.
- 416 CS Strategic Site Allocation 1 requires the preparation of a site masterplan for each strategic site allocation, to be submitted as part of any initial application relating to the site. The policy identifies that the masterplan should comprise a baseline analysis; historical context; site analysis; land uses, distribution and quantum of development,

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- 417 CS Strategic Site Allocation 3 Surrey Canal Triangle allocates the 10.74ha Surrey Canal Triangle site for mixed use development and identifies the following key urban design principles for the site:
  - a) The layout of the development will ensure that the new business and industrial uses are capable of functioning minimising disturbance to the occupiers of the residential portions of the site;
  - b) The layout will also ensure that Millwall Stadium can continue to function as a mass spectator destination on a long-term basis and allow for possible expansion. This includes ensuring appropriate arrangements for access and egress, day-to-day servicing and emergency servicing and evacuation. Proposals should also ensure that disturbance to residents is minimised;
  - c) The commercial industrial units should be designed to ensure viability and flexibility of use with appropriate floor to ceiling heights, internal space layouts and partitioning, and delivery and goods handling arrangements;
  - d) The location and design of buildings will need to respond to the height of the railway viaducts surrounding the site and the location of the SELCHP facility to the east of the site; and
  - e) Access and links to the site should be improved in particular:
    - i. the pedestrian and cycle route along Bolina Road;
    - ii. the pedestrian and cycle route to Surrey Quays north alongside the East London Line Extension Phase 2 to improve access to the shopping facilities at Canada Water;
    - iii. pedestrian access from within the site to South Bermondsey Station; and
    - iv. improve links to Bridge House Meadows open space and to the south of the site.

#### Design introduction

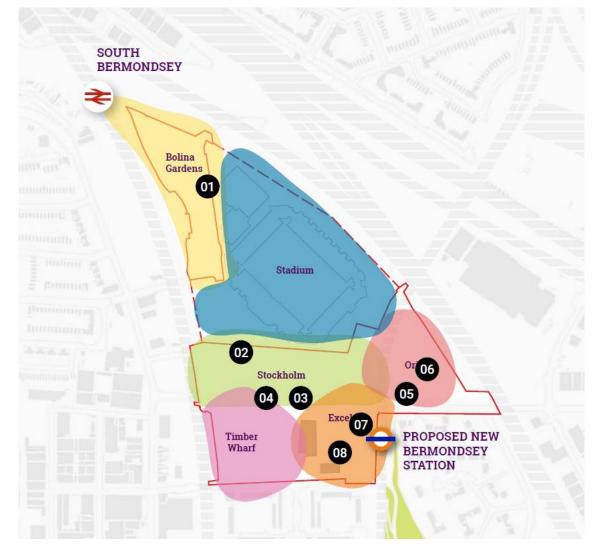
- 418 Council officers worked with the applicant team and their architects (Studio Egret West) between autumn 2018 and December 2020 as part of detailed and extensive preapplication discussions, to inform the evolution of the design of the application proposals. The emerging scheme was presented to Lewisham's Design Review Panel in May and October 2019 as part of this design evolution, and the recommendations of the panel and how these have been addressed as part of the application proposals is detailed within this report in para 171 and table – Design Review Panel.
- 419 Alongside this process, the Council prepared the Surrey Canal Triangle Design Framework SPD (adopted February 2020). The SPD was prepared in order to provide further detailed guidance in relation to the development of a comprehensive masterplan for the Surrey Canal Triangle Strategic Site Allocation within the Core Strategy. The SPD defines the urban design framework for redevelopment of the wider site, establishing the

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vision, overarching principles, and guidance in relation to access and movement, public realm and spaces, land uses, and heights, scale and massing.

420 The SPD identifies a series of character areas across the site (as identified on Figure 14 below) and details a series of design principles for each of the defined character areas:

- The Stadium, the Lions Centre and Surrounds
- Orion
- Excelsior
- Timber Wharf
- Stockholm
- Senegal
- Bolina Gardens
- Surrey Canal Road



#### Figure 14 – Character areas 35 within the Surrey Canal Triangle Design Framework SPD)

(Figure

- 421 The application proposals have sought to respond to the SPD in relation to both the overarching principles and the character areas. This is detailed within the relevant sections below in terms of appearance and character, .
- 422 Planning conditions are proposed to tie the Development Specification and the Parameter Plans to any grant of consent in relation to the outline element, and as such

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will to serve to prescribe the scope of the outline planning permission and require all future reserved matters applications to accord with these approved documents.

Appearance and character

Policy

- 423 Planning should promote local character. The successful integration of all forms of new development with their surrounding context is an important design objective (NPPG).
- 424 In terms of architectural style, the NPPF encourages development that is sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (paragraph 130). NPPF paragraph 134 states that great weight should be given to outstanding or innovative designs which promote high levels of sustainability, or help raise the standard of design more generally in an area.
- 425 LPP D3 'Optimising site capacity through the design-led approach' states that development should respond to the existing character of a place by identifying the special and valued features and characteristics that are unique to the locality, and be of high quality with architecture that pays attention to detail and gives thorough consideration to the practicality of use, and the use of attractive and robust materials.

#### Discussion

- 426 The application site is predominantly characterised by low rise light industrial buildings which date from the second half of the 20<sup>th</sup> century. With the exception of Guild House and Rollins House, there are very few buildings within the immediate surrounding area which pre-date the Second World War. The urban fabric, layout and form which characterised the area's development during the Victorian period has largely been lost following the comprehensive clearance and redevelopment of the area during the second half of the 20<sup>th</sup> century. The main remnants from this period are the series of railway viaducts, embankment and arches which cross the area and contribute to its existing form and character. The line of the former Grand Surrey Canal is reflected in the alignment of Surrey Canal Road, but there are limited physical remnants of the former canal that remain visible within the urban realm.
- 427 This lack of an existing well defined character and the low architectural value of the modern light industrial buildings which characterise the majority of the application site presents the opportunity for redevelopment to define a new character for this area. This is recognised in the Surrey Canal Triangle Design Framework SPD which identifies that the regeneration of this area can bring transformative change through high-quality mixed-use architecture and landscapes, to create a healthy, liveable and sustainable place where high-density living can be associated with high standards of wellbeing.
- 428 The applicant's design team have sought to respond to this, with the design being informed by a series of key design principles which reflect the overarching principles set out within the Core Strategy strategic site allocation and expanded upon within the SPD. In terms of character and appearance, these involve creating an exemplar design quality across the development, with defined character areas which respond to the character areas identified within the SPD. The character of the area will be united at street level through the creation of a green and layered landscape which responds to the verdant railway embankments which surround the site, transforming Surrey Canal Road as a tree lined boulevard, creating a series of new routes and public spaces within the site, and introducing stepped and richly planted building podia which create a high quality and

Is this report easy to understand? Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/spad-usofeedback-on-our-reports</u> green interface with the public realm at ground level. The design of the public realm seeks to unify the development, and tie each of the character areas together within a comprehensive landscaping scheme that creates a distinctive sense of place.

Detailed element: Phase 1 - Orion

- 429 The SPD envisages that the Orion plot could provide a permanent home for an important community facility, with residential development rising above this, and a significant area of new public realm in front of the new building.
- 430 Phase 1 has been designed with a podium element which would accommodate the auditorium, café, studio and ancillary office functions. The podium element would be layered and landscaped with a series of levels affording external terraces and planted areas to break down the massing and integrate the development within the surrounding public realm. Rising from the podium would be three residential towers, which would each have a distinctive triangular form. A new public space ('Phase 1 Square') would be created fronting Surrey Canal Road which would provide a high quality landscaped setting for the development and function as a space for visitors to the auditorium to congregate within and spill out into.
- 431 The podium element has been designed to respond to the rail embankments which bound this plot to the west and north / east, ensuring that the residential elements are raised above the level of the embankments and that residential units are afforded a good outlook. The stepped and landscaped form of the podium also seeks respond to the vegetated rail embankments and establishes a design treatment that is echoed throughout the outline element of the scheme to create buildings that come to ground at a human scale and integrate with the surrounding public realm and landscape.
- 432 The detailed design of Phase 1 has sought to take design cues from the aesthetic of the area's former industrial character. The architectural form of each tower comprises a dramatically expressed concrete exoskeleton which echoes the industrial character of the area and responds to the strong verticality and form of the SELCHP facility which lies directly to the north east of this plot, beyond the rail embankment. The concrete exoskeleton is brought down to ground level forming a strong base to the towers, and affording a lightness to the podium element which sails beneath the towers. The residential units sit within the concrete exoskeleton to create an appearance of stacked objects within a structural frame, and the exoskeleton affords extensive expanses of glazing to the residential units within each facade. The exoskeleton also serves to break up the massing of the towers with both horizontal and diagonal supporting cross beams, and inset levels at regular intervals which further serve to break up the massing. The light and shadow cast by the exoskeleton also adds depth and animation to the facades behind. The distinctive architectural form of the three residential towers ensures that they are clearly read as a family of buildings.



Figure 15 – CGI of Phase 1 viewed from Surrey Canal Road

#### Outline element

433 Recognising that the detailed design of the outline element will be defined as part of any future reserved matters applications, the section below outlines how each phase has been designed to respond to the principles set out within the Surrey Canal Triangle Design Framework SPD in order to establish a distinctive character and appearance, and outlines the key design principles for each phase which are reflected by the phase specific design controls within the Development Specification.

Phase 2 - Excelsior

- 434 The SPD envisages Excelsior as a new creative quarter providing the opportunity to merge existing and new workspaces around high-quality public realm, and to serve as a landmark gateway to the area. This would involve the refurbishment of Guild House and its integration into a contemporary structure to provide new workspace for the creative industries.
- 435 With the retention of Guild House and part of Rollins House, Phase 2 of the proposed development has been designed to weave together the old and the new to create a layered place brought to life by a new creative quarter. The distinctive form of three interlinked rotunda buildings would provide a visual marker for the new Surrey Canal Station. A high quality contemporary rooftop extension to the locally listed Guild House provide for additional workspace within this building. A strong and well defined frontage to Rollins Street would be established, taking the retained part of the existing Rollins House as its starting point and expanding this east and west with new development.
- 436 A new public space at the north eastern extent of the plot ('Station Square') would provide a welcoming space for those arriving via the new station, accommodating

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Please give us feedback so we can improve. Go to https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports pedestrians and event crowds, and forming an important gateway to the development. A new public space would be created at the centre of the plot ('Phase 2 Square'), creating a vibrant yard space with a sense of enclosure provided by the surrounding buildings. This space would provide flexibility for a range of uses to support this creative quarter, fronted by active commercial uses and workspaces which could spill out in to the yard space.



Figure 16 – illustrative CGI showing the design intent for the central yard space within Phase 2

Phase 3 – Timber Wharf

- 437 The SPD envisages Timber Wharf as a new state-of-the art sports hub for the area, promoting health and wellbeing in addition to the offer already provided by Millwall Football Club and Lions Centre. The sports hub and associated facilities should provide animation and active frontage to Surrey Canal Road.
- 438 Phase 3 of the development has been designed around a large podium element which would accommodate a major new sports and leisure facility, and would provide an active and animated frontage to Surrey Canal Road with extensive glazing. The podium element would present a strong and well defined frontage to Surrey Canal Road to the north, to Rollins Street to the south and to the new north-south routes that would be created to the east and west of the plot. From the podium would rise three residential towers. Design controls within the Development Specification secure that the massing of each tower is broken down with horizontal transitions and through a distinctive twisted form to the two towers at the north and south western corners of the block.



Figure 17 – illustrative CGI showing the design intent for Phase 3 and its frontage to Surrey Canal Road

Phase 4 – Stockholm and Senegal

- The SPD envisages the Stockholm and Senegal plots as providing a transition between the creative and sports hubs to the south of Surrey Canal Road in Excelsior and Timber Wharf, and the cultural sports hub that is Millwall Football Stadium to the north of Stockholm Road. The lower levels of the buildings would comprise a range of commercial uses providing active frontages to Surrey Canal Road and Stockholm Road with landscaped podium levels, and the provision of generous public spaces which will allow large crowds of football supporters to move between the new station and the stadium on event days and provide a focus for new and existing communities to enjoy the public spaces throughout the year.
- 440 Phase 4 has been designed with a new public space ('Stadium Square') at its heart, which would provide a focus of activity within the development, surrounded by commercial uses and active frontages. This new space would afford views through from Surrey Canal Road to the Millwall FC stadium, and on event days would function as an important space to assist with crowd movement. This key public space would be framed on either side by stepped and layered podia which accommodate a series of active uses, external terraces, and extensive planting and vegetation to integrate these blocks within the public realm. Two residential towers would rise from each podia, creating a strong form to Surrey Canal Road. A fifth residential tower would be accommodated at the north eastern extent of the plot, to the north of Stockholm Road. Design controls within the Development Specification secure that the building forms are expressed as interlocking volumes which highlight the various massing steps of each tower, and with variation in height across each tower.



Figure 18 – illustrative sketch diagram showing the approach to stepped and layered podia

Phase 5 – Bolina

- 441 The SPD envisages Bolina as having the most potential to provide a series of taller buildings responding to the proximity to South Bermondsey Station and accommodating high quality new homes. The residential buildings would rise above extensive, accessible podium gardens, incorporating doorstep and local play amongst lush green planting. At lower levels, new light industrial units would be directly accessible from Bolina Road.
- 442 Phase 5 has been designed with a two storey podium which would accommodate a series of light industrial units with access and yard space via Bolina Road, and would function as the light industrial hub within the development to safeguard this existing use. A new pedestrian route would be created along the northern boundary of the plot to open up a new means of access to South Bermondsey Station from Bolina Road.
- 443 The podium space has been designed to afford a potential future connection to a raised piazza associated with future redevelopment and expansion of the Millwall FC stadium and surrounding land. A pedestrian route would be provided across the podium space, providing a connection to South Bermondsey Station. Extensive areas of communal amenity space would be provided on top of the podium element, providing high quality spaces for residents of the five residential towers which would rise from the podium. Design controls within the Development Specification secure that each of the five towers would have a distinctive hexagonal form and appear as a coherent family of buildings with variation in height across each tower.



Figure 19 – illustrative sketch diagram showing the approach to light industrial units accessed via Bolina Road with residential towers rising from the podium

Summary – appearance and character

- 444 The design of the proposed scheme successfully responds to the Surrey Canal Triangle Design Framework SPD through establishing a series of distinctive character areas across the development that are also unified by a common language and through the public realm treatment.
- 445 The detailed design of Phase 1 would establish a landmark development with an exemplar design quality that would establish the benchmark for future reserved matters applications across the outline element. The architectural form of each phase as secured via the design controls within the Development Specification would ensure a distinctive architectural form and appearance for each phase, that also shares a common language with the robust form of Phase 1 and its design cues to the area's former industrial character. Taken together, the proposed development would achieve high quality placemaking, creating a new and distinctive sense of place within an area which has lost much of its former character following its extensive redevelopment with piecemeal and generally low quality development over the course of the second half of the 20<sup>th</sup> century.
- The agents appointed on behalf of Millwall FC have stated that, the towers in Phase 4 appear uncomfortably close to the stadium which could have an unintended consequence on the signal accessibility of the Outside Broadcasting space and that the tower should be reduced or removal from the proposals. The reduction or removal of the tower in design terms they consider would be justified and would also 'free up' indicative capacity on the side.

- 447 Officers are satisfied that the density of the application scheme is acceptable, the draft site allocation does not restrict Millwall FC from developing its own future proposals.
- 448 There is no data or evidence that the Phase 4 tower would have a detrimental impact on the working operations of the stadium. Officers consider that the tower appears in a logical and acceptable position in the masterplan. A reduction in scale or removal of the tower would result in the substantial loss of residential accommodation which would negatively impact upon the delivery of affordable housing. Officers have therefore not sought for alterations to this phase.

Layout

Policy

- 449 LPP D3 'Optimising site capacity through the design-led approach' identifies that development should enhance local context by delivering buildings and spaces that positively respond to local distinctiveness through their layout, orientation, scale, appearance and shape; encourage and facilitate active travel with convenient and inclusive pedestrian and cycling routes, crossing points, cycle parking, and legible entrances to buildings; be street-based with clearly defined public and private environments; and facilitate efficient servicing and maintenance of buildings and the public realm, as well as deliveries, that minimise negative impacts on the environment, public realm and vulnerable road users.
- 450 The Surrey Canal Triangle Design Framework SPD identifies that future development will need to enable better routes and connections within the site, through the site and with the wider area. The SPD identifies the following requirements in terms of access and movement:
  - Support provision for the Surrey Canal Road Overground Station and a new pedestrian and cycle route adjacent to the East London Line Phase 2 extension;
  - Improve public access into the site from South Bermondsey Station;
  - Structure the development around legible routes that are primarily defined by the existing street pattern;
  - Unlock barriers to movement, including the enclosed hard standing surrounding the Stadium, the impenetrable railway embankments and the primary road networks;
  - Transform Surrey Canal Road into an urban boulevard with improved cycling and walking provision;
  - Provide crossings at key points along Surrey Canal Road to aid pedestrian movement;
  - Provide a key diagonal pedestrian link across the site connecting the new Surrey Canal Station, through to a new stadium plaza and onto Bolina in the north west of the site;
  - Improve access through railway embankments and upgrade underpasses;
  - Create a variety of gateways into the site, connected by a series of streets and squares;
  - Upgrade (and where possible extend) existing cycling routes, and make the existing cycle network more legible and safer through a clear separation of pedestrian and cycle movement; and
  - The creation of any new links between Rollins Street and Surrey Canal Road, and the north south route and east west route should be for access and buses only.

Discussion

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451 The proposed development would establish a new network of routes and spaces across the area, and deliver improvements to a series of existing routes. The plan below summarises the position in terms of existing roads that would be upgraded, new roads, and new pedestrian routes and crossings.

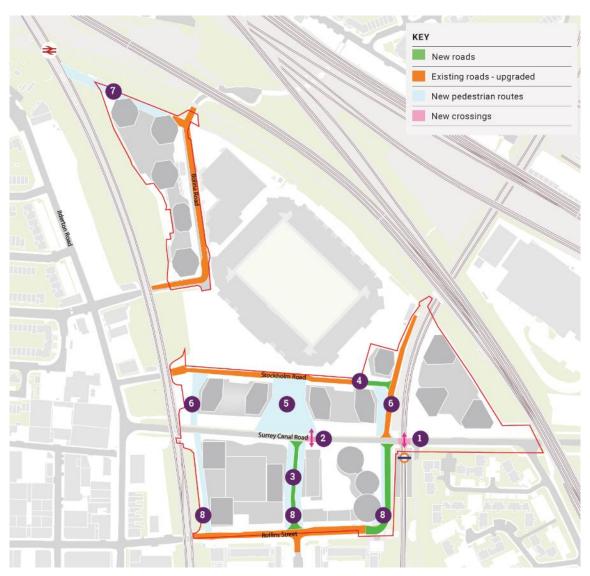


Figure 20 – Access and circulation

- 452 Where access and permeability through the site is currently poor given the existing layout and light industrial premises, the proposed development would foster a well-defined network of routes through the site to improve permeability and facilitate connections with routes across the wider area.
- 453 Three new north-south routes would be created within the site between Surrey Canal Road and Rollins Street, where there are none currently and the only existing means of access is via Ilderton Road to the west and through Bridgehouse Meadows to the east. Two new roads would be created as part of Phase 2, with one running parallel to the London Overground line and one forming an extension to the existing Lovelinch Close. These two new roads, taken together with that part of Rollins Street which would lie between them, would facilitate the creation of a one way clockwise loop road through the site, which would function as a loop for proposed new bus services to serve the

**Is this report easy to understand?** Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-usofeedback-on-our-reports</u> development and also provide access for deliveries and servicing. A new pedestrian route would be created at the western extent of the Phase 3 plot providing a further connection between Surrey Canal Road and Rollins Street.

- 454 To the north of Surrey Canal Road, where there is currently no access along the length of Stockholm Road, the proposed development would see the upgrading of Stockholm Road as a new east-west connection through the site. Stockholm Road would be a one way road, with vehicles taking access via Ilderton Road and then travelling one way eastbound to connect with Senegal Road and then Surrey Canal Road. The grid of north-south routes established as part of Phases 2 and 3 would be replicated and extended within Phase 4, to provide three connections between Surrey Canal Road and Stockholm Road. The new public space at the centre of Phase 4 ('Stadium Square') would provide a new pedestrian route through the heart of the site, and this would be complemented by a new pedestrian route at the western extent of the Phase 4 plot providing a further connection between Surrey Canal Road and Stockholm Road. The existing route of Senegal Road would be upgraded to provide an improved route for pedestrians and vehicles.
- 455 Phase 5 would involve the upgrade of Bolina Road to a shared surface space to accommodate vehicular and pedestrian movement, and the creation of a new route along the plot's northern boundary to afford a pedestrian connection between Bolina Road and South Bermondsey Station. The podium space at Phase 5 would also afford a potential future connection to a raised piazza associated with redevelopment and expansion of the Millwall FC stadium and surrounding land, with a pedestrian route provided across the podium space providing a further connection to South Bermondsey Station.
- 456 In addition to these new routes, the proposed development would result in new and enhanced cycle routes across the site. It would also afford improvements to existing connections within and around the site, including the opening up of new and improvement of existing underpass connections beneath the London Overground, and improvements to the stretches of Zampa Road, Stockholm Road and Rollins Street and associated underpasses which lie between the application site boundary and Ilderton Road. The detail of the proposed works is set out within the Transport section of this report.
- 457 The proposed development would therefore provide a network of permeable and legible routes across the site. This network of routes would provide a range of routes to accommodate crowd movement and management associated with events at Millwall FC stadium, including providing a range of route options between the stadium and the new Surrey Canal station. In this context, it is considered that the requirements in terms of access and movement as identified within the SPD would be fully addressed through the proposed layout of the development. The application proposal is not able of itself to deliver a means of access between Stockholm Road and Bolina Road which is a key requirement of the SPD, recognising that this land lies outside the control of the applicant. The Council is however working with Millwall FC to secure provision of this connection to facilitate permeability through the site in the longer term. The proposed development provides flexibility for a potential future connection to a raised piazza associated with redevelopment and expansion of the Millwall FC stadium and surrounding land, which has emerged through liaison between the applicant's architect team and the architect team of Millwall FC.
- 458 The principles of layout, access and movement in relation to the outline element are secured through the relevant Parameter Plans and through the Development Specification.

- 459 The proposed development has been designed to create strong and well defined frontages to each of the new and improved routes which would run through the site. This involves the creation of active frontages to animate the street, together with the siting of building entrances to provide additional activation and surveillance. The Highways Parameter Plan defines the means of vehicular access to the basement serving each phase, and identifies the potential locations for building entrances to each building. The Development Specification defines a series of principles in relation to active frontages, within both the scheme-wide and phase specific design controls sections. The GLA Stage 1 response identified that the Development Specification should be amended to identify maximum continuous lengths of inactive frontage facing streets and spaces, which should be as limited as possible. Paragraph 4.4.3 of the Development Specification has been amended to address this, and confirms that ground floor frontages facing onto key streets and areas of public accessible open space will be designed such that continuous lengths of inactive frontage will be kept to a minimum.
- The outline element would also involve the creation of a series of new public spaces, including 'Station Square' and 'Phase 2 Square' (as part of Phase 2), 'Stadium Square' (as part of Phase 4) and 'Podium Gardens' (as part of Phase 5). This is detailed below in the Public Realm section of the report.

### Detailed element: Phase 1 - Orion

- 461 The layout of Phase 1 has been designed to afford a generous public space ('Phase 1 Square') at the south western extent of the plot fronting Surrey Canal Road. This space would provide a high quality landscaped setting for the development and function as a space for visitors to the auditorium to congregate within and spill out into.
- 462 Phase 1 has been designed to prioritise access for pedestrians and cyclists, with all vehicular access undertaken at the periphery of the plot via a service access road running along the site's eastern boundary with all servicing and deliveries undertaken via this access road to the rear of the plot or within the basement. This ensures that the main access to the development is via a high quality public realm with pedestrian and cyclist priority.
- 463 The main entrance to the auditorium and café space would be via a foyer fronting the new public space. A secondary access to the studio and ancillary office space at first floor level within the podium would be provided at the south eastern corner of the block. Access to the residential cores to the residential Towers A and C would be via a large lobby space with concierge facilities, located directly off the new public space towards the western extent of the block. Access to the residential core of Tower B would be via a lobby space at the southern extent of the block fronting Surrey Canal Road. The means of access to the building would therefore be attractive and well overlooked, with the location of building entrances serving to animate the surrounding public realm.
- 464 All servicing and deliveries access would be via the dedicated service access road which runs to the rear of the block along the site's eastern boundary. This two way vehicular access would provide access in turn to a secure gated service yard serving the ENVAC waste facility and provide servicing and delivery access to the auditorium, café and associated uses within the podium element. Beyond this, vehicular access to the basement would be provided via a ramp at the northern extent of the plot, providing access to the disabled parking provision and the dedicated move-in / move out spaces within the basement.
- 465 At the western extent of the block, directly adjacent to the entrance to the lobby space serving Towers A and C, a cycle ramp would be provided affording direct and convenient

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access to the basement cycle parking provision via a secure gated access. A cycle lift would also be provided, to provide an alternative means of access to the cycle parking. The siting of the cycle ramp and lift is conveniently located having regard to access to the network of cycle routes which surround the site, including Quietway 1 and NCR 425 which run along Senegal Road and Surrey Canal Road. As part of the Phase 1 works, the existing underpass beneath the London Overground between the Phase 1 plot and Senegal Road would be opened up to further improve convenient access to this route for pedestrians and cyclists.

466 Phase 1 would achieve a robust delineation between public and private space, with a strong building line defining much of this delineation, complemented by secure access gates to the cycle parking ramp and the service yard at the western and eastern extent of the plot respectively. This reflects and builds on the triangular shape of this plot, bounded by rail embankments to the west, north and east. The development has been designed to positively address Surrey Canal Road providing an attractive frontage set behind a new public space. The siting of the public space at the south western corner of the plot reflects key pedestrian desire lines, recognising that the main point of arrival to the plot will be from the south west via Surrey Canal Road, either from the new Surrey Canal station, the associated bus interchange, or the network of cycle routes. The proposed development

#### Summary – layout

- 467 The layout of the proposed scheme successfully responds to the principles and requirements set out within the Surrey Canal Triangle Design Framework SPD in terms of creating a network of new routes and spaces that allow for legible and permeable connections through the site and connect to existing routes within the surrounding area. The siting of new public spaces responds to key pedestrian desire lines and establish important gateway points to the development that respond to the siting of the new Surrey Canal Station ('Station Square' and 'Phase 1 Square') and also provide key public spaces of animation and activity at the heart of the development ('Stadium Square' and 'Phase 2 Square'). The layout of the proposed blocks forms a strong frontage to the new routes and public spaces, and affords a clear delineation between public and private space. Active frontages and building entrances will afford animation and surveillance to the surrounding routes and spaces.
- 468 The detailed design of Phase 1 effectively responds to the constraints of this plot and will afford a high quality new public space fronting Surrey Canal Road, and open up the existing connection beneath the London Overground between the plot and Senegal Road.

### Form and Scale

Policy

469 LPP D9 'Tall buildings' states that development plans should define what is considered a tall building for specific localities, although not less than 6 storeys or 18 metres (Part A); identify suitable locations where tall buildings may be appropriate (Part B1); and identify any such locations and appropriate tall building heights on maps in Development Plans (Part B2). Policy D9 (Part B3) states that tall buildings should only be developed in locations that are identified as suitable in development plans. Part C of Policy D9 also sets out requirements for assessing tall buildings, including addressing their visual, functional, environmental, and cumulative impacts.

- 470 CSP 18 'The location and design of tall buildings' provides parameters associated with the location and design of tall buildings. It identifies that the location of tall buildings should be informed by the Lewisham Tall Buildings Study and sets out a clear rationale for tall buildings in design terms. It specifically identifies Surrey Canal Triangle as being a location where tall buildings may be appropriate.
- 471 LPP HC3 'Strategic and Local Views' identifies a designated list of Strategic Views, on which the impact of development proposals must be assessed if they fall within the foreground, middle ground or background of that view. These include Strategically-Important Landmarks and Protected Vistas, which should be protected. Some aspects of these views contribute to a viewer's ability to recognise and appreciate a World Heritage Site's authenticity, integrity, and attributes of Outstanding Universal Value. Supplementary Planning Guidance on the management of designated views is set out within the London View Management Framework. LPP HC2 'World Heritage Sites' states that development proposals in World Heritage Sites and their settings, including any buffer zones, should conserve, promote and enhance their Outstanding Universal Value, including the authenticity, integrity and significance of their attributes, and support their management and protection. In particular, they should not compromise the ability to appreciate their Outstanding Universal Value, or the authenticity and integrity of their attributes.
- 472 The application site falls within the extended backdrop of the background Wider Setting Consultation Area of the LVMF view from Assessment Point 23A.1 (Bridge over the Serpentine to Westminster).
- 473 CSP 17 'The protected vistas, the London panorama and local views, landmarks and panoramas' protects the LVMF vistas and the London panorama in line with regional policy. It also seeks to protect locally designated local views, landmarks and panoramas.
- 474 The Surrey Canal Triangle Design Framework SPD confirms that given its location within a Regeneration and Growth Area, tall buildings are suitable within the SPD Area (as identified within CSP 15). The SPD defines a heat map showing locations across the site which are suitable for tall buildings (see Figure 21 below). This identifies that the north west of the site closest to South Bermondsey Station, and the south east corner of the site adjacent to the proposed new overground station are the locations where the tallest elements should be accommodated.

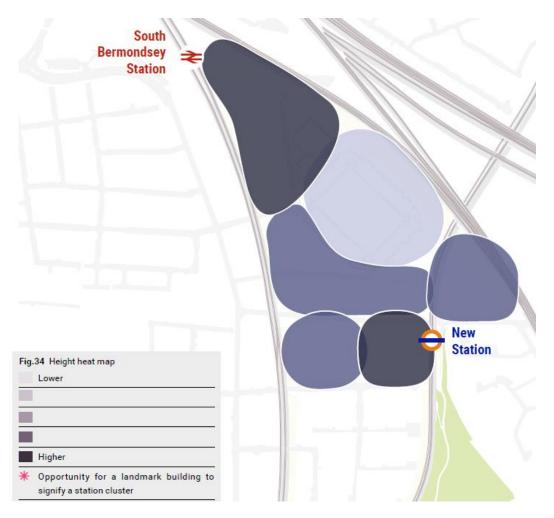


Figure 21 – Height heat map from the Surrey Canal Triangle Design Framework SPD.

#### Discussion

- The proposed development would comprise a series of tall buildings across each of its five phases. Phase 1 (the detailed element for which full planning permission is sought) would comprise three towers rising to 32 storeys in height. The upper levels of the towers (Levels 30 and 31) would be cut back to create a stepped form to the crown to add interest in longer range views.
- 476 In relation to Phases 2 5 (the outline element), Parameter Plan 11 defines the maximum height of each block and also secures the stepping in height in relation to each tower within Phases 4 and 5. This is complemented by the design control sections of the Development Specification which define additional provisions regarding the form and massing of the towers within each phase. The maximum heights as defined by Parameter Plan 11 are all subject to an additional construction tolerance of +/- 1m, and include plant and lift machinery, but exclude building parapets.
- 477 Recognising that the maximum heights defined within Parameter Plan 11 are in metres Above Ordnance datum (AOD), the scheme architect has provided illustrative storey heights for each block, assuming that the buildings were developed out up to the maximum height allowed for within Parameter Plan 11. These illustrative storey heights are shown on the diagram below. It should however be noted that these storey heights are purely illustrative, recognising that subject to internal floor to ceiling heights and the detailed design of each block there is scope for variance around this. The number of

Is this report easy to understand? Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> storeys will be determined as part of future reserved matters applications, but the building heights will necessarily be limited by the maximum heights defined within Parameter Plan 11.

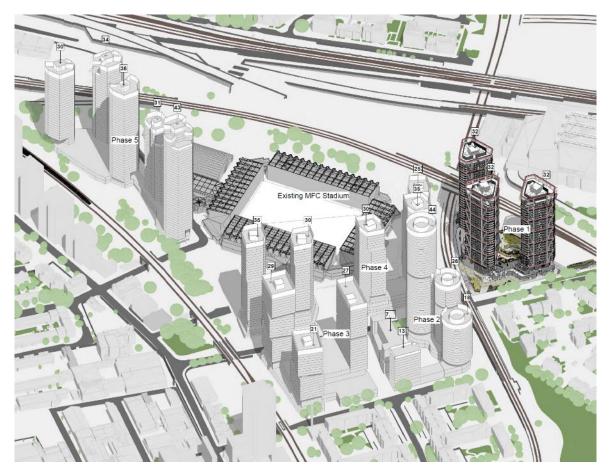


Figure 22 – Building heights expressed illustratively in storeys

- 478 Within Phase 2, the three linked rotunda buildings would be stepped in height rising to a maximum of 71m, 97m and 154m Above Ordnance Datum (AOD) respectively (illustratively circa 18, 26 and 44 storeys). The block at the south west corner of the Phase 2 plot which would be joined to the western elevation of the retained part of Rollins House would rise to a maximum height of 51m AOD (illustratively circa 13 storeys).
- 479 In relation to the three towers which rise from the podium block of Phase 3, the tower at the north west corner of the block would rise to a maximum of 117m AOD (illustratively circa 29 storeys), the tower at the eastern extent of the block would rise to a maximum of 110m AOD (illustratively circa 27 storeys), and the tower at the south eastern corner of the block would rise to a maximum of 91m AOD (illustratively circa 21 storeys).
- 480 In terms of the five towers within Phase 4, the two pairs of towers which rise above the podium blocks that lie between Surrey Canal Road and Stockholm Road would rise to a maximum of 111m and 127m AOD respectively (illustratively circa 30 and 35 storeys). The tower to the north of Stockholm Road would rise to a maximum of 94m AOD (illustratively 25 storeys).
- 481 In relation to Phase 5, the five towers proposed would rise to maximum heights of 111m, 124m, 127m, 114m and 153m AOD respectively (illustratively circa 30, 34, 36, 31 and 43 storeys).

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- 482 The massing strategy for the proposed scheme has sought to respond to the guidance within the Surrey Canal Triangle Design Framework SPD by focusing the tallest elements in proximity to the new Surrey Canal Station (Phase 2), and South Bermondsey Station (Phase 5), in order to act as legible markers for these transport hubs. The massing strategy has also sought to create gateway buildings at the western and eastern extents of Surrey Canal Road which mark the entry points to the development, and the stepping in height of the towers within Phase 4 has been designed to frame the Millwall FC stadium and 'Stadium Square'. The massing strategy has also sought to address the interface with the lower rise blocks on the Winslade Estate to the south of Rollins Street, with the blocks stepping down in scale towards Rollins Street to mark a transition to this existing development. The approach to the design of towers rising from podia has sought to respond to the level of rail embankments which surround the site and raise the residential development above this level, whilst also providing stepped and landscaped podia which ensure that the proposed development will interface with the street at a human scale. The form and massing of towers has also been designed to maximise sunlight penetration to streets and spaces, and to the proposed residential apartments to ensure a high level of amenity.
- 483 Having regard to Policy D9 'Tall buildings' of the London Plan, the adopted development plan documents for Lewisham do not specifically identify on a map those locations that are suitable for tall buildings, recognising that these documents were prepared ahead of the recently adopted London Plan. CSP 18 'The location and design of tall buildings' does however specifically identify Surrey Canal Triangle as being a location where tall buildings may be appropriate. Strategic Site Allocation 3 – Surrey Canal Triangle confirms that development on the site should create a sustainable high density residential environment at a density commensurate with the existing public transport accessibility level (PTAL) of the site or the future PTAL achieved through investment in transport infrastructure and services. The site allocation for up to 2,500 new homes and significant non-residential floorspace reflects this, with the implication being that the site will accommodate tall buildings in order to achieve the quantum of development envisaged. The Surrey Canal Triangle Design Framework SPD provides additional detail in relation to the site allocation policy, and defines a heat map across the site identifying where height should be focused across the site.
- 484 As part of the evidence base for the emerging Local Plan, the Council commissioned the preparation of a Tall Buildings Study (Draft, February 2021). The study comprises an assessment of the suitability to accommodate tall buildings, and an assessment of the sensitivity of areas to accommodate tall buildings. The assessment of suitability has been informed by a range of factors including an area's accessibility to public transport, proximity to a service centre opportunity area or growth area, and the distribution of existing clusters of tall buildings. Based on the site's location within the Lewisham, Catford and New Cross Opportunity Area and the proposed improvements to public transport accessibility, the assessment identifies the Surrey Canal Triangle site as being of medium / high suitability to accommodate tall buildings. The assessment of sensitivity has been informed by a range of factors which might make any given site sensitive to the potentially negative impacts of new tall buildings, including proximity to World Heritage Sites, conservation areas and listed buildings, LVMF viewing corridors, local views, areas characterised by consistent building heights, and topography. Given the limited number of constraints which affect the site in this regard, the assessment identifies the Surrey Canal Triangle site as being of low sensitivity to tall buildings. This assessment has informed Policy QD4 'Building heights' within the Regulation 18 Stage "Main Issues and Preferred Approaches" Local Plan, with Figure 5.1 reflecting the tall buildings suitability plan, and Figure 5.2 reflecting the tall buildings sensitivity plan. In this context, the application site lies within an area identified as being of medium / high suitability to

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accommodate tall buildings and of low sensitivity, which indicates that the siting of tall buildings is appropriate in this location.

485 The extant consent established the principle of tall buildings coming forward across the application site. The massing strategy in relation to the extant consent involved a cluster of landmark tall buildings at the north western corner of the site in proximity to South Bermondsey Station, rising to a maximum of 86.4m AOD (c. 27 storeys) on plot Bolina North 2. In addition, it proposed a series of tall buildings acting as markers along the diagonal route of Stadium Avenue connecting the proposed new station at Surrey Canal Road to South Bermondsey Station. The extant consent allowed for the tower adjacent to the proposed new station to rise to a maximum height of 72.2m AOD (c.23 storeys), with the two gateway marker towers north of Surrey Canal Road rising to a maximum height of 80.1m AOD (c. 25 storeys), and a further tall building at Bolina Road rising to a maximum height of 70.0m AOD (c.22 storeys). Clearly, the scale of buildings proposed as part of the current application is significantly over and above the scale allowed for under the extant consent. Recognising that the extant consent was granted in March 2012 and subsequently amended by a S73 consent granted in December 2015, this transition in scale must however be understood within the context of the surrounding area and the schemes that have been granted consent across both Lewisham and Southwark in this intervening period.

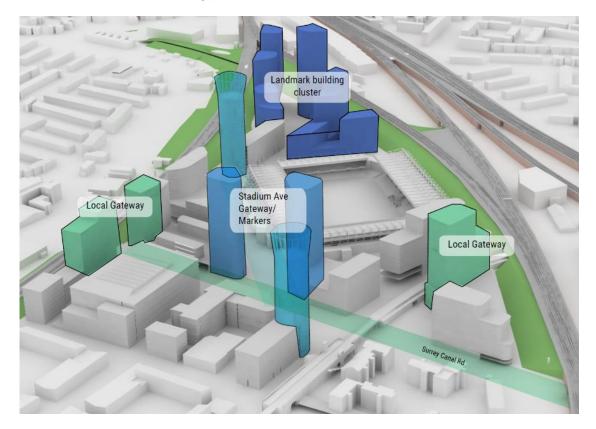


Figure 23 – Extant consent massing strategy

486 The Old Kent Road Opportunity Area lies directly to the west of the Surrey Canal Triangle site beyond the embankment carrying the line between South Bermondsey and Queens Road Peckham, within LB Southwark. LB Southwark is preparing an Area Action Plan (AAP) for the Old Kent Road which envisages the delivery of 20,000 new homes across the area, 10,000 new jobs, and the delivery of new transport and social infrastructure to support the transformation of this area. Associated with the delivery of the Bakerloo Line Extension, the emerging AAP envisages a transformation across this wider area and will involve an extensive series of tall buildings across the area focused

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# Figure 24 – Diagram from Old Kent Road Draft Area Action Plan identifying indicative building heights and locations (Figure 17 within the Draft AAP)

- 487 A series of planning consents have been granted to date by LB Southwark for large scale development comprising tall buildings within the Old Kent Road Opportunity Area. The schemes detailed below are examples of where permission has been granted (or where Committee has been minded to grant, subject to completion of the legal agreement and GLA Stage 2 referral) for landmark tall buildings. Full planning permission was granted in June 2019 in relation to The Ruby Triangle Site (LB Southwark application reference 18/AP/0897) which comprises three buildings rising to a maximum of 48 storeys (170.8m AOD). Full planning permission was granted in February 2021 in relation to Land at Cantium Retail Park (LB Southwark application reference 18/AP/3246) which comprises buildings ranging up to 48 storeys. In March 2020, LB Southwark's Planning Committee resolved to grant permission subject to completion of a legal agreement and GLA Stage 2 referral in relation to Land at Devonshire Grove (LB Southwark application reference 19/AP/1239) which comprises full planning permission for the construction of a building rising to 38 storeys (137.3m AOD).
- 488 The Old Kent Road Opportunity Area includes the Ilderton Road corridor which lies directly to the west of the Surrey Canal Triangle site. A number of schemes have also recently been approved here by LB Southwark, which comprise tall buildings. Full planning permission was granted in January 2021 in relation to 227 – 255 Ilderton Road

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(the Leathams site) (LB Southwark application reference 19/AP/1773). This site lies directly to the south west of Phase 3 – Timber Wharf of the application proposal, with Rollins Street forming its northern boundary, and the consented scheme comprises the development of a building rising to 28 storeys (94.7m AOD). In May 2020 LB Southwark's Planning Committee resolved to grant permission subject to completion of a legal agreement and GLA Stage 2 referral in relation to the redevelopment of land at 79 – 161 Ilderton Road (LB Southwark application reference 18/AP/2497). This site lies directly to the west of Phase 5 – Bolina of the application proposal. The minded to grant scheme comprises the development of buildings which step up in height from south to north, rising to a maximum of 28 storeys at the northern extent in closest proximity South Bermondsey Station.

- 489 In the context of these consented and minded to grant schemes, taken together with the tall buildings strategy set out within the emerging Old Kent Road AAP it is clear that the wider area will be subject to transformation over future years with a substantive cluster of very tall buildings being delivered.
- 490 The application is accompanied by a Townscape and Visual Impact Assessment (TVIA) as part of the Environmental Statement, which contains an assessment of the impact of the proposed development in 38 verified viewpoints as agreed with Officers at the preapplication stage. These comprise long-range (up to c.4 kilometres), mid-range, and immediate views, and are listed in table 8 below. For the purposes of the assessment, the outline elements of the application are shown with wirelines representing the maximum parameters (and therefore 'worst-case' impacts) of the buildings.

Ref	Viewpoint
1	London Panorama from Alexandra Palace (Assessment Point LVMF 1A.1)
2	London Panorama from Parliament Hill to St Paul's (Assessment Point LVMF 2A.1)
3	London Panorama from Kenwood to St Paul's (Assessment Point LVMF 3A.1)
4	London Panorama from Primrose Hill to St Paul's (Assessment Point LVMF 4A.1)
5	London Panorama from Greenwich Park to St Paul's (Assessment Point LVMF 5A.2)
6	London Panorama from Blackheath Point to St Paul's (Assessment Point LVMF 6A.1)
7	Townscape View from the Serpentine Bridge, Hyde Park to Westminster (Assessment Point LVMF 23A.1)
8	Tower Bridge
9	Royal Naval College, Greenwich
10	Telegraph Hill
11	King Edward Memorial Park

### **Table 8: Viewpoints**

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Ref	Viewpoint
12	Westferry Circus
13	Maritime Quay, Isle of Dogs
14	Burgess Park, east of lake
15	Stave Hill
16	Brunswick Quay, Greenland Dock
17	Deptford Park
18	Fordham Park
19	New Cross Gate Station
20	Somerfield Street
21	Surrey Canal Road, east
21N	Surrey Canal Road, east (dusk view)
22	Bridge House Meadows
23	Lovelinch Street
24	Surrey Canal Road, west
25	South Bermondsey Station
26	Caroline Gardens, east
27	Caroline Gardens, south-west
28	Southwark Park, south
29	Verney Road
30	Ilderton Road, north
31	Ilderton Road, south
32	Silwood Street
33	Lower Road
34	Southwark Park, Bandstand
35	Avonley Road, junction with Hunsdon Road
36	Brocklehurst Street, junction with Camplin Street
37	Monson Road, junction with Barlborough Street

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Ref	Viewpoint
38	Waller Road

- 491 In London Panorama from Assessment Point 1A.1 (Alexandra Palace), the proposals (including cumulative impact) would appear in the background to the left of and significantly below the height of the City's Eastern Cluster and buildings on the northern edge of the City, and well to left of St. Paul's Cathedral. The composition and character of the view would experience negligible change.
- 492 In London Panorama from Assessment Point 2A.1 (Parliament Hill), the proposals (including cumulative impact) would appear in the background outside of the Protected Vista to St. Paul's Cathedral, preserving the sky gap to St. Paul's and would not alter the viewer's ability to recognise and appreciate St. Paul's. The proposals would appear in the background, largely below the background ridge, other than the two tallest buildings, but significantly lower than the Shard and the Eastern Cluster. The composition and character of the view would experience negligible change.
- 493 In London Panorama from Assessment Point 3A.1 (Kenwood), the proposals (including cumulative impact) would appear in the background outside of the Protected Vista, within and largely concealed by the right edge of the Eastern Cluster. The composition and character of the view would experience negligible change.
- 494 In London Panorama from Assessment Point 4A.1 (Primrose Hill), the proposals (including cumulative impact) would appear in the background outside of the Protected Vista of St. Paul's Cathedral, to the right and considerably lower than the Shard, partially hidden by Guy's Hospital. The composition and character of the view would experience negligible change.
- 495 In London Panorama from Assessment Point 6A.1 (Blackheath), the proposals (including cumulative impact) would appear in the middle-ground, well to the left of the Protected Vista of St. Paul's Cathedral, to the left of the Shard. The proposal would form a noticeable new cluster on the skyline, however it would not be overly dominant, with similar prominence to the City's Eastern Cluster and the emerging tall building cluster along the Old Kent Road. The composition and character of the view would experience some limited change, but this is not considered to be harmful.
- 496 From Assessment Point 23A.1 (Serpentine Bridge), parts of the proposals would breach the Threshold Plane of the extended backdrop Wider Setting Consultation Area of the Protected Vista, however the buildings would be concealed behind the Palace of Westminster, the Ministry of Justice, Westminster Abbey, and trees in front of these buildings. It is noted that the heights of Phase 1 and Phase 5 were reduced in order to avoid potential visibility in this view. The LVMF requires that development in the background of the view should not undermine the relationship between the predominantly parkland landscape composition in the foreground and the landmark buildings at the focus of the view in the middle ground (including the Palace of Westminster and Westminster Abbey); that new buildings in the background of the view must be subordinate to the World Heritage Site; and that buildings that exceed the threshold plane of the Wider Setting Consultation Area in the background should preserve or enhance the viewer's ability to recognise and appreciate the Palace of Westminster. The proposed development would meet these requirements and would preserve the viewer's ability to recognise and appreciate the Palace of Westminster.

- 497 In this context, the GLA Stage 1 response confirms that overall, the impact on strategic views would be negligible, and views of Strategically Important Landmarks and Protected Vistas would be protected, in accordance with the requirements of LPP HC3.
- 498 In terms of the other viewpoints assessed, generally in long-range views (one kilometres plus) and mid-range views (500 metres plus), whilst the buildings would be clearly visible, they would appear with a slender massing (at maximum parameters) and are well spaced, particularly in east-west views, and to a lesser degree in north-south views. They would be viewed in the context of emerging tall buildings as part of the Old Kent Road Opportunity Area immediately adjacent, and Canada Water to the north. In relation to the Phase 1 element, the top of each tower involves cut aways to enhance the silhouette in longer range views, and the Development Specification requires the outline phases to include a distinct top section to each of the towers and the screening of rooftop plant, which will be beneficial in views. In immediate views (less than 500 metres) from surrounding streets and spaces, the proposed development would appear as a very substantive change in scale from that currently existing. However, it must be recognised that the development would be seen in the context of emerging large scale development across the Old Kent Road Opportunity Area. This includes 227 - 255 Ilderton Road (the Leathams site) (LB Southwark application reference 19/AP/1773) which lies directly to the south west of Phase 3 and will rise to 28 storeys, and 79 - 161 Ilderton Road (LB Southwark application reference 18/AP/2497) directly to the west of Phase 5 – Bolina and will also rise to a maximum of 28 storeys, together with further tall building proposals coming forward.
- 499 In this context, the impact of the proposed development on both strategic and local views is considered to be acceptable having regard to LPP HC3 and CSP17.
- 500 The requirements of LPP D9 and CSP18 in relation to the microclimate impacts of tall buildings are assessed in detail below within para 874 in relation to wind microclimate, and within para 295-306 in relation to daylight, sunlight and overshadowing.

#### Summary – form and scale

- 501 The GLA have stated that the characterisation of the two clusters is not entirely convincing, since they are separated by Millwall Football Stadium where some height may come forward when that is redeveloped. At present there is no application submitted by Millwall FC for the stadium or surrounding land parcels, and there is no current advanced pre-application discussions with the planning service.
- 502 The Lewisham DRP have stated in the final Design Review from December that the phase 1 towers are regarded as of very high quality for, architectural design and detail, but consider that the issue of wider strategic views were not wholly convincing over the massing rationale and the relationship between the proposed towers and their potential to identify landmarks such as the stations and public squares. The Panel consider that greater cadence and emphasis on certain towers should add focus and help identify key urban spaces and transport hubs as well as key points within the development. The Panel support for Phase 1 is noted and is important to highlight that this is the only phase being applied for in detail and therefore with a significant level of architectural detail submitted. Phases 2-5 are being applied for in outline only and as such require detailed architecture to be submitted as part of the Reserved Matter phase. It will be expected that as part of pre-application engagement that the applicant present their initial design concepts to the planning service and also the Lewisham Design Review Panel.

- 503 The applicant characterises the massing strategy as two taller building clusters creating distinguishable markers at South Bermondsey Station (octagonal buildings) and the proposed Surrey Canal Overground Station (circular buildings). The effect of marking and distinguishing the stations is acknowledged, and officers consider that overall, the articulation of the buildings would be distinctive and recognisable.
- 504 LPP D9 states that tall buildings should aid legibility and way finding. In context this would be way finding to the existing South Bermondsey station and new Overground station. The layout and masterplan is considered to be convincing and allow for a permeable logical layout. The two tall building clusters mark the North West and south east of the site and correspond to the station locations.
- 505 Having regard to the policy context set by the Core Strategy, and reinforced by the emerging approach of the Draft Local Plan in relation to tall buildings, taken together with the precedent established by the extant consent, and recently consented and minded to grant schemes within the surrounding area, it is considered that there is a rationale for the massing proposed as part of the application scheme. The proposed building heights clearly represent a substantive increase having regard to the extant consent, and the proposed concentration of tall buildings represents a scale and form of development that does not currently exist within the borough of Lewisham. However, given the site's location and context, it is considered has the opportunity to define its own character through its approach to design and massing.
- 506 The overall height and massing strategy is supported in principle, for creation of a destination in the borough, maximising the opportunities of the available land and minimising harm to heritage assets, namely the LVMF views. The images provided by the applicant in the Design and Access Statement for Phases 2-5 are indicative, the final massing (set within established parameters) would be subject to approval at Reserved Matters Stage, following pre-application engagement with the Design Review Panel and other stakeholders.

### **Detailing and Materials**

Policy

- 507 Attention to detail is a necessary component for high quality design. Careful consideration should be given to items such as doors, windows, porches, lighting, flues and ventilation, gutters, pipes and other rain water details, ironmongery and decorative features. Materials should be practical, durable, affordable and attractive. The colour, texture, grain and reflectivity of materials can all support harmony (NPPG).
- 508 LPP D3 'Optimising site capacity through the design-led approach' states that development proposals should be of high quality, with architecture that pays attention to detail, and gives thorough consideration to the practicality of use, flexibility, safety and building lifespan through appropriate construction methods and the use of attractive, robust materials which weather and mature well.
- 509 LPP D4 'Delivering good design' identifies that the design quality of development should be retained through to completion by measures including ensuring maximum detail appropriate for the design stage is provided to avoid the need for later design amendments.
- 510 CSP18 'The location and design of tall buildings' states that tall buildings will need to be of the highest design quality, and that the silhouette, crown and bulk of the building will

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Discussion

Detailed element: Phase 1 - Orion

- 511 The detailed design of Phase 1 has sought to take design cues from the aesthetic of the area's former industrial character. The architectural form of each tower comprises a dramatically expressed concrete exoskeleton which echoes the industrial character of the area. The three towers rise above a stepped and layered podium, with the exoskeleton support columns extending down to ground which affords a lightness to the podium which sits beneath the towers.
- 512 The podium element would comprise three storeys (Ground, Level 1 and Level 2), which would be stepped such that the footprint of each level reduces moving upwards. The podium would be finished in ribbed / corrugated profile pre-cast concrete panels with the coarse grained aggregate exposed, to give a strength and texture to the materiality. The stepped and layered approach to the podium allows for a generous external terrace area at first floor level to allow for external terraces at first floor serving the café and auditorium foyer, together with generous planters to be incorporated within the form of the podium to allow for vegetation to act as a counterpoint to soften the appearance of the pre-cast concrete panels, to add animation to the façade which will change with the seasons, and to integrate the building within the surrounding public realm. The windows within the podium element will be punched within deep reveals and with angled window heads in deep bronze shades that help to draw light down into the internal spaces.
- 513 Level 3 where the podium meets the towers would be defined by a floor to ceiling curtain walls, which creates a visual lightness at this key transition and visually separate the top of podium from the towers. The exposed soffits of the three towers would be faced in powder coated aluminium panels that are designed to softly reflect light back down onto the podium.



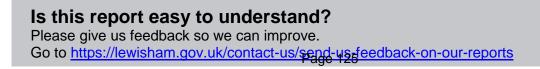
Figure 25 – CGI showing detailed design of Phase 1 podium

- 514 The pre-case concrete exoskeleton of each tower will be pigmented with a soft pink to introduce gentle colour, and will have mottled texture to complement the coarser aggregate finish of the podium. The colour choice of a soft pink is designed to make reference to the warmer shades found in traditional London Stock brick, which is a common material of the railway arches and historic warehouses typical to the area.
- 515 As identified above in terms of appearance and character, the concrete exoskeleton with its horizontal cross beams and diagonal supporting beams, together with its setback floorplate every five storeys serves to break down the massing of the towers. Each residential floor will feature floor-to-ceiling glazing set within anodised aluminium frames, together with glass reinforced concrete façade cladding panels fixed in a horizontal form. By expressing the floor plates at each level, and incorporating a profiled cladding, there is a further horizontal emphasis ingrained behind the grid of the expressed exoskeleton structure which also serves to break down the massing. Balustrades would be powder coated lightweight aluminium with a dark blue / grey tone.



Figure 26 – CGI showing detailed appearance of Phase 1

516 <u>Outline element</u>



517 The detailed design and appearance of the outline element would be determined as part of future reserved matters applications in relation to each phase. The design control sections within the Development Specification do however establish key principles to inform the detailed design of future phases. The scheme wide design controls confirm that each phase will be considered as a 'family of buildings' through a coherent architectural approach, and that visual diversity between phases will be developed through the use of architectural treatment, material, colour and texture to create distinctiveness and vibrancy. It also confirms that building facades will be constructed of robust, durable and low-maintenance materials. The phase specific design controls provide additional guidance where relevant to inform the detailed design of each phase.

### Summary – detailing and materials

518 The detailed designs for Phase 1 demonstrate a very high standard of architectural quality in terms of appearance, detailing and materiality. This would establish a strong sense of place as part of this key first phase of development, would serve as a clear precedent for the quality of architecture that would be expected to come forward as part of future reserved matters applications across the outline element. As such, the proposed to detailing and materials is considered acceptable having regard to the requirements of LPP D3 and D4, CSP15 and 18, and the Surrey Canal Triangle Design Framework SPD.

### Summary

- 519 It is appropriate for the Council to consider the likelihood of a proposed development being carried into effect and the planning consequences should a scheme be unviable and therefore not delivered in accordance with the approved plans.
- 520 Officers consider that the acceptability of the scheme in principle is inextricability linked with the design and quality that is inherent within it. The acceptability of the scale, massing, height and appearance of the proposal is inseparable from the design specification, including the proposed materials. Given how vital these elements are to be some of the fundamentals of the scheme, it would not be possible to leave every detail to condition, hence why details have been submitted at application stage.
- 521 Should future amendments to the scheme result in it being of a lesser quality than is currently proposed, the entire approach to the development, its scale, height and appearance would need to be reconsidered, as opposite to just considering the alternative detailing, any such approach may not be considered as non-material Given that the applicant has provided the details (although further details are required) to be necessary as part of the submission and that they have confirmed that they are committed to delivering the scheme as designed, it is felt that the proposal would be acceptable in this regard and the quality of the proposal would be safeguarded. It is officer's view that any future amendments to the materials and design quality would also necessitate a re-evaluation of the schemes viability and its ability to delivery increased affordable housing provision. This would be triggered through as an example replacing materials with a lesser different specification, alteration to the deep soffits, and inset balcony arrangement, exo skeleton structure or amendments to landscaping to provide smaller trees.
- 522 In addition it is considered necessary to secure the scheme architects (Studio Egret West) in a minimum design champion/ guardian role who would assist an Executive Architect should they not be novated across to the build process after planning approval. This would ensure the original design teams are responsible for overseeing the build out and quality of the design proposals as submitted.

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### Impact on Heritage Assets

Policy

- 523 Heritage assets may be designated, including Conservation Areas, Listed Buildings, Scheduled Monuments, Registered Parks and Gardens, archaeological remains, or nondesignated.
- 524 Section 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990 gives LPAs the duty to have special regard to the desirability of preserving or enhancing the character or appearance of Conservation Areas. Section 66 of the Planning (Listed Buildings and Conservation Areas) Act 1990 gives LPAs the duty to have special regard to the desirability of preserving listed buildings or their setting or any features of special architectural or historic interest which they possess.
- 525 Relevant paragraphs of Chapter 16 of the NPPF set out how LPAs should approach determining applications that relate to heritage assets. This includes giving great weight to the asset's conservation, when considering the impact of a proposed development on the significance of a designated heritage asset. Further, that where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset that harm should be weighed against the public benefits of the proposal.
- 526 LPP HC1 'Heritage conservation and growth' states that development proposals affecting heritage assets, and their settings, should conserve their significance, by being sympathetic to the assets' significance and appreciation within their surroundings. The cumulative impacts of incremental change from development on heritage assets and their settings should also be actively managed. Development proposals should avoid harm and identify enhancement opportunities by integrating heritage considerations early on in the design process. These policies also apply to non-designated heritage assets. LPP D9 'Tall buildings' states that tall buildings should avoid harm to heritage assets, or demonstrate clear public benefits that outweigh any harm.
- 527 LPP HC3 'Strategic and Local Views' and HC4 'London View Management Framework' are also relevant.
- 528 CSP 16 'Conservation areas, heritage assets and the historic environment' ensures the value and significance of the borough's heritage assets are enhanced and conserved in line with national and regional policy.
- 529 DMP 36 'Listed Buildings, Conservation Areas and other designated heritage assets' echoes national and regional policy and summarises the steps the borough will take to manage changes to Conservation Areas, Listed Buildings, Scheduled Ancient Monuments and Registered Parks and Gardens so that their value and significance as designated heritage assets is maintained and enhanced.
- 530 The application site lies within an Archaeological Priority Area under CSP 16: APA 1 Thames Alluvial Floodplain.

#### Discussion

531 There are no statutory designated heritage assets within the application site however Guild House (part of Excelsior Works on the south side of Surrey Canal Road) is a nondesignated heritage asset, identified by the Council as a locally listed building of historic

Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> and architectural interest. The application site is not within a conservation area with the closest, Hatcham Conservation Area, located approximately 800m to the south east.

### Impact on Listed Buildings

532 The closest statutory listed buildings are located to the North West and west of the application site including the Church of St Augustine and its vicarage on Lynton Road and a number of buildings and structures on the Old Kent Road and New Cross Road. Given the distance between these properties and structures and the application site, as well as intervening buildings, it is considered that the proposed development will not result in harm to these designated heritage assets or their setting.

#### Impact on Conservation Areas

- 533 The Character Appraisal for the Hatcham Conservation Area identifies two main character areas – New Cross Road and the residential streets to the north. The character of New Cross Road is derived from the range of early to mid-nineteenth century buildings that line the road including terraces and free-standing three and four storey residential and commercial properties, a number of which are listed. The residential streets to the north are generally mid to late-nineteenth century two storey terraces.
- 534 Important views are principally into and from within the conservation area along the residential streets. They are mainly local rather than far reaching and contained by the alignment of the residential street, with each street having its own slightly different appearance and end point. Other important views are identified as those along New Cross Road, both to and from the island site located at the junction with Queen's Road. From New Cross Road there are views into the streets of the Telegraph Hill Conservation Area (to the south).
- 535 The conservation area is physically separated from the application site by more recent and larger scale development to the north adjacent to Bridgehouse Meadows which itself is at a higher level to the surrounding residential streets. However whilst there is a clear separation of the conservation area and the application site, given the height of the proposed buildings these will be clearly visible in views. This is particularly noticeable in locations towards the northern edge of the conservation such as the modelled views at Avonley Road (junction with Hunsdon Road) and Brocklehurst Street (junction with Camplin Street) where the tall buildings will be seen either between buildings or projecting above the roofscape.
- 536 The heritage significance of the conservation area derives from the buildings and their layout. The development will be clearly visible from within the conservation area and would appear as a noticeable new modern feature of a significantly different scale and form from the existing buildings. It would be seen as part of the wider urban setting of the conservation area and whilst it would impact on views within and from the conservation the harm would be at the lower end of less than substantial and the features that make up the character of the Hatcham Conservation Area itself will be preserved.
- 537 The proposed development will be visible in views from higher ground such as within Telegraph Hill Conservation Area. The Character Appraisal states that the conservation area is notable for the long distance views from Telegraph Hill Upper Park north-west to landmarks in the centre of London including the Houses of Parliament, Battersea Power Station, the BT Tower and the London Eye. The view down Jerningham Road includes views of the Dome and the City of London. From the west end of Ommaney Road there is a distant view north eastwards to tall buildings in London docklands. The proposed

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development will be visible from within the Telegraph Hill conservation area however these are longer distance views and the development will be seen in the context of the wider panorama as well as clusters of tall buildings across London. The heritage significance of the conservation area derives from the buildings and their layout and these would be retained. Accordingly, it is considered that the character of the Telegraph Hill Conservation Area will be preserved.

### **Impact on Designated Views**

- 538 In the London View Management Framework the application site is within the protected vista extension for View 23A.1, from the bridge over the Serpentine in Hyde Park to the Westminster World Heritage Site. In this view the proposed development will sit within the protected viewing corridor however the buildings are located a significant distance beyond the Palace of Westminster (which is at the centre of the view) and will not project above these buildings. The site lies outside of the protected vista to St Paul's Cathedral from Alexandra Palace (Assessment Point 1A.1), Parliament Hill (Assessment Point 2A.1), Kenwood (Assessment Point 3A.1), Primrose Hill (Assessment Point 4A.1), Greenwich (Wolfe Monument) (Assessment Point 5a.2) and Blackheath Point (Assessment Point 6A.1). Whilst the buildings will be visible in the wider panorama views from these locations they are generally viewed in the context of clusters of other existing or approved tall buildings. They would also be viewed in the context of emerging tall buildings as part of the Old Kent Road Opportunity Area to the west of the application site, and Canada Water to the north. Whilst the proposed development will be clearly visible in the wider panoramic views from a number of vantage points the impact on strategic views would be negligible and that views of strategically important landmarks and protected vistas would be maintained.
- 539 Telegraph Hill Upper Park is identified in the Core Strategy as a designated local view (LV4) looking north and taking in the view from the City to Canary Wharf. CS Policy 17 states that local views, landmarks and panoramas will be managed to ensure that new development does not impede or detract from local views or obscure local landmarks. CS Policy 18 states that tall buildings will be considered inappropriate where they would cause harm to the identified qualities of the local character, heritage assets, landscape and open space features including London panoramas, protected vistas as defined in the London Plan and local views and landmarks. Appendix 6 of the DMLP states that to maintain the panoramic view of the surrounding area from Telegraph Hill Upper Park, large scale bulky development in and close to top of Telegraph Hill will be resisted. The proposed development will be at some distance from and at a lower level than Telegraph Hill Upper Park viewpoint and whilst the proposed development will be visible from the viewpoint it will appear in wider panoramic views and not prevent longer distance views to the north.

### Impact on Non-Designated Heritage Assets

- 540 The NPPF (para. 203) states that the effect of an application on the significance of a non-designated heritage asset should be taken into account in determining the application. In weighing applications that directly or indirectly affect non-designated heritage assets, a balanced judgement will be required having regard to the scale of any harm or loss and the significance of the heritage asset.
- 541 Guild House, located on the south side of Surrey Canal Road and within the application site, is identified on Lewisham's local list of buildings of historic and architectural interest. Built between 1894 and 1914 for use as an industrial warehouse it forms part of the wider site known as Excelsior Works. The building is described as clearly legible as an industrial building with typical large entrances and hard wearing and functional

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Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us\_feedback-on-our-reports</u> architecture. The building is predominately three storeys in height, with a recent fourth floor extension at its northern end. Its historic interest lies in its relationship to the former canal as a surviving structure from the industrial townscape that lined the banks of the Grand Surrey Canal in this area until the canal was closed in 1971. The building contributes to an appreciation of the history and development of the area through its location and its fabric however the building's relationship to the former canal has been all but lost with the infilling of the canal and can now only be appreciated though an understanding of the alignment of Surrey Canal Road that follows the infilled canal. Parameter Plan 4 identifies Guild House as one of two existing buildings on the application site to be retained, the other being Rollins House located to the south.

- 542 Guild House is within that part of the site where development is applied for in outline. There are no specific proposals for the building however Parameter Plan 11 (Maximum Limits of Deviation) indicates that the building could be extended to a height of 35m above the existing ground level. Adopting the floor-ceiling heights in the existing building that is a height of seven to eight storeys i.e. a more than doubling in building height. The architectural significance of Guild House is derived principally from its industrial architecture and whilst the principle of adding additional floors to the building is not considered unacceptable, the potential scale of development the application proposes would result in a major change to the appearance of the building and impact on its identified architectural significance. The submitted Development Specification includes Design Controls that state the extension of Guild House must be sympathetic to the industrial character of the building in its use of materials and that there must be a clear threshold that identifies the existing building from the proposed extension. Accordingly, whilst the proposed extension will affect the architectural significance of the building, a design and materials sympathetic to the industrial character of the building would in principle be acceptable.
- 543 The Councils conservation officer has stated that the proposals have indicated an additional 4 storeys on top of the existing 3 storey Guild House. The intention, which has support is to have a proposed volume which is comparable and not overbearing to the existing building in terms of scale. The conservation officer has states that 4 storeys of upward extension would the maximum they would prefer to see, which should include any roof structures.
- 544 The proposals at present include roof structures with plant outside of the storey count, which could present as a fifth storey. The details presented by the applicant show a vaulted roof structure which is considered to be interesting and visually engaging. This is indicatively detailed below.

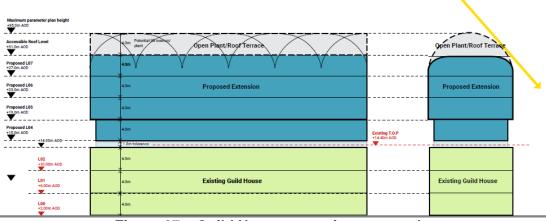


Figure 27 – Guild House extension proposals

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- 545 Officers consider that the proposed vaulted roof profile would have a dynamic and interesting appearance which would positively add to the buildings appearance as opposed to a traditionally flat rooftop) and the wider setting in Phase 2. The open light weight structure is not considered to appear overbearing out of scale with the existing building. Officers note that the applicant has tested a reduction in scale which moves the plant equipment and rooftop space down one level, this results in the loss of employment floorspace of circa 50% of one floor (circa 360sqm) which is resisted. The proposals for Guild House are therefore considered acceptable, subject to details which should be submitted via Reserved Matters.
- 546 The setting of the building would also be affected by new buildings immediately to the east (up to 152m above existing ground level), south (up to 49m above existing ground level) and west (up to 108m above existing ground level). New buildings proposed on the north side of Surrey Canal Road would be up to 89m above existing ground level. New buildings will also be located in close proximity to Guild House that will impact on its setting however views of the building and an appreciation of its industrial architecture will be retained both from within the site and from public viewpoints.

Public objections have been raised about the impact on other existing buildings, notaly Rollins House. The original building of Rollins House is to be retained in the development, with the later unsympathetic extensions removed. The setting of this building is not considered to be harmfully impacted by the proposals.

547 Beyond the application site boundary on the east side of Ilderton Road, Christ Apostolic Church (south of the junction with Zampa Road) and 209-225 Ilderton Road (north of the junction with Rollins Street) are locally listed. These properties are separated from the application site by the elevated railway line that provides the immediate setting for these buildings. Given the height of buildings proposed on the application site these will be clearly visible as the backdrop when viewed from Ilderton Road and will impact directly on the setting of these non-designated heritage assets. Views of the distinctive gable elevation of the church (such as the view from Verney Road) in particular will be directly affected by the proposed development. These impacts though need to be seen also in the context of developments Ilderton Road and immediately to the north of the church on the other side of Zampa Road and immediately to the south of and close to 209-225 Ilderton Road. In this context the impact of the proposed development is considered to be limited.

### Archaeology

- 548 The application site falls within Archaeological Priority Area 1 (Thames Alluvial Floodplain) extending from Evelyn Street to the borough boundary and south to Rollins Street. The Greater London Archaeological Advisory Service (GLAAS) has identified two parcels within the application site that are of potential significance: one is located within an area of brickearth, and the other an area of sand and gravel. The former has the potential for early prehistoric material, and the boundary between the two identified deposits also holds archaeological potential being a possible location of human habitation on the margin between two forms of floral landscape. In the absence of deposit modelling data from the site GLAAS have required a detailed geoarchaeological study is undertaken to inform the application.
- 549 The Applicant has undertaken geoarchaeology coring in a number of locations and the results of that work indicate that the site lies on the very edge of the floodplain within a dryland-wetland interface environment. Given the potential of the sediments for reconstructing the environmental history of the site and its environs, and the uncertain

### Is this report easy to understand?

Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us\_feedback-on-our-reports</u> nature of the chronology of the sediments, the Applicant recommends a programme of geoarchaeological and palaeoenvironmental assessment.

550 In the light of the findings of the further site investigations it is considered appropriate that there is programme of geoarchaeological and palaeoenvironmental assessment and that this is agreed and undertaken prior to demolition below slab level and/or below ground intrusive works including enabling works. This would be secured by condition. The additional information as requested by GLAAS do not change the conclusions in the ES.

### Summary

- 551 Officers, having regard to the statutory duties in respect of listed buildings in the Planning (Listed Buildings and Conservation Areas) Act 1990 and the relevant paragraphs in the NPPF in relation to conserving the historic environment, are satisfied the proposal would preserve the character and appearance of the Hatcham Park and Telegraph Hill Conservation Areas.
- 552 Officers have had regard to the statutory duties in respect of listed buildings in the Planning (Listed Buildings and Conservation Areas) Act 1990 and the relevant paragraphs in the NPPF in relation to conserving the historic environment. The proposal would result in harm to a non-designated heritage asset, Guild House. A balanced judgement has been taken having regard to the scale of harm to the building and the significance of the heritage asset and it is considered that the proposed development is acceptable in respect of impacts on this heritage asset.
- 553 Officers consider that the current proposal would not result in harm to listed buildings or their setting. There will be less than substantial harm to the character and appearance of the Hatcham Conservation Area.
- 554 There will be will be harm to non-designated heritage assets, in particular to the architectural significance of Guild House and its setting. There will also be harm to the setting of non-designated heritage assets on Ilderton Road.
- 555 Paragraph 199 of the NPPF states that when considering the impact of a proposed development on the significance of a designated heritage asset, great weight should be given to the asset's conservation (and the more important the asset, the greater the weight should be). This is irrespective of whether any potential harm amounts to substantial harm, total loss or less than substantial harm to its significance.
- 556 Paragraph 200 of the NPPF states that any harm to, or loss of, the significance of a designated heritage asset (from its alteration or destruction, or from development within its setting), should require clear and convincing justification. Further, Paragraph 202 states that where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal including, where appropriate, securing its optimum viable use.
- 557 Whilst harm to heritage assets has been identified, and it is acknowledged that the proposed development is on the upper end of the scale of what could be considered acceptable; officers consider that overall the design approach has ensures that in urban design terms, the scheme would result in a form of development that sits comfortably the

wider character and appearance of the local area and architecturally, is of an exemplary standard.

- In accordance with Paragraph 202 of the National Planning policy Framework the harm to heritage assets has been weighed against the public benefits of the proposal. Officers must also give great weight to any identified harm to heritage assets. Officers consider that the current proposal would lead to less than substantial harm to the Hatcham Conservation Area. Great weight has been given to this identified heritage harm, and the applicant has provided substantive evidence of the public benefits presented by the proposed development with the provision of new homes including genuinely affordable housing, workspace, community space, transport infrastructure and new public realm, as well as other planning merits noted in the conclusion of this report are considered in this instance, to outweigh this harm. The development will also contribute to delivering the Council's strategic vision for the area.
- 559 In the light of the findings of the archaeological investigations it is considered appropriate that a programme of geoarchaeological and palaeoenvironmental assessment is secured by condition.

### Public Realm

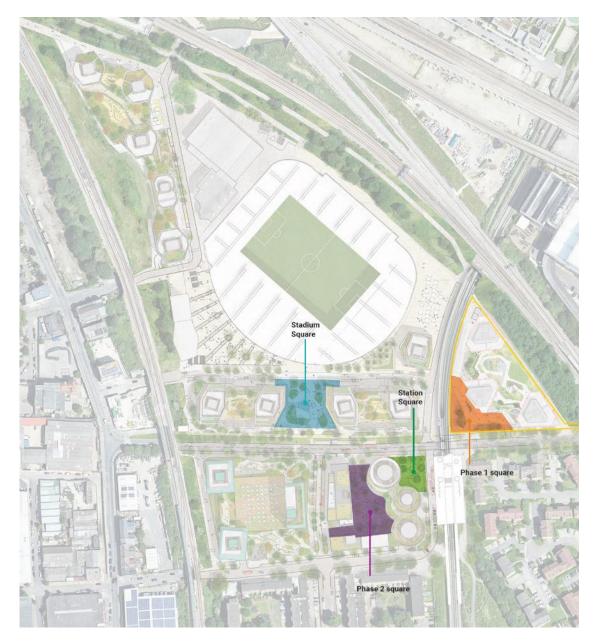
Policy

- 560 Streets are both transport routes and important local public spaces. Development should promote accessibility and safe local routes. Attractive and permeable streets encourage more people to walk and cycle.
- 561 LPP D8 'Public realm' requires development proposals to ensure the public realm is welldesigned, safe, accessible, inclusive, attractive, well-connected, related to the local and historic context, and easy to understand, service and maintain. The policy establishes a series of design principles in relation to the public realm, including that; building design should activate and defines the public realm and provide natural surveillance; green infrastructure should be incorporated into the public realm; and that regard is had to shade, shelter, areas of direct sunlight, and other microclimatic considerations.
- 562 DMP 35 'Public realm' requires that public spaces should be designed to be safe, inclusive, accessible, attractive and robust, enhancing existing connections and providing new connections as appropriate. Existing local connections that are valued and contribute to the distinctiveness of the area's public realm and streetscape should be enhanced. The policy requires that street paving and furniture, public art and street signage should be well designed using high quality materials, be sited to minimise visual clutter, provide legible signage and allow level and safe passage for all including people with disabilities including the careful design of shared surfaces with cyclists.
- 563 DMP 25 'Landscaping and trees' requires that all major applications are accompanied by a landscape scheme comprising a landscape plan and a five year landscape management plan detailing the provision, management and maintenance of high quality hard and soft landscapes and trees.
- 564 The Surrey Canal Triangle Design Framework SPD identifies that public realm should be placed at the forefront of spatial aspirations to enable better porosity within and to the wider area, while developing a true sense of distinctiveness within. The SPD identifies the following requirements in terms of public realm and spaces:

- Creation of a new public space adjoining the new station with improved access to Surrey Canal Road, which in turn links into new public space on the northern side of the road, providing access into the heart of the development area;
- A new area of public space adjoining the west stand of Millwall Stadium as a setting for the stadium and to provide pedestrian linkage between the spaces to the south and the northern area of the development;
- Urban spaces at the new development gateways;
- A new 'yard area' within the heart of an expanded creative quarter at Excelsior Works;
- Provide for significant improvements to Bridgehouse Meadows;
- Provide appropriate amenity open space within the development including children's play space to provide health and recreational opportunities for new residents

### Discussion

- 565 The proposed development would involve the creation of high quality new public realm, including the creation of a series of new public spaces, the creation of a network of new streets and routes, and the delivery of public realm improvements to existing streets and routes both within the application red line boundary and within the surrounding area. Figure 28 below identifies the principal new public spaces that would be created as part of the application proposals. The proposed development would secure a consistent treatment in terms of landscape quality and palette of materials across the development as a whole, with the approach to landscaping and public realm serving to tie together and unite the character areas across each phase.
- 566 The public realm strategy has been informed by a series of key principles, including the creation of a network of permeable and legible routes that create new connections across the site and effectively integrate the site within the surrounding area. The approach to public realm and landscaping also seeks to respond the existing character of the site, framed by rail embankments. The landscape treatment seeks to create a layered and lushly vegetated public realm where the podia of the buildings are stepped and densely planted with vegetation to effectively integrate the buildings within the surrounding public realm at a human scale.



### Figure 28 – principal new public spaces

### Detailed element: Phase 1 – Orion

567 Phase 1 would involve the creation of a new public space ('Phase 1 Square') which would be sited towards the south western corner of the Phase 1 plot, in close proximity to the proposed new London Overground station. The space would front Surrey Canal Road, providing the setting for the Phase 1 buildings. The space would be strongly defined by the podium of Phase 1 which would form its northern edge, and would be activated with a range of building entrances to the auditorium, café and residential lobbies directly accessed via this public space. The space has been designed to fulfil a range of functions, including providing access to the auditorium and residential cores within Phase 1, providing space for external seating allowing the café use to spill out in summer months, providing a space for visitors to the auditorium to gather ahead of a performance or to spill out into following a performance, and accommodating desire lines associated with the movement of pedestrians and cyclists through the space.

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- 568 A multi-purpose hard landscaped space would be created adjacent to the Phase 1 podium, affording spill out space for the café and foyer and providing access to the building entrances and residential lobbies. Areas of tree planting and vegetation would surround this space to the west and south, affording shelter to this space and defining its extent. Raised planters would feature built in seating, to allow for people to sit and dwell within the space. The hard landscaping would comprise natural stone paving and concrete with variations in pigment and texture, whilst the raised beds would be formed of brush-hammered concrete.
- 569 Beyond this to the south, the existing grass verges to the north of Surrey Canal Road would be retained and diversified with a new under-storey of native wildflowers beneath the existing trees to be retained. The space would also provide direct access to two underpasses beneath the London Overground line which would be opened up as part of the proposed development. The northern underpass would provide a connection between to the cycle routes which run north-south along Senegal Road, and affords ease of access to the cycle ramp providing direct access to the basement cycle parking at basement level within Phase 1. The southern underpass lies adjacent to Surrey Canal Road and would be opened up to improve permeability beneath the London Overground viaduct on the northern side of Surrey Canal Road, in order to provide a generous route that is capable of accommodating the future requirements in terms of pedestrian and cycle movement associated with the build out of future phases and the operation of the proposed new station. Sheffield stands would be sited around the periphery of the space, providing space for visitors to the auditorium and residential blocks.



Figure 29 – layout of Phase 1 Square



Figure 30 – CGI of Phase 1 Square

### Outline element

570 The outline element will involve the creation of a series of new public spaces:

### Station Square

571 Station Square will be delivered as part of Phase 2, and will create a prominent new public space at the north eastern corner of the Phase 2 plot adjacent to the proposed new London Overground station. The Development Specification confirms that Station Square will have a minimum size of 600sqm (and a maximum of 900sqm) and is intended to function as an arrival space to the development from the new station. The design specific control section of the Development Specification identifies that the design of Station Square will respond to the circular forms of the rotunda buildings, that trees located in the square will provide shelter, and that the design must take into consideration pedestrian desire-lines through the plot and provide seating for those waiting. The detailed design of the Space would be developed as part of any future reserved matters application, but the Design and Access Statement envisages that this would be a predominantly hard landscaped space interspersed with specimen trees and raised planting beds with areas of seating.

### Phase 2 Square

572 Phase 2 Square will also be delivered as part of Phase 2, and is designed to function as a multi-purpose yard space at the heart of the creative quarter within the development. The Development Specification confirms that Phase 2 Square will have a minimum size of 1,250sqm (and a maximum of 1,600sqm) and will be a large, open and flexible space that is predominantly hard landscaped with planting limited to trees set within the hard landscape treatment. The Design and Access Statement envisages a space framed by workshops and artists' studios, with the design of the yard allowing for a flexible range of uses such as weekend events and markets.

### Stadium Square

573 Stadium Square will be delivered as part of Phase 4, and will create an important new public space between Surrey Canal Road and Stockholm Road. The Development Specification confirms that Stadium Square will have a minimum size of 1,750sqm (and a maximum of 2,250sqm) and is intended as a central gathering space with public seating and active edges with terraces and a water feature that animates the space. The design control section of the Development Specification confirms that the water feature should have a minimum area of 40sqm and should be capable of being switched off when necessary, such as in relation to match / event days. Stadium Square would function as a central gathering space, surrounded by active ground floor commercial uses. Given its proximity to Millwall FC stadium it is also likely to play a key role on match / event days as a space for people to gather, and a key route to accommodate pedestrian flows between the stadium and the proposed new station.

### New and improved routes

574 The new routes that would be created are set out above under 'Layout' and the series of existing routes both within the site and across the surrounding area which would be subject to improvement are discussed in additional detail within the Transport section of the report. The landscape treatment across the development as a whole is intended to secure a consistent approach in terms of both quality and materiality across the public realm.

### Public realm lighting scheme

- 575 DM Policy 27 'Lighting' requires that through appropriate lighting design, new development protects local character, residential amenity and the wider public, biodiversity and wildlife from light pollution and nuisance.
- 576 The Design and Access Statement identifies an emerging lighting strategy in relation to both Phase 1 and the outline element. In relation to Phase 1, this would ensure lighting that is appropriate for purpose in relation to the use of Phase 1 Square, the underpasses and cycle route, the cycle ramp and the service access road to the rear of the development. The Design and Access Statement also identifies the principles which would inform a lighting strategy for the outline phases. Planning conditions are proposed to secure the detail of the lighting strategy in relation to both the detailed and outline elements.

### Crowd management within the public realm

Policy

577 LPP D11 'Safety, security and resilience to emergency' seeks to ensure that new development maximises resilience and minimises risks in response to safety, security and emergency threats. LPP D3 'Optimising site capacity through the design-led approach' requires safe, secure and inclusive environments and LPP D5 'Inclusive design' identifies that development proposals should achieve the highest standards of accessible and inclusive design, including safety concerns. LPP D8 'Public realm' states that public realm should be well-designed, safe, accessible, inclusive, and well-connected.

Discussion

- 578 The public realm across the proposed development has been designed having regard to the crowd management requirements associated with a match / event day at Millwall FC stadium.
- 579 In terms of existing match day access, home and away fan access is segregated, and this applies to both pedestrians and vehicles. Away fans are accommodated primarily within the north stand and home fans within the west, east and south stands. Away fans arriving on foot will enter the north stand via Quietway 1 from South Bermondsey station. Away fan vehicles enter via Zampa Road / Bolina Road and enter a parking area between the Lions Centre and the stadium. After drop-off, the vehicles return to Bolina Road before exiting via either Zampa Road or Stockholm Road. Home fans arriving on foot from South Bermondsey station walk along Ilderton Road and enter the stadium via Zampa Road or Stockholm Road. Home fans arriving from the east walk along Surrey Canal Road and enter the stadium via Senegal Road. Home fan vehicles enter the site at Zampa Road and park within the main car park. The diagram below illustrates the existing arrangements.

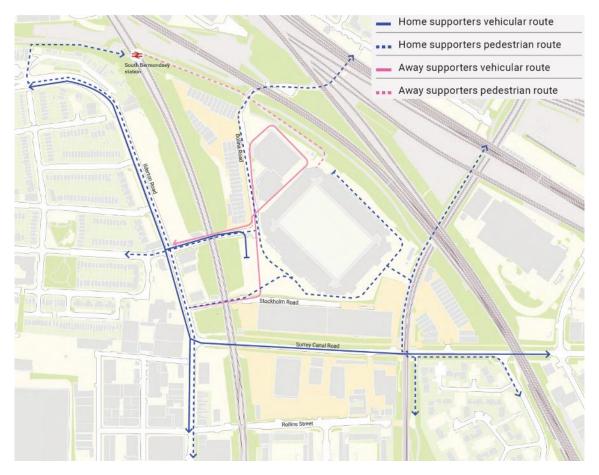


Figure 31 – existing match / event day access to stadium

580 The applicant's architect team worked extensively at the pre-application stage with AFL Architects, who are the architects appointed by Millwall FC in relation to the proposed future expansion of the stadium. Recognising that Millwall FC's proposals in relation to the stadium and associated land are at an earlier stage of development than those of the applicant, and that proposed stadium capacity and associate development quantum, stadium access points and detailed crowd management arrangements are not confirmed at this stage, it has not been possible for the applicant team to undertake a detailed pedestrian movement analysis of the proposed development. Notwithstanding this, it is evident that the new routes and spaces which the application proposal will establish will

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serve to significantly enhance permeability through the site for pedestrians and cyclists, including for supporters associated with a match day event. These routes and spaces provide a series of options for future crowd management in relation to match / event days associated with an enlarged stadium capacity, with the detailed arrangements to be determined at a future stage by Millwall FC in liaison with the Metropolitan Police.

- 581 Similarly, the proposed development would not impact on existing routes to the stadium, and all routes currently used on match days would have improved provision for pedestrian activity to occur safely and efficiently, and the proposals would not impact on existing vehicular routes. This would benefit the existing operation at the stadium with increased space available for pedestrians immediately surrounding the stadium, and would also provide a series of new routes for pedestrians to access the stadium.
- 582 The plan below was prepared by the applicant's architects in liaison with AFL Architects. Whilst the strategy is indicative only at this stage and subject to further design development, it demonstrates how the application proposal would increase the permeability of the area, providing greater route choice for supporters and generously spaced public realm.

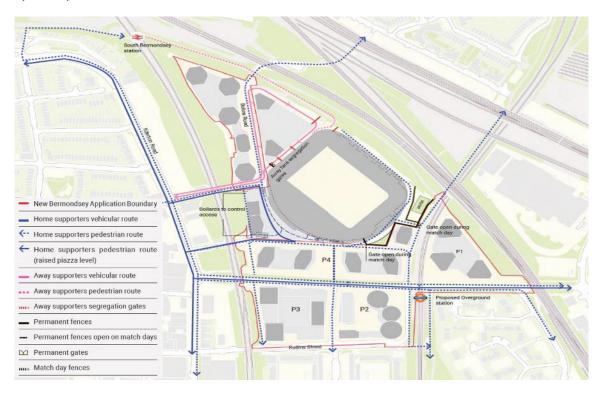


Figure 32 - illustrative masterplan showing match / event day access to stadium

- 583 It is considered that these new and improved routes and spaces, combined with complementary improvements associated with any future proposals by Millwall FC in relation to the stadium and its associated land, would support the future expansion of the stadium capacity as envisaged by the Surrey Canal Triangle Design Framework SPD.
- 584 Prior to submission of the planning application, AFL Architects confirmed in writing to the Council that the masterplan proposals by the applicant's architects have been discussed and co-ordinated with the Club's architect team to ensure that the future effective, phased expansion of the Millwall FC stadium has been carefully considered, and should not be compromised in any way by the proposed development. AFL Architects confirmed that the enhancements in terms of public transport capacity and improved permeability across the site for pedestrians would only serve to improve circulation around the

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- 585 It should also be noted that provisions would be secured within the legal agreement to ensure that events at the proposed auditorium or sports and leisure facility could not take place at the same time as a stadium match / event, in order to prevent any unacceptable cumulative impact on public transport infrastructure or public realm capacity.
- 586 An assessment of the implications of the phased construction of the proposed development on match day access arrangements are discussed separately within the Transport section of this report.

Overall, it is considered that the proposed development will increase the permeability of the area, providing greater route choice for supporters and generously spaced public realm.

### Urban design conclusion

- 587 The applicants masterplan is considered to comply with the parameters and vision set out in the Surrey Canal Triangle Design Framework and set a high design standard for this Strategic Site Allocation.
- 588 Offices are satisfied that the two land parcels can be developed as a quality piece of regeneration and safeguard the future for Millwall FC to expand/ alter their stadium site and buildings in the future.
- 589 The design, arrangement and detailing of Phase 1 is considered to be exemplary in quality and have a positive and transformational impact in its setting. The indicative images of Phases 2-5 show an high quality design vision, and Officers consider the Development Specification to set appropriate design controls to ensure that quality is maintained on what will be buildings of significant scale and function.
- 590 Paragraph 199 of the NPPF states that when considering the impact of a proposed development on the significance of a designated heritage asset, great weight should be given to the asset's conservation (and the more important the asset, the greater the weight should be). This is irrespective of whether any potential harm amounts to substantial harm, total loss or less than substantial harm to its significance.
- 591 Paragraph 200 of the NPPF states that any harm to, or loss of, the significance of a designated heritage asset (from its alteration or destruction, or from development within its setting), should require clear and convincing justification. Further, Paragraph 202 states that where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal including, where appropriate, securing its optimum viable use.
- 592 Whilst harm to heritage assets has been identified, and it is acknowledged that the proposed development is on the upper end of the scale of what could be considered acceptable; officers consider that overall the design approach has ensures that in urban design terms, the scheme would result in a form of development that sits comfortably the wider character and appearance of the local area and architecturally, is of an exemplary standard.

593 In accordance with Paragraph 202 of the National Planning policy Framework the harm to heritage assets has been weighed against the public benefits of the proposal. Officers must also give great weight to any identified harm to heritage assets. Officers consider that the current proposal would lead to less than substantial harm to the Hatcham Conservation Area. Great weight has been given to this identified heritage harm, and the applicant has provided substantive evidence of the public benefits presented by the proposed development with the provision of new homes including genuinely affordable housing, workspace, community space, transport infrastructure and new public realm, as well as other planning merits noted in the conclusion of this report are considered in this instance, to outweigh this harm. The development will also contribute to delivering the Council's strategic vision for the area.

# 593.1 TRANSPORT IMPACT

# General policy

- 594 Nationally, the NPPF requires the planning system to actively manage growth to support the objectives of promoting sustainable transport as identified in paragraph 104. This includes: (a) addressing impact on the transport network; (b) realise opportunities from existing or proposed transport infrastructure; (c) promoting walking, cycling and public transport use; (d) avoiding and mitigating adverse environmental impacts of traffic; and (e) ensuring the design of transport considerations contribute to high quality places. Significant development should be focused on locations which are or can be made sustainable, through limiting the need to travel and a choice of transport modes.
- 595 Paragraph 111 states that development should only be prevented or refused on transport grounds if there would be an unacceptable impact on highway safety, or the residual cumulative impacts on the road network would be severe.
- 596 Regionally, the Mayor's Transport Strategy (March 2018) sets out the vision for London to become a city where walking, cycling and green public transport become the most appealing and practical choices, and recognises links between car dependency and public health concerns.
- 597 The Core Strategy, at Objective 9 and CSP 14 'Sustainable movement and transport', reflects the national and regional priorities.
- 598 CS Strategic Site Allocation 3 Surrey Canal Triangle allocates the 10.74ha Surrey Canal Triangle site for mixed use development and identifies that development should make provision for the Surrey Canal Road Overground Station which will be located to the south of Surrey Canal Road and a new pedestrian and cycle bridge adjacent to London Overground Phase 2 extension. It also identifies that development should improve connectivity of the site and locality to the other strategic sites, the rest of the borough and adjoining sites within the London Borough of Southwark, through the provision of new pedestrian and cycling facilities and public transport services to increase permeability and accessibility.

### Discussion

599 The Surrey Canal Triangle Design Framework set out that a key aspect of the future development in the SPD Area will be its ability to enable better routes and connections through the site. The design section of this report has set out that officers consider the masterplan and framework are considered to be successful and allow for a permeable layout with creation of new routes and key public spaces.

### Access

Policy

- 600 The NPPF requires safe and suitable access for all users. Paragraph 110 states that in assessing applications for development it should be ensured that appropriate opportunities to promote sustainable transport modes can or have been taken up and that amongst other things safe and suitable access to the site can be achieved for all users.
- 601 CSP 14 'Sustainable movement and transport' states that the access and safety of pedestrians and cyclists will be promoted and prioritised; that a restrained approach to

# Is this report easy to understand?

Please give us feedback so we can improve. Go to https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports parking provision will adopted; and that car-free status for new development can only be assured where on-street parking is managed so as to prevent parking demand being displaced from the development onto the street.

602 DMP 29 identifies that car limited major residential will be supported in areas with a PTAL of 4 or above and that amongst other factors development should not have a detrimental impact on on-street parking provision in the vicinity. It outlines that measures such as car-clubs and cycle storage will be expected to ensure that sustainable transport modes are encouraged.

Discussion

#### **Local Transport Network**

Policy

603 The NPPF states that significant impacts on the transport network (in terms of capacity and congestion) should be mitigated to an acceptable degree.

Discussion

- 604 The site as existing is accessible by South Bermondsey rail station with buses provided via route P12 on Ilderton road, 1, 318, N1 and N318 on Rotherhithe New Road and Galleywall Road and 225 on Trundleys Road. The nearest overground is South Quay which is a circa 30 minute walk from the application site.
- 605 The existing site has a PTAL of 2, which indicated a poor level of public transport access. The strategic vision for the site is that development should place an emphasis on improving access into and across the site as the current industrial warehouses and fencing create significant severance. As a strategic site allocation, a high density residential led development is acceptable in principle – where it can be supported by necessary transport infrastructure improvements.

#### Highway impact

- 606 The applicant proposed the following highways works to promote sustainable travel choices.
  - An upgraded widened crossing across Surrey Canal Road outside the Proposed Overground Station. This provides a crossing link for cyclists between Bridgehouse Meadows and Quietway 1;
  - A new toucan crossing across Surrey Canal Road between Phases 2 and 4;
  - A new shared surface route between Surrey Canal Road and Rollins Street (Rollins Street Extension), this will be one-way southbound;
  - A new shared surface route between Rollins Street and Surrey Canal Road (Lovelinch Close Extension), this will be one-way northbound, with southbound contraflow cycle provision);
  - A further new pedestrian cycle link provided between Surrey Canal Road and Rollins Street to the east of the embankment;
  - Stockholm Road will become a shared surface through route to provide a one-way connection eastbound (with contra flow cycle provision) along the Site to Senegal Way;

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- A new link created for pedestrians and cyclists from Bolina Road direct to South Bermondsey Station;
- Provision of new pedestrian underpasses between Phase 1 and Senegal Way;
- Improvements to the underpass/railway arches;
- Creation of new public realm (in the form of squares) in Phase 1, Phase 2 (Station Square – opposite the Proposed Overground Station), and Phase 4 (Stadium Square – opposite the Stadium);
- New bus stops on Surrey Canal Road, and new bus stops and stands on Rollins Street Extension;
- Cycle parking to be provided for short stay and long stay in line with policy;
- Seven car club bays provided across the Site; and
- No general car parking to be provided across the Site this will all be disabled or operational car parking.

### Servicing and refuse

Policy

- 607 The NPPF states development should allow for the efficient delivery of goods and access by service and emergency vehicles.
- 608 LPP T7 'Deliveries, servicing and construction' identifies that development proposals should facilitate safe, clean, and efficient deliveries and servicing. Provision of adequate space for servicing, storage and deliveries should be made off-street, with on-street loading bays only used where this is not possible. Construction Logistics Plans and Delivery and Servicing Plans will be required and should be developed in accordance with Transport for London guidance and in a way which reflects the scale and complexities of developments.
- 609 CSP 13 'Addressing Lewisham's waste management requirements' requires all major development to submit and implement a site waste management plan, and to provide well designed recycling facilities for all proposed uses.

#### Discussion

- 610 The scheme has been designed to accommodate an ENVAC system, an underground vacuum waste collection system. This will reduce HGV travel around the site by having a single point for waste collection. This will result in reduced heavy good traffic and congestion around the site and as a result improved air quality and noise quality. A notable example of an ENVAC system in use in London is at Wembley Park.
- 611 ENVAC systems work by transport material from inlet points in buildings to a central collection station via a series of underground pneumatic pipes. They can collect dry mixed recyclables, organised and residual waste. This is illustrated in the diagram below:

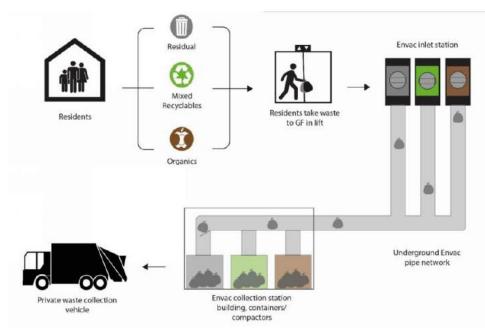


Figure 33 – ENVAC Residential waste strategy

- 612 Residents of each residential unit will be provided with storage space for refuse and recycling which would need to be moved to a bagged segregated waste area for collection. Once at the collection point, the bagged material travels via underground pipe to a central collection station which has been housed in the ground floor to the rear of Phase 1. The applicant estimates that in Phase 1, three collections of waste would be required each month, and across Phases 2-5, 8 containers of wastes would be collected per week. This would be carried out by a private waste management company as the Council does not have the operational capacity to collect the containers from the ENVAC system. This is unobjectionable and is consistent with the previous scheme.
- 613 Traditional bulky waste will be managed via the Councils waste team in the traditional manner.
- 614 Non-residential waste collection is a managed in a more traditional manner, utilising ground floor refuse stores for collection. In Phase 1 waste will be bagged and moved to the refuse store which will be moved by building management teams to the service bay for collection. Swept path analysis of the service bays demonstrate that the site is capable of accommodating service vehicles. This strategy will also apply to phases 2-5 as they are delivered. The precise location of refuse stores and service access is not determined at this stage and will need to be detailed at Reserved Matters.
- 615 Industrial access
- 616 The GLA in their Stage 1 response note that units in Phase 5 (light industrial) would likely be impacted by crowed movements on match days of Millwall Football Club. The applicant has noted that crowds from match days are limited to a couple of hours around 30 times per year. There are existing businesses that operate and service from Bolina road which do so successfully with the existing stadium and crowd management arrangements with separate home and away fans routes. At present there are waiting restrictions on event days on Bolina Road and there is police controlled access to Zampa Road on event days. It is expected that a similar arrangement would continue long term and that businesses in a redeveloped Phase 5 would be provided with information on servicing and access restrictions on stadium event days. As noted

Is this report easy to understand? Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/spad-usafeedback-on-our-reports</u> through the report, the development would secure a Stadium Event Day Management Plan – setting out how access will be controlled during events.

Low Traffic Neighbourhoods

- 617 As part of extended negotiations with TfL, it has been queried whether a Low Traffic Neighbourhood (LTN) could be implemented in this area. The applicant has resisted the imposition of a Low Traffic Neighbourbood.
- 618 Officers in consultation with Lewisham Highwys have considered whether a LTN would be appropriate in planning terms.
- 619 A low traffic neighbourhood (LTN) is a scheme where motor vehicle traffic in residential streets is greatly reduced. This is done by minimising the amount of traffic that comes from vehicles using the streets to get to another destination. This is often referred to as 'through-traffic' or 'rat-running'. Private motorised vehicles still have easy access to all homes and businesses without driving directly through the neighbourhood.
- 620 This opens up networks of streets so people can safely travel through the area on foot, bicycle, by wheeling or by bus. Emergency vehicles can also be prioritised to reach their destinations quicker. Traffic is reduced by using temporary or permanent barriers called "modal filters". These can include putting up bollards or planters. Or they can be camera operated. Residents and businesses still have access to the neighbourhood by motor vehicle using different routes, but through-traffic is greatly reduced.
- 621 In this instance, Surrey Canal Road is an important east-west link and connects Strategic Industrial Sites (at Juno Way and Landman Way including SELCHP and Hinkcroft). The development is designed to be car limited, and promotes walking and cycling through series of new streets and cycle routes. Given the character of the area including beyond the site which is not predominantly residential in character, a Low Traffic Neighbourhood for this scheme is not considered necessary nor suitable at the current time. Proposals for an LTN in the future would be subject to a separate proposal by Councils Highways Authority in consultation with the public and a decision made at Mayor and Cabinet.

#### 621.1.1 Emergency access and traffic management

622 The applicant has confirmed that during construction and post construction that Millwall FC will have clear open access routes including for emergency access. The figure below sets out clear identified routes for access and egress from the stadium.

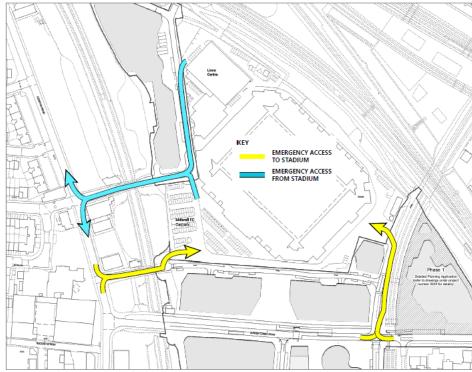


Figure 34 – Emergency access routes for Millwall Football Stadium

- 623 In terms of traffic management including for general emergency access the applicant has committed to:
  - Surrey Canal Road is an adopted road and would remain as a clearway.
  - Shared surface street Rollins Street extension, Lovelinch Close extension and Bolina Road would be restricted parking zone (disabled parking exception and designated delivery loading bays),
  - New traffic management scheme to be implemented on Rollins Street
  - Vehicular access to shared surface in Phase 1, Phase 3 and 5 are to be controlled access for vehicles, allowing pedestrian and cycle access at all times.
  - Renewal is to enter into a route agreement with TfL that will allow buses run across Rollins Street extension and Lovelinch Close extension at all times and without charge.
- 624 The measures proposed are considered proportionate and acceptable to allow the safe access and egress of emergency vehicles, and allow for a controlled traffic at all other times.

### Framework Travel Plan and Delivery Servicing Plan

625 The applicant has submitted a framework travel plan, this includes objectives and measures with targets to reduce vehicle movements on local roads. A Travel Plan Coordinator would need to be appointed by the applicant/ developer prior to first occupation of Phase 1 to ensure that measures are effectively implemented.

- 626 A detailed travel plan would be required by condition for Phase 1 and for other phases as they come forward.
- 627 The applicant has also submitted a framework Delivery and Servicing Plan (DSP). This sets out the strategy for managing deliveries and servicing to the site. A detailed DSP will need to be secured by way of planning condition for Phase 1 and for other phases as they come forward.

#### 628 <u>Construction phase</u>

- 629 The construction period is expected to last 10-15 years across 5 phases. The maximum number of vehicle movements per day is estimated to be circa 180 construction vehicle movements per day during the most intense periods of construction, most likely during concrete pour. For other activities the applicant estimates circa 60 vehicle movements per day. The construction programme will ensure that there will be no overlapping of the reduced level excavations or major concrete pours between the phases of the Proposed Development.
- 630 It is confirmed that access for Millwall FC would be retained at all times. Match days are subject to traffic management measures. These measures will be extended to cover construction vehicle movements i.e. construction vehicles will not be permitted to enter or leave the Site within the period starting two or three hours before kick-off and one hour after full-time on an Event Day. This will mitigate against potential conflicts with receptors attending MFC on Event Days.
- 631 A Construction Logistics Plan will require that regular liaison meetings will be held between The Renewal Group and their Main Contractor and MFC to review construction logistics and to ensure that all construction activities are coordinated with MFC Stadium's operations to enable construction activities and stadium operations to be conducted in a safe manner at all times.
- 632 A construction logistics plan will also set the appropriate vehicle routes for construction vehicles which will need to be agreed by the Council. The applicant estimates currently that deliveries to the site would be via the A2 from the Old Kent Road or Rotherhithe New Road and onto Ilderton Road. For Phases 1-4, construction access would be principally via Surrey Canal Road, for Phase 5 access being via Zampa Road. These roads both currently accommodate HGV movements.

### 632.1.1 Transport modes

### Walking and cycling

Policy

- 633 LPP T5 'Cycling' states that development proposals should help remove barriers to cycling and create a healthy environment in which people choose to cycle. Cycle parking should be designed and laid out in accordance with the guidance contained in the London Cycling Design Standards. Development proposals should demonstrate how cycle parking facilities will cater for larger cycles, including adapted cycles for disabled people.
- 634 CSP 14 'Sustainable movement and transport' states that the access and safety of pedestrians and cyclists will be promoted and prioritised.

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# 635 Cycle parking provision

636 Phase 1 cycle parking is set out as below:

Table 9	:	Phase 1	C	vcle	parking
			-	,	P

Land use		Scale	Long-stay spaces	Short-stay spaces
Residential	1 bed (1 person)	56 units	56	15
	1 bed (2 person)	211 units	317	
	2 bed +	333 units	666	
	Total	600 units	1,039	
Auditorium with other floorspace (including green rom/ lobbies/ offices)		800 seats, 50 staff (including performers	7	27
Commercial (café)		530 sqm	3	27
Total		n/a	1,049	69

- 637 Long stay cycle parking is provided as two-tier stands with single Sheffield stands (1.2m spacing) including accessible Sheffield stands (set 1.8m spacing). These are located at basement level and accessed via a dedicated ramp. This is located to the west of the building so it connects into the site wide cycle routes.
- 638 TfL had raised concern that the ramp was not an accessible nor convenient access route. The applicant has therefore revised the floorplan to include a dedicated cycle lift within the reception of Towers A and C, this provides a level and direct route to the basement cycle store and is to be accessible to residents of all 3 towers regardless of tenure. The applicant has retained the ramp, noting that not all residents would want to use a lift and would prefer to cycle down themselves. Officers consider that this is a pragmatic approach to a large development and provides flexibility for all users.
- 639 A further cycle store is located at ground floor level in its own store fronting onto Surrey Canal Road and backing onto the embankment. This is arranged as three separate secure spaces and provides 122 cycle spaces. This is a modest structure which raises no objections in design, arrangement or location.

Cycle parking on phases 2-5 will need to be provided in compliance with the London Plan standards. This would likely be below podium level or basement level and would need to make adequate provision for lockers, showers and changing facilities for commercial and non-residential uses.

### 640 **Public transport**

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- 641 A new London Overground station is proposed at Surrey Canal Road at the entrance to Bridgehouse Meadows. This will provide new rail services for the development and surrounding residents and occupiers.
- 642 The London Overground in this area was authorised under the London Underground (East London Line Extension) (No. 2) Order 2001. Accompanying the Order was a deemed planning permission with both issued by the Secretary of State.
- 643 The existing Surrey Canal Station site was developed in 2011/2012 as part of the East London Line Phase 2 (ELLP2) – now London Overground. The structure was built along the disused 19th century rail route with a new bridge structure over Surrey Canal Road and a pedestrian underpass. Active provision for a new station (on the Dalston-Clapham Junction line) was provided during these works, which included piled retaining walls to allow for a station concourse under the railway bridge, new attenuation tank at ground level, and a platform structure to accommodate a 4-car platform.
- 644 TfL are now in the detailed design phase of delivery and a planning application was made under reference DC/21/124016 which was approved on 16 December 2021 for works above the limits defined by the Transport and Works Act, namely this is to accommodate lift shafts and canopies.
- 645 The GLA and TfL have secured Housing Infrastructure Funding (HIF) to deliver the overground station at Surrey Canal Road. This approach has allowed the developer to increase affordable housing (from 12 to 35%) by not making a financial contribution to the station.
- 646 The GLA have stated that should costs for the station increase, it will be necessary to seek a financial contribution from the applicant. In this event, the applicant could apply for a grand fund for the affordable housing in Phase 1, so that the level of affordbale housing provision is unaffected. This is currently a hypothetical scenario, but one which officers support in principle. The delivery of the overground station is intrinsic to the acceptability of the development and regeneration in principle and is necessary to delivery public benefit to this part of the borough and its residents. It is therefore proposed to secure a planning obligation which details of a housing grant application should this be necessary. This would ensure that the level of affordable housing in Phase 1 is maintained and any grant would address any viability gap.
- 647 The Station is intended to be delivered in 2024, which would align with the opening of Phase 1. Should the station not be ready for the opening of Phase 1, it will be necessary to secure alterative transport infrastructure improvements through a new dedicated bus route.

### Canada Water Underground financial contribution

648 TfL had originally requested a financial contribution towards staffing at Canada Water Underground station. Stating that the British Land permission (Canada water scheme in Southwark) includes an obligation to pay £500k towards decluttering, improved signage and similar works at Canada Water station plus just over £2m towards the costs of additional staff. These are to be deployed to manage the station at peak times when stringent controls on entry to the station and management of interchange and platforms are already required and at weekends/late evening when the development will require additional staffing to manage and serve passengers generated by the development. Additional physical improvements were considered but these were

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concluded as being either counterproductive or cost significantly more (£100m's) than could be justified by the impact of the development. A similar position pertains to Jubilee Line frequency increases. The focus therefore was on alternative transport mitigation in the form of obligations towards active travel and other public transport options. The contributions included £10m to cover the assessed costs of mitigating the British Land Surrey Quays station impacts and £12m in bus service enhancements and 6 cycle hire docking stations. In addition, bus and active travel infrastructure was secured along with necessary highway mitigation works

- 649 Applying a similar approach to Renewal, TfL would expect pro rata contributions towards additional staffing costs at Canada Water station to manage peak time interchange between London Overground and Jubilee Line (via Surrey Canal Station) and also station entry and exits at peak times arising from the Renewal development. The British Land contribution for additional peak time staffing amounts to £1.2m over 10 years. TfL state that the British Land development generates trips predominantly on/at Canada Water and Surrey Quays whereas those arising from the Renewal development are more dispersed. However, we consider that the Renewal share could be a quarter that of British Land i.e. £300,000
- 650 This sum would be reduced in the event it duplicates BL payments in time and quantum through sharing the costs between Renewal and BL. A contribution towards physical work is not considered necessary as this should be covered by British Land unless their development does not reach the trigger of 82478 m2 floorspace which is considered unlikely, given the stage this development has already reached.
- 651 It is noted that the predicted demand at Canada Water includes the demand from the consented scheme at Surrey Canal Triangle. The demand is therefore relates to the uplift of housing proposed in this application. The Transport Assessment predicts that additional development at the site would result in circa 100-150 further trips by Overgroud/Underground of which a small proportion would interchange or enter/ exit at Canada Water. The estimated increase in peak demand is 4% of that arising from the British Land Canada Water scheme. This contribution was sought to address congestion and staffing. TfL however on the 10 January 2022, have updated their comments to states that taking into account the package of travel measures (which include the costs for two cycle hire docking stations) the contribution is no longer sought. TfL will expect that appropriate measures are put in place through the travel plan, in addition to the provisoin of physical infrastructure, to support the uptake in a range of active travel modes.

#### <u>Buses</u>

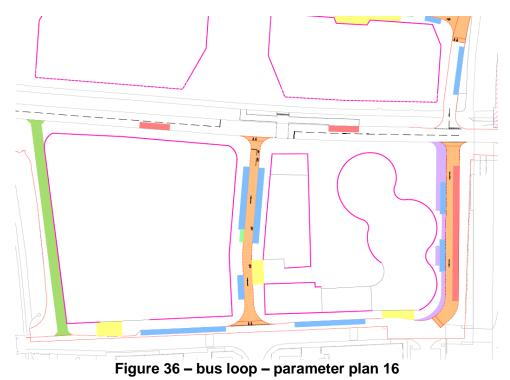
- 652 Should the new Overground Station not be completed and operational by the time Phase 1 is intended to complete, it will be necessary to secure temporary transport enhancement through a Phase 1 bus.
- The Phase 1 bus route would to Old Kent Road via Ilderton Road for passengers to pick up underground services in Elephant and Castle
- 654 Standing space, driver facilities and bus turning would be located at Landman Way, which is adopted public highway. The indicative bus routing is located in the diagram below in Figure 35.



Figure 35 – Phase 1 bus turning in Landman Way

- 655 There is sufficient space on Landman Way to provide driver facilities (toilet and rest space). The applicant has provided a tracking plan for a single decker bus turning space. This can largely be accommodated in the public highway, however, the tracking shows the front of the bus oversailing the pavement adjacent to the railway viaduct. It is likely that with an alteration to the tracking this could be minimised when the location of a mini roundabout is finalised. Officers consider that in most circumstances that any over sailing of the pavement would be unacceptable, however Landman Way has very low foot traffic and is dominated by industrial vehicles, where in this particular instance it would be unobjectionable. The pavement here could also be re-aligned to reduce at oversailing.
- 656 TfL have requested further details on land ownership in Landman Way to ensure that the bus turning and standing space is deliverable without requiring third party land. Land ownership and title information have been provided and the bus stands can be accommodated within the public highway. This is therefore considered acceptable.
- 657 The Phase 1 final bus route, details of driver facilities (including w.c, rest space) CCTV and lighting (where necessary dependent on final location), turning with pavement alterations and highway markings including mini-roundabout are to be secured by S106.
- The previous 2011/2013 scheme contained a Grampian condition which restricted any buildings being occupied until the Station was complete. It is now accepted that alternative transport infrastructure through buses can allow Phase 1 to proceed. It will remain necessary to ensure a Grampian condition on Phase 2-5 until the overground station is complete and operational (and all necessary land interests are secured).
- In later phases, in addition to the Overground Station, two permanent bus routes are proposed. One route toward Lewisham Town Centre and the other toward Central London, the final routing is to be agreed with TfL prior to the commencement of those services and would be secured by legal obligation.

- 660 The buses would be stationed within the development at Rollins Street close to the junction with Surrey Canal Road and the overground entrance. The bus stops would be located on Surrey Canal Road, one heading eastbound and one westbound (the final location to be determined at Reserved Matters stage in consultation with TfL).
- 661 TfL have stated that the cost of the bus services for Phase 2-5 is £9.45m which is accepted by the applicant and would need to be secured through the S106.
- 662 The bus routes would begin/end their journey at Surrey Canal Road and turn via a bus loop around Phase 2 Excelsior.



- 663 TfL have raised a number of comments about the practicality of the bus loop layout including tracking and stationing of buses.
  - The tracking shows that the rear bus for the northern stand cannot get parallel to and sufficiently close to the kerbline for the wheelchair ramp to be safely deployed (and the back end of the bus is outside the bus stop "cage" markings, meaning that another bus won't be able to get past it). The expectation is that a second bus will arrive, with passengers wishing to alight, when there is already a first bus standing at the front position within this first (northern) two-bus stand. Therefore this second bus needs to get alongside the kerb. And it does need to be at the rear of this stand, not right up to the back of the first bus, so that if the first bus breaks down the second bus has some chance to pull out around it (albeit not the 9m we require for buses that need to do this regularly). The solution? Out on Surrey Canal Road the kerbline at the junction with Senegal Road seems to be shown built out for reasons I don't understand, and reverting to the existing kerbline would help. If that isn't possible or sufficient we will need to introduce a kerb build-out at the bus stop (clearly we can't narrow the footway at the crossing location, or have buses sweeping over the footway there). Such a buildout would lead to a requirement for a corresponding cut-back of the footway on the western side.
  - A very minor point, but the southern stand is still marked as a stop.

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- While in the tracking the rear bus at the southern stand isn't shown stopped alongside the kerb at the place it will be required to stop, the tracking shows that it can do so. Perhaps if we need the tracking re-done this could be amended, just so everything is clear?
- The tracking through the Lovelinch Close extension shows that the road is not sufficiently wide to allow contraflowing cyclists, even as a "shared surface" which is something we would not support. Since provision for cyclists is essential, the carriageway simply needs to be widened, with particular attention at both ends where the bus is turning and hence has a wider swept path.
- As before, while we acknowledge it will be under signal control, the requirement for the left-turning bus (from Lovelinch to SCR) to swing out across the eastbound carriageway of SCR is not acceptable. That movement would be blocked by any eastbound vehicles queued through the junction (a problem for which a yellow box cannot be relied upon to solve entirely), and it would present a hazard to any eastbound cyclists (or scooter riders, albeit illegally at the current time) who have ignored the traffic signal (yes, I know). While this latter point is to address illegal behaviour, we have to take account of it in the application of the "safe system" approach to road safety advocated in the Mayor's Vision Zero action plan.
- 664 The applicant has addressed the comments about vehicle tracking and submitted an updated plan which is acceptable.
- 665 The applicant has also confirmed the width of the Lovelinch Close Extension is 4.5m. This is split between 3.5m for the buses (as per TfL guidance) and a minimum of 1.2m wide and generally 1.5m wide dynamic cycle envelope for southbound cyclists (as per LCDS and LTN1/20). The service bays are also 3m wide which is sufficient to allow drivers to exit their vehicles without conflicting with bus or cycle movements.
- 666 With regard to bus tracking, the junctions will be signal controlled on Surrey Canal Road when buses exit. Therefore there would be no conflict with passing vehicle as they will be held at a red traffic light.
- 667 Officers have also considered the request to widen the turning at Lovelinch Close and determine that this would not be desirable. The tracking plan submitted shows that a bus or service vehicle can exit from Lovelinch close without conflict to stopped traffic held at a signalised junction. TfL note that the layout could create conflict with illegal traffic behaviour, whilst this is noted, officers consider the layout is acceptable and it would be unreasonable to re-design a junction to accommodate the potential for illegal traffic behaviour. Cars and traffic must stop at red lights in a signal controlled junction and not stop in a yellow marked box. There is a further concern that increasing the pedestrian crossing width would be contrary to the Healthy Streets approach and emphasis on placing priority on pedestrian movement.
- 668 TfL have maintained concern at the exit onto Surrey Canal Road and the issue of conflict between exiting vehicles, stopped traffic and cyclists. Whilst officers are resistant to the widening of the carriageway at this location, it is noted that there are a series of highways measures and design fixes in this phase that are not yet finalised and will not be drawn up in detail until Phase 2. Therefore is has been agreed with the applicant and TfL that a planning obligation is secured which seeks to test all necessary highways works, including the width of the carriageway, location of stop signs and signalised junction locations. This would need to be done alongside the detailed design work of the public realm in Phases 2 and 3, and the final location of buildings in Phase 3.

Is this report easy to understand? Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> **Bus Priority** 

- 669 TfL have requested details and provisions to secure bus priority, as it is not possible to provide a bus lane along Surrey Canal Triangle. Through active queue management it would be possible to secure priority for buses, starting/ ending their route from the Phase 2 bus loop. TfL are concerned that there could be delays on Surrey Canal Road, where there are existing varying levels are traffic, particularly on the Ilderton road junction. Although this is not supported by traffic data.
- 670 TfL have stated that altering traffic light signal timings to favour Surrey Canal Road may result in delays on Ilderton Road, and that some benefit may be gained from using Selective Vehicle Detection (SVD), where tragic signals recognise vehicles and favour buses on approach. This in addition to holding traffic at Lovelinch Close junction with Surrey Canal Road would allow buses to exit, but would not clear queueing on Surrey Canal Road. Consideration would also need to be given for the toucan crossing at Surrey Canal Road.
- 671 Holding westbound traffic at the Lovelinch Close junction, buses from the Landmann Way stands will be caught which would delay Phase 1 passengers wanting to alight at Surrey Canal Road. TfL also state there might be some road safety risk from holding only westbound traffic, as eastbound traffic would still be moving.
- 672 To address that, signal junctions could be required at the Landman Way junction or Trundleys Road junction which would avoid road safety and pedestrian concerns.
- 673 Any new signals at Trundleys Road would have to cater for the movement of the 225 bus (and both would need to cater for any new through service at Phase 2-5), but the lower bus frequencies would give us opportunity to give meaningful priority using SVD despite the queue relocation scheme. A new signal installation at Trundleys Road may provide the opportunity to introduce controlled pedestrian and cyclist crossings there.
- 674 Alternative options have been explored, however, railway bridge heights largely do not permit this.
- 675 Any new signalised installation at Landmann or Trundleys would need to be designed and modelled as a standalone junction, and the benefits of this proposed bus priority scheme (compared to the best we can do without this additional junction) modelled too. TfL consider that given the outline nature of the application, it would be necessary to secure an obligation for this prior to occupation of Phase 2.
- 676 The applicant has responded that buses along Surrey Canal Road will run as far as Landman Way only (in phase 1), with full route only occurring in later Phases, and that a new signal junction would result in a delay to all traffic including buses where none exists at present. The applicant does not consider that the TfL suggestion has any merit.
- 677 The applicant considers the obligation for a new signal junction at either Landman Way or Trundleys Road is 'open ended' comprising the design and modelling of a new junction, assessment of the benefits of a bus priority scheme and implementation of such works is inappropriate and objectionable.
- 678 The applicant's response is considered unacceptable, and Officers including Highways Officers consider that the option to investigate a bus priority route using SVD along Surrey Canal Road is welcomed. It is accepted that eastbound and westbound traffic would be held at the Lovelinch junction as this would be integrated with the signal

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679 Officers also support a proposal for a new signalised junction at Landman Way or Trundleys Road which will require modelling and designing as a new junction. Although the new development is estimated not to increase vehicle traffic flow along SCR there will be an increase in active travel trips including pedestrians. The nature of traffic in the future is unknown due to the outline nature of the scheme and therefore at this stage of the application Officers support TfL's suggestion that investigating a new signalisation at Landmann or Trundleys would need to be designed and modelled which should be secured via a s106 obligation and for this work to be done prior to the occupation of Phase 2.

Cycle hire

- 680 TfL have requested that the development provides two cycle hire stations of the type currently managed by Santander. The cycle hire network within London has grown from strength to strength in recent years, with 11 million hires being recorded in 2021, with a record December with 667,202 hires. The previous best record for December was in 2016, with 658,975. The applicant had originally proposed one docking station, however, following evidence of usage and demand in the area two docking stations are now agreed. It is likely that one cycle hire location would be close to Surrey Canal Overground Station and another toward the centre of the development. The final location of the docking stations is to be agreed prior to their installation and secured by s106.
- 681 TfL have also requested a financial contribution of £440,000 for the docking stations, which is agreed by the applicant and will need to be secured within the S106.

#### Car clubs

682 Car club spaces and vehicles will be provided across the development site, delivered in phases as each future phase comes forward. It will be necessary to secure a car club package via the S106 which includes membership packages for future residents.

### Private cars (including disabled parking and electric charging points)

Policy

- 683 LPP T6 'Car parking' states that car-free development should be the starting point for all development proposals in places that are (or are planned to be) well-connected by public transport, with developments elsewhere designed to provide the minimum necessary parking. Table 10.3 defines maximum parking standards and confirms that within Inner London Opportunity Areas development proposals should be car free, with the exception of disabled persons parking.
- 684 LPP T6 identifies that all residential car parking spaces must provide infrastructure for electric or Ultra-Low Emission vehicles, and that at least 20 per cent of spaces should have active charging facilities, with passive provision for all remaining spaces. *Discussion*
- 685 Residential car parking is proposed to be provided in basement car parks for each phase. The locations of car park accessed are shown on the Highways Parameter Plan.

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- 686 Phase 1 provides 18 wheelchair residential car parking spaces, and no other residential parking. The accessible parking ratio is equivalent of 0.03 (3%) spaces per unit, which is compliant with the London Plan and raises no objection. It is noted that Occupational Health colleagues have requested additional parking on site, however, this would be contrary to the London Plan. All of the spaces will require active electric vehicle charge provision. The access to the car parking is via a ramp at the east of the site via Surrey Canal Road, this has been submitted with detailed tracking information, and is considered to be a safe and convenient arrangement.
- A car free approach to the rest of Phase 1 is considered acceptable in this context, whilst the PTAL of 2 is low, and lower than would be ordinarily acceptable for a car free or car limited development, there are significant enhancement to public transport infrastructure. Phase 1 will be provided with a dedicated bus route, and the opening of an overground station. The future development will provide two further bus routes and enhancements to walking and cycling routes.
- 688 For the outline residential element, the applicant is proposing a maximum of 10% disabled persons parking, which would equate to a maximum of 351 spaces. Overprovision of disabled persons' parking could result in non-disabled use and instil unsustainable travel patterns, and the outline element should limit disabled persons parking in line with Phase 1. Detailed discussions on parking will be necessary as each phase comes forward.
- 689 No disabled persons' parking is to be provided for the non-residential (auditorium) use proposed in Phase 1. This approach was accepted during pre-application discussions; however, it is subject to exemplary provision for step-free public transport and active travel suitable for disabled people. A total of 120 parking spaces are proposed for the non-residential elements of the outline phases, with these identified as being operational and disabled persons' provision. The GLA at Stage 1 had concerns that car parking of both types is being over-provided and further robust justification is required. Officers consider that an element of car parking for non-residential uses is necessary, especially for industrial and workspace development where it is likely that businesses will need vehicle servicing. As each phase in 2-5 is submitted as a reserved matter, it will be necessary to justification for the parking layout and quantum on each phase.
- 690 It will be necessary to secure a Parking Design and Management Plan by condition, to ensure uses only for the intended purposes. All operational parking should have active electric vehicle charging provision. At least 20% of other spaces should have active provision, with passive provision for the remaining spaces.
- 691 The development will include a financial contribution via the S106 for the creation of a controlled parking zone. The funding will cover feasibility, consultation detailed design and implementation of a CPZ and other parking restrictions necessary. The development will be permit free meaning that occupiers will not be eligible to apply for permits to park in the CPZ. This approach is consistent with the previous development which has similar S106 contributions.

### **Transport impact conclusion**

692 The proposal would not result in unreasonable harm to the local highway network nor pedestrian or highway safety subject to conditions and legal obligations as set out throughout this report. The development will provide enhancement to walking and cycling routes, summarised as:

- Improvements to the underpass and railway arches at Surrey Canal Road, Rollins Street, Stockholm Road, Zampa Road, Bolina Road, and South Bermondsey Station.
- One new and one upgraded toucan crossing on Surrey Canal Road.
- New north-south shared surface routes between Rollins Street, Surrey Canal Road, and Stockholm Road.
- Completion of the direct pedestrian/cycle route from Bolina Road to South Bermondsey Station.
- Improvements to the footway on Rollins Street and the implementation of a traffic calming scheme.
- Financial contributions towards improvements to the walking and cycling link through Bridgehouse Meadows and towards Healthy Streets improvements to Ilderton Road, including the sections of Zampa Road, Stockholm Road, Surrey Canal Road, and Rollins Street that fall outside of the development boundary.
- Financial contribution to TfL's Legible London way finding strategy.
- 693 The package of on-site and off-site improvements will ensure that pedestrians and cyclists are able to travel beyond the site to/from to key destinations safely.
- 694 The development would provide significant enhancement to public transport with a Phase 1 bus route, and two further bus routes at Phases 2-5, which would not only benefit the development, but surrounding residents who at present do not have good levels of public transport access. Officers consider that this should be afforded considerable weight in light of the proposed public benefits of the development. Should a station contribution be required, a legal obligation would be secured to delivery this cocurrently with an application for grant funding to delivery affordbale housing. This would ensure that that additional transport infrastructure does not impact the delivery of affordable housing in Phase 1.
- 695 It is noted that there would be an impact from a construction period that is expected to last 10-15 years across 5 phases and that construction vehicles will have a temporary, if extended impact on local highway traffic and potentially safety, air quality and noise, but that this can be suitably mitigated through conditions for Construction Logistics and Construction Management Plans.

# 695.1 LIVING CONDITIONS OF NEIGHBOURS

General Policy

- 696 NPPF paragraph 130 sets an expectation that new development will be designed to create places that amongst other things have a high standard of amenity for existing and future users. At paragraph 185 it states decisions should ensure that new development is appropriate for its location taking into account the likely effects (including cumulative effects) of pollution on health and living conditions.
- 697 This is reflected in relevant policies of the London Plan (D6 'Housing quality and standards'), the Core Strategy (CSP 15 'High quality design for Lewisham'), the Development Management Local Plan (DMP 32 'Housing design, layout and space standards') and associated guidance (The Mayor's Housing SPG (2017) and Lewisham's Alterations and Extensions SPD (2019).
- 698 LPP D6 'Housing quality and standards' states that the design of development should provide sufficient daylight and sunlight to new and surrounding housing that is appropriate for its context, whilst avoiding overheating, minimising overshadowing and maximising the usability of outside amenity space. LPP D9 'Tall buildings' states that wind, daylight, sunlight penetration and temperature conditions around tall buildings must be carefully considered and not compromise comfort and the enjoyment of open spaces around the building.
- 699 DMP 32 'Housing design, layout and space standards' expects new developments to provide a 'satisfactory level' of privacy, outlook and natural lighting for its neighbours.

# 699.1.1 Enclosure and Outlook

Policy

700 Overbearing impact arising from the scale and position of blocks is subject to local context. Outlook is quoted as a distance between habitable rooms and boundaries. *Discussion* 

# 700.1.1 **Privacy**

Policy

- 701 Privacy standards are distances between directly facing existing and new habitable windows and from shared boundaries where overlooking of amenity space might arise.
- 702 Standard 28 in the Mayor's Housing SPG states that designers should consider the position and aspect of habitable rooms, gardens and balconies, and avoid windows facing each other where privacy distances are tight. The SPG recognises that in the past, planning guidance for privacy has been concerned with achieving visual separation between dwellings by setting a minimum distance of 18 21m between facing habitable room windows. The SPG highlights that whilst these can still be useful yardsticks for visual privacy, adhering rigidly to these measures can limit the variety of urban spaces and housing types in the city, and can unnecessarily restrict density.

Discussion

# Daylight, Sunlight and Overshadowing

Policy

- 703 Daylight and sunlight is generally measured against the Building Research Establishment (BRE) standards.
- 704 The NPPF does not express particular standards for daylight and sunlight. Paragraph 125 (c) states that, where these is an existing or anticipated shortage of land for meeting identified housing need, LPAs should take a flexible approach to policies or guidance relating to daylight and sunlight when considering applications for housing, where they would otherwise inhibit making efficient use of a site.
- 705 The Mayor's Housing SPG states that 'An appropriate degree of flexibility needs to be applied when using BRE guidelines to assess the daylight and sunlight impacts of new development on surrounding properties, as well as within new developments themselves. Guidelines should be applied sensitively to higher density development, especially in opportunity areas, town centres, large sites and accessible locations, where BRE advice suggests considering the use of alternative targets. This should take into account local circumstances; the need to optimise housing capacity; and scope for the character and form of an area to change over time' (paragraph 1.3.45).
- 706 It is therefore clear that the BRE standards set out below are not a mandatory planning threshold.
- 707 In the first instance, if a proposed development falls beneath a 25 degree angle taken from a point two metres above ground level, then the BRE say that no further analysis is required as there will be adequate skylight (i.e. sky visibility) availability.
- 708 Daylight is defined as being the volume of natural light that enters a building to provide satisfactory illumination of internal accommodation between sun rise and sunset. This can be known as ambient light. Sunlight refers to direct sunshine.
- 709 The ES reports on the potential effects of the proposed development on surrounding residential properties in terms of daylight, sunlight and overshadowing. An assessment of overshadowing of Ilderton Primary School Playground, Pat Hickson Garden (junction of Surrey Canal Road and Ilderton Road) and Millwall Football Club pitch has also been undertaken as well as the impact of solar glare on Network Rail operations. The assessment relates to the proposed development as well as cumulative impacts with other developments that have been granted planning permission on Ilderton Road.
- 710 An assessment of daylight, sunlight and overshadowing to residential properties within the proposed development has also been undertaken. This is covered in section 291-306 of this Committee report.

### Daylight guidance

- 711 The three methods for calculating daylight are as follows: (i) Vertical Sky Component (VSC); (ii) Average Daylight Factor (ADF); and (iii) No Sky Line (NSL).
- 712 The VSC is the amount of skylight received at the centre of a window from an overcast sky. The ADF assesses the distribution of daylight within a room. Whereas VSC assessments are influenced by the size of obstruction, the ADF is more influenced factors including the size of the window relative to the room area and the transmittance

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- 713 In terms of material impacts, the maximum VSC for a completely unobstructed vertical window is 39.6%. If the VSC falls below 27% and would be less than 0.8 times the former value, occupants of the existing building would notice the reduction in the amount of skylight. The acceptable minimum ADF target value depends on the room use: 1% for a bedroom, 1.5% for a living room and 2% for a family kitchen. If the NSL would be less than 0.8 times its former value, this would also be noticeable.
- 714 While any reduction of more than 20% would be noticeable, the significance and therefore the potential harm of the loss of daylight is incremental. The following is a generally accepted measure of significance:
  - 0-20% reduction Negligible / No Effect
  - 21-30% reduction Minor Adverse
  - 31-40% reduction Moderate Adverse
  - Above 40% reduction Major Adverse
- 715 It is important to consider also the context and character of a site when relating the degree of significance to the degree of harm.
- The BRE guidance identifies that a typical obstruction angle from the ground-floor window within a historic city centre is usually 40°, which corresponds with the VSC of 18%, which is considerably lower than the target of 27%. In this context is noted that recent planning decisions (including appeal decisions made by the Planning Inspectorate) in London and Inner London have found retained VSC values in the midteens to be acceptable.

### Sunlight guidance

- 717 Sunlight is measured as follows: (i) Annual Probable Sunlight Hours (APSH); and (ii) Area of Permanent Shadow (APS)
- The APSH relates to sunlight to windows. BRE guidance states that a window facing within 90 degrees due south (windows with other orientations do not need assessment) receives adequate sunlight if it receives 25% of APSH including at least 5% of annual probable hours during the winter months. If the reduction in APSH is greater than 4% and is less than 0.8 times its former value then the impact is likely to be noticeable for the occupants. The APS relates to sunlight to open space: the guidance states that gardens or amenity areas will appear adequately sunlit throughout the year provided at least half of the garden or amenity area receives at least two hours of sunlight on 21st March.

### Discussion

719 Given the amount of unbuilt land and the low rise nature of the buildings occupying the application site the existing baseline conditions and levels of daylight and sunlight being received by surrounding residential properties are considered to be atypical for a central urban site. This is reflected in generally high existing daylight and sunlight values under each method of assessment for affected windows in surrounding residential properties. The same applies to existing open space with Ilderton Primary School Playground, Pat Hickson Garden and Millwall Football Club pitch all currently receiving in excess of the BRE Guidelines recommended target for direct sunlight.

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- 720 The Mayor of London Housing SPG (2016) states that guidelines in respect of daylight, sunlight and overshadowing should be applied sensitively to higher density development, especially in opportunity areas, town centres, large sites and accessible locations. BRE advice also suggests considering the use of alternative targets, noting that in assessing the loss of light to existing windows nearby a local authority may allow the use of vertical sky component (VSC) and annual probable hours (APSH) of a development with an extant planning permission as alternative benchmarks. Accordingly, as well as the likely significant impacts summarised below, the ES also uses the impacts arising from the comprehensive development of the site granted planning permission in 2015 as an alternative benchmark for assessing impacts of the current application.
- 721 In terms of the scale of significance of impact, a negligible impact is defined in the ES as meeting the BRE recommended daylight and sunlight levels using VSC, NSL and APSH. Whilst this may involve a reduction from existing levels, daylight and sunlight levels within affected properties will remain within BRE guidelines. Minor adverse impacts are those situations where in excess of 20% of the existing VSC is retained (or is within 2% VSC of the alternative benchmark), in excess of 60% of the existing NSL (or is within 3% NSL of the alternative benchmark), and for APSH where a room has other sources of sunlight which achieve the BRE recommendations (or is within 2% total / 1% winter months of the alternative benchmark). Moderate adverse impacts are defined as those situations where in excess of 15% of the existing VSC is retained (or less than 5% VSC difference from the alternative benchmark), in excess of 40% of the existing NSL (or up to 30% above the NSL of the alternative benchmark), and for APSH where a room retains in excess of 12% APSH, of which 2% are in winter months (or a reduction of less than 30% above the target for APSH for the alternative benchmark or a difference of less than 5%total and/or 2%winter month). Major impacts are those situations where less than 15% of the existing VSC is retained, less than 40% of the existing NSL is retained (or is up to 30% above the NSL of the alternative benchmark or more than 5% VSC difference from the alternative benchmark), and for APSH where a room retains less than 12% APSH, of which 2% are in winter months (or a reduction of more than 30% above the target for APSH for the alternative benchmark or a difference of more than 5%total and/or 2%winter month). As noted above, retained VSC values in the mid-teens are considered to be acceptable i.e. up to and including 'moderate adverse' impacts as defined in the ES.
- 722 The effect of the proposed development on daylight and sunlight to residential properties located to the west of the site (on Ilderton Road, Delaford Road, Ablett Street) are generally negligible to minor adverse including when approved developments are taken into account in the cumulative assessment. Rooms in three properties on Ilderton Road (209-213, south of Surrey Canal Road) are calculated to experience a moderate adverse impact however this is not to all windows in each property, for example one room on one floor of a property and a total of four rooms on three separate floors of another property. with other windows in these properties experiencing a negligible or minor adverse impact. It is to be noted that in some cases certain rooms within the properties are already receiving below the BRE recommended daylight levels and this condition is worsened, however such incidences are very limited in number. When approved developments are taken into account in the cumulative assessment (which includes a 28 storey building approved on a site immediately to the south of these properties) the number of properties experiencing moderate adverse impacts increases to eight properties (209-213 and 217-225 Ilderton Road). The impact on 209-213 Ilderton Road remains moderate adverse.
- 723 On Ilderton Road north of Surrey Canal Road, under the cumulative scenario for assessed windows in 1-8 and 52-56 Ilderton Road the majority experience a moderate adverse impact based on VSC with the balance a minor adverse impact. Based on NSL

the majority of assessed rooms experience a minor adverse impact with the balance experiencing a negligible impact and four a moderate adverse impact. For 45-47 and 128 Ilderton Road, of assessed windows roughly half experience a minor adverse impact based on VSC with the balance a negligible impact. Based on NSL the majority of assessed rooms in 45-47 Ilderton Road experience a minor adverse impact with the balance experiencing a negligible impact. All rooms in 128 Ilderton Road achieve the default BRE recommendations for NSL as do the majority of assessed windows using APSH with five experiencing a moderate adverse impact. For 179 Ilderton Road, of assessed rooms achieve the default BRE recommendations for NSL. Using APSH half of the assessed windows achieve the default BRE recommendations with the balance experiencing a minor or moderate adverse impact. The majority of assessed windows and rooms in properties on Delaford Road and Ablett Street achieve the default BRE recommendations under each method of assessment.

- 724 Properties immediately to the south of the application site comprise properties that form part of the Winslade Estate and adjoining buildings including Boiler House, Reculver House Mereworth House, Camber House and Chilham House all located on the south side of Rollins Street. Further to the south assessed properties include Deal House, Eynsford House, Dover House, Otford House, Olive Tree House, Aspen House and Lamberhurst House as well as Scotney Hall. The proposed development will give rise to impacts ranging from negligible to major adverse depending on the property and method of assessment.
- 725 Reculver House based on VSC levels, half of the assessed windows experience a minor adverse impact. The other half experience a major adverse impact however the rooms facing the site are understood to be either small, heavily self-obstructed non-habitable kitchens or the second bedroom to a two-bedroom property with an associated lowered requirement for daylight with the other bedroom and living area are understood to face south, over the communal gardens to the rear. Based on NSL the impact on assessed rooms is minor to moderate adverse. Overall the impact to properties in Reculver House is assessed as negligible to moderate adverse. When assessed cumulatively with other developments VSC levels would be the same however using NSL three rooms would experience a major adverse impact although these are understood to be either small, non-habitable kitchens or bedrooms.
- 726 Mereworth House the majority of assessed windows will experience a negligible or minor adverse impact based on VSC levels, with 10% experiencing a moderate adverse impact. Using NSL and APSH there will be a negligible impact with the residual effect considered to be Negligible to Minor Adverse. When assessed cumulatively with other developments VSC levels impacts are marginally greater although no windows experience a major adverse impact and using APSH less than 10% of would experience a minor adverse impact. Using NSL impacts are the same as without the cumulative schemes.
- 727 Camber House the majority of assessed windows will experience a negligible or minor adverse impact based on VSC levels, with around 10% experiencing a moderate adverse impact. Two windows will experience a moderate adverse impact however both serve rooms with additional windows that retain in excess of 20%VSC. Using NSL there will be a negligible impact to the majority of assessed rooms with around 20% experiencing a minor impact. The residual impact is considered to be negligible to minor adverse. When assessed cumulatively with other developments using VSC the impacts are marginally greater with an additional three windows experiencing a major adverse impact. Using NSL impacts are the same and using APSH the impacts are broadly similar as without the cumulative schemes.

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- 728 Chilham House based on VSC levels, half of assessed windows will experience a minor adverse impact and half a major adverse impact. Using NSL the majority of assessed rooms will experience a moderate impact with 40% a major adverse impact although these are understood to be either small, non-habitable kitchens or bedrooms. The rooms facing the site are understood to be either small, heavily self-obstructed non-habitable kitchens or the second bedroom to a two-bedroom property with the other bedroom and living area are understood to face south, over the communal gardens to the rear. Overall the residual effect is considered to be minor to moderate adverse. When assessed cumulatively with other developments impacts are the same using VSC and NSL as without the cumulative schemes
- 729 Deal House using VSC around half the assessed windows in 1-14 Deal House would experience a negligible impact with the balance a minor adverse impact. Using NSL the majority of rooms experience a negligible impact with three a minor adverse and one a moderate adverse impact. Using APSH around half of the assessed windows would retain the BRE recommended level with the balance experiencing a minor adverse impact.
- 730 Eynsford House using VSC the majority of assessed windows in 1-20 Eynsford House would experience a minor adverse impact with the balance a minor adverse impact. Using NSL the majority of rooms experience a minor or moderate adverse impact with six rooms experiencing a major adverse impact.
- 731 Dover House using VSC the majority of assessed windows in 1-6 Dover House would experience a minor adverse impact with the balance a negligible impact. Using NSL all assessed rooms would experience a negligible impact. The effect to APSH would range from negligible to minor adverse, with the majority experiencing a negligible impact.
- 732 Otford House using VSC the majority of assessed windows in 1-24 Otford House would experience a minor adverse impact with two windows a moderate adverse impact and one window a major adverse impact. Using NSL the majority of assessed rooms would retain in excess of the BRE recommendations for NSL with the balance experiencing a minor or moderate adverse impact and one room a major adverse impact. Those experiencing a moderate or major adverse impact are all in selfobstructed locations.
- 733 Olive Tree House using VSC the majority of assessed windows in 1-12 Olive Tree House would experience a negligible impact with three windows a minor adverse impact. Using NSL all rooms would retain in excess of the BRE recommendations. Using APSH half of the assessed windows would retain in excess of the BRE recommendations and the balance experience a minor adverse impact.
- Aspen House using VSC half of assessed windows in 1-12 Aspen House would experience a negligible impact with two a minor adverse impact and four a moderate adverse impact. Using NSL all rooms would retain in excess of the BRE recommendations.
- 735 Lamberhurst House using VSC the majority of assessed windows in 1-24 Lamberhurst House would experience a minor or moderate adverse impact with the balance retaining in excess of the BRE recommendations. Using NSL the majority of assessed rooms would experience a minor adverse impact with the balance either retaining in excess of the BRE recommendations or a moderate adverse impact.
- 736 Scotney Hall and Sankofa Nursery would retain in excess of the BRE recommendations under each method of assessment.

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- 737 Properties to the east of the application site comprise those located off Mercury Way to the south of Surrey Canal Road in Bridge Meadows and Myers Lane. The proposed development will give rise to impacts ranging from negligible to major adverse depending on the property and method of assessment.
- 738 Bridge Meadows – assessed windows in 58-63 and 64-69 Bridge Meadows would experience a major adverse impact using VSC, with the majority of assessed rooms also experiencing a major adverse impact using NSL although it is understood that all rooms are bedrooms rather than living rooms. When assessed cumulatively with other developments impacts are the same as without the cumulative schemes. For 58-63, using APSH impacts are negligible to moderate adverse under both scenarios. For 27-38, 40-45, 46-49 and 50-57 Bridge Meadows under both scenarios impacts using VSC are moderate to major adverse with the majority of windows experiencing a major adverse impact. Using NSL the majority of rooms in 27-38 and 50-57 and all rooms in 40-45 and 46-49 experience a negligible impact with three rooms in 50-57 experiencing a major adverse impact. For 28-39, under both scenarios all rooms will experience a major adverse impact using VSC however using NSL impacts are negligible or minor adverse. For 10-18 under both scenarios using VSC impacts for the majority of winnows a negligible with moderate adverse impacts to the remainder and using NSL impacts for the majority of rooms are negligible.
- 739 Harrisons Court under both scenarios using VSC, assessed windows in 1-8 Harrison Court will experience a range of impacts from negligible to major adverse however using NSL all but one room will experience a negligible impact. Using APSH assessed rooms will experience a negligible or minor adverse impact. Windows in 9-16 will experience a range of impacts from negligible to major adverse with one window experiencing a major adverse impact and a similar impact when assessed cumulatively. Using NSL the majority of rooms will experience a moderate adverse impact however using APSH majority of rooms experience a negligible impact. The majority of windows in 17-24 Harrisons Court would experience a minor adverse impact using VSC, with rooms experiencing a negligible, minor or moderate adverse impact using NSL. Using APSH all windows will experience a negligible impact.
- 740 Sunbury Court using VSC and NSL, impacts to the majority of assessed windows and rooms in 1-12 are negligible with the balance experiencing a minor adverse impact and a similar impact when assessed cumulatively. For 13-16 and 17-24 impacts under both scenarios using VSC range from negligible to moderate adverse with one window in 17-24 experiencing a major adverse impact. Impacts using NSL are negligible with the majority of windows in 13-16 also experiencing a negligible impact although three will experience a moderate adverse impact. Impacts using APSH for all properties are negligible to minor adverse.
- 741 Grantley House using VSC impacts to assessed windows in 1-8 Grantley House range from negligible to major adverse, with the majority of assessed rooms experiencing a negligible impact using NSL except those in self-obstructed areas. Based on APSH, assessed windows would experience a minor adverse impact but with all assumed living rooms being served by a window meeting the BRE recommendation. For 9-12 Grantley House based on VSC impacts range from negligible to major adverse, with the majority of assessed windows experiencing a minor or moderate impact. Based on NSL, all assessed rooms meet the BRE recommendation with impacts assessed as negligible. Based on APSH half of the assessed windows would meet BRE recommendations and the balance would experience a minor adverse impact. For 13-24 Grantley House, the majority of assessed windows would experience a negligible or minor adverse impact based on VSC. Based on NSL, the majority of assessed rooms would experience a negligible or minor adverse impact with a small number of rooms experiencing a

Is this report easy to understand? Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/spad-us-feedback-on-our-reports</u> moderate adverse impact. All assessed windows would retain in excess of the default BRE recommendations for APSH.

- 742 Graham Court using VSC impacts to assessed windows in 1-18 Graham Court range from negligible to major adverse, with the majority of assessed windows experiencing a minor or moderate adverse impact and one a major adverse impact. Based on NSL all but one assessed rooms would experience a negligible impact. Based on APSH impacts on assessed windows ranges from negligible to moderate adverse.
- 743 Connell Court using each method, the impact on assessed windows and rooms in 13-20 Connell Court is negligible with all achieving the BRE recommended levels.
- 744 To the north of the application site are existing properties and those with planning permission located on Eugenia Road and Silwood Street.
- 745 15 Eugenia Road using VSC impacts to assessed windows range from negligible to major adverse, with the majority of assessed windows experiencing a moderate or major adverse impact all of which are in self-obstructed locations. Based on NSL all but one of the assessed rooms would experience a negligible impact. Based on APSH impacts on assessed windows ranges from negligible to moderate adverse.
- 746 39-41 Silwood Road – using VSC around half of assessed windows impacts would retain in excess of the BRE recommendations with the balance experiencing a minor adverse impact and two a moderate adverse impact all of which are in self-obstructed locations. Based on NSL all but three of the assessed rooms would experience a negligible impact and retain in excess of the BRE recommendations. Based on APSH impacts on assessed windows ranges from negligible to moderate adverse with the majority of assessed windows retaining in excess of the BRE recommendations. For 43 Silwood Street using VSC the majority of assessed windows impacts would experience a minor adverse impact with all but one window retaining in excess of the BRE recommendations. Those windows experiencing a minor or moderate adverse impact are in self-obstructed locations. Based on NSL the majority of assessed rooms would experience a negligible impact retaining in excess of the BRE recommendations with the balance experiencing a minor adverse impact. Based on APSH the majority of assessed windows would experience a negligible impact retaining in excess of the BRE recommendations with the balance experiencing a minor adverse impact and one a moderate adverse impact.

#### Overshadowing

Policy

747 The BRE Guidelines suggest that Sun Hours on Ground assessments should be undertaken on the equinox (21st March or 21st September) and it is recommended that at least half of a garden or amenity space area should receive at least two hours of sunlight on 21st March, or that the area which receives two hours of direct sunlight should not be reduced to less than 0.8 times its former value (i.e. there should be no more than a 20% reduction).

#### Discussion

748 On completion of the development it has been assessed that the effect of the proposed development on sunlight to Ilderton Primary School Playground, Pat Hickson Garden and Millwall Football Club pitch would be negligible, with each retaining in excess of the BRE recommended two hours of sunshine on 21st March. Accordingly it is considered

that the impact of the development in terms of overshadowing of amenity spaces adjacent to the site are acceptable.

### Solar Glare

- A series of indicative locations were chosen to consider potential solar glare effects to the immediately adjacent Network Rail operations: southbound and northbound approaches to South Bermondsey Station; the southbound approach to the rail junction to the north-east of Millwall FC stadium; the northbound approach along the eastern section of track approaching the rail junction to the north of South Bermondsey Station; the southbound and northbound approaches to the set of signals along the eastern section of track close to the junction of Silwood Street and Reculver Road; the northbound approach to the set of signals near the rail junction to the north east of Millwall FC stadium; the northbound approach to the set of signals near SELCHP; the southbound and northbound approaches to the set of signals near the eastern end of Rollins Street. The modelling assumed the detailed design for phase 1 and proposed anti-reflective glazing specification, with the illustrative buildings in the outline part of the application modelled based on a standard glazing type.
- 750 The assessment showed mainly negligible or minor adverse potential effects for 8 of the ten viewpoints assessed, with one potential moderate adverse effect (the northbound approach to the set of signals near the eastern end of Rollins Street) and one major adverse effect (the southbound approach to South Bermondsey Station). In respect of the potential major adverse effect this relates to the illustrative scheme, for which outline consent only is sought. The detailed design of these buildings, including their elevational treatment and glazing will be decided at a later stage and it is proposed that this potential glare will be addressed by design mitigation. Given that all relevant matters other than maximum and minimum building dimensions are reserved in respect of this part of the site this approach is considered acceptable. In respect of the potential moderate adverse effect, more detailed assessment has concluded that the incidence of solar glare would be obligue rather than coincident to the driver's line of sight and as a consequence would be less intense. The specified low reflectance glazing to be used on the building would mitigate the potential glare and overall the residual solar glare effect to the adjacent Network Rail operations is assessed as negligible.

### Daylight, sunlight and overshadowing conclusion

- 751 The impact of the proposed development on daylight and sunlight to properties adjoining the application site has been assessed in terms of the development itself and when taken cumulatively with other approved developments in the vicinity of the site. Given the amount of unbuilt land and the low rise nature of the few buildings occupying the application site the existing baseline conditions and the levels of daylight being received by surrounding residential properties are considered to be atypical for an inner urban site. Given this context and the scale of development proposed there will inevitably be a change from baseline levels of daylight and sunlight received by the surrounding residential properties following development and that the change will be permanent and adverse. The reduction in daylight and sunlight to properties is calculated to vary from negligible (i.e. the windows and rooms still achieve the relevant BRE recommended default levels) to major adverse, with the largest relative effects being to properties located close to the site and/or those featuring self-obstructing features such as balconies and overhangs.
- 752 The NPPF states that when considering applications for housing, authorities should take a flexible approach in applying policies or guidance relating to daylight and sunlight, where they would otherwise inhibit making efficient use of a site (as long as the resulting

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Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> scheme would provide acceptable living standards). The Mayor of London Housing SPG (March 2016) also advises that an appropriate degree of flexibility needs to be applied when using BRE guidelines to assess the daylight and sunlight impacts of new development on surrounding properties, as well as within new developments themselves. In particular, guidelines should be applied sensitively to higher density development, especially in Opportunity Areas, town centres, large sites and accessible locations. It is considered that given the location of the site, existing site conditions, and national and strategic guidance the impacts arising from the development are outweighed by the wider benefits that the proposed development will deliver.

- 753 An assessment has also been undertaken of sunlight to amenity areas, including those outside the application site such as Millwall Football Stadium and Ilderton Primary School with each retaining in excess of the BRE recommended two hours of sunshine on 21st March.
- An assessment of solar glare in respect of the rail lines that adjoin the site has identified potential impacts. The specification of low reflectance glazing to be used on the building would mitigate the potential glare and overall the residual solar glare effect to the adjacent Network Rail operations is assessed as negligible.

### 754.1.1 Noise and disturbance

Policy

- 755 PPG states LPAs should consider noise when new developments may create additional noise and when new developments would be sensitive to the prevailing acoustic environment.
- 756 A range of other legislation provides environmental protection, principally the Control of Pollution Act. It is established planning practice to avoid duplicating the control given by other legislation.
- 757 Construction and demolition activity can result in disturbance from among things noise, vibration, dust and odour. This can harm living conditions for the duration of construction. Since some disturbance is inevitable, such impacts are usually not considered to be material planning considerations. In certain circumstances, particularly large or complex works may require specific control by planning. Further guidance is given in the Mayor of London's The Control of Dust and Emissions during Construction and Demolition SPG (2014).

Discussion

758 Existing receptors used in the baseline of the assessment of noise and disturbance are generally residential properties located immediately adjacent to the application site including properties in Bridge Meadows, Rollins Street and Ilderton Road as well as Ilderton Primary School and the Christ Apostolic Church on Ilderton Road. Existing noise levels have also been taken at a number of locations within and adjacent to the application site including adjacent to SELCHP (selected to determine source noise levels due to operation of this facility) and within grounds of Millwall FC (selected to measure noise during a football match). The dominant noise source at the site originates from noise on the local road network, primarily from Surrey Canal Road and Ilderton Road and also from trains on the rail lines which border and pass through the Site. At night when other noise from road and rail sources are lower, noise from the SELCHP plant is audible. This has informed the design specification of new buildings on the site including external amenity areas.

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- 759 The assessment has included noise impacts from construction traffic (assuming vehicle routing via Ilderton Road) as well as from different construction activities such as demolition and construction. Construction hours are assumed to be Monday-Friday 8.00am-6.00pm, Saturdays 8.00am-1.00pm and no audible construction works on Sundays and public holidays unless prior consent is received from the Council. The ES forecasts a maximum of 180 HGV and 60 light vehicle movements (either a vehicle arriving or departing from the site) per day over the 15 year construction period construction period. This is the peak level and assumes that piling and limited concrete work has commenced whilst the reduced level excavation is completed and vehicle movements are likely to be much lower than this outside this stage of the construction process. Accordingly overall noise impacts from construction traffic has been assessed as negligible.
- 760 Noise levels are predicted to exceed the Lowest Observable Adverse Effect Level (LOAEL), the level above which adverse effects on health and quality of life can be detected, at properties on Ilderton Road south of Zampa Road, Rollins Street and Bridge Meadows during demolition and those immediately adjoining each phase of the development including occupiers of earlier phases as subsequent phases are built out. More particularly the Significant Observed Adverse Effect Level (SOAEL), the level above which significant adverse effects on health and quality of life occur, is only likely to be exceeded at Rollins House and 19-45 Bridge Meadows during demolition works, and Rollins House during construction of Phase 2. It should be noted that this assessment is based on worst case months and period of activity where, over the course of a working day, all plant are operational at all areas of all worksites. In practice it is likely that these predicted noise levels will only occur for limited periods of time when plant are operational closest to these receptors. However, given the proximity of Rollins House to the construction works additional noise monitoring and construction method details are proposed and to be secured under s.61 of the Control of Pollution Act 1974. The ES concludes that when taking into account the duration of the effect and the level by which the SOAEL is exceeded, the noise exposure is not significant. Consequently, overall the construction noise effects throughout the programme of works are assessed as not significant. Vibration from construction works are assessed as below LOAEL and considered to be not significant.
- 761 Operational noise will arise principally from traffic accessing the site and building services plant. Given the need for a high-quality acoustic environment in the auditorium (located in Phase 1) it is contended that event noise is considered unlikely to be audible at nearby receptors and accordingly the ES has not considered this as a noise source. Traffic noise is assessed as negligible and where access to existing industrial sites by HGVs is to be removed (such as Rollins Street) there is predicted to be a reduction in traffic noise. Design criteria for fixed plant has been set at 10 dB below the background noise level, which is defined as equivalent to the No Observed Adverse Effect Level (NOAEL)
- 762 Cumulatively with other approved developments in the wider area construction and operational noise and vibration impacts are assessed as negligible. The wider Surrey Canal Triangle masterplan includes the expansion of Millwall FC stadium and surrounding development and construction works related to this development has the potential to impact on Phases 1, 4 and 5 of the current application scheme if they are completed and occupied while construction works are ongoing. This would need to be managed by an appropriate construction management plan to address potential adverse levels of noise and vibration emissions from construction activities and on that basis the ES considers the potential noise and vibration impacts from development of the wider Surrey Canal Triangle site on the proposed development are unlikely to be significant. The expansion of stadium may result in an increase in spectator capacity and a higher

Is this report easy to understand? Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> number of attendees to matches. Accordingly, future noise conditions on matchdays may be different to those defined in baseline noise assessment used in the ES and this will need to be taken into account in any planning applications for development of the stadium.

### Impact on neighbours conclusion

- Given the scale of the proposed development neighbouring properties will be impacted both during construction as well as on completion of the development. Impacts during construction will principally be noise from construction work although this will be limited in duration and measures to mitigate impacts will be secured through an agreed Construction Management Plan. Impacts on completion arise principally in terms of daylight and sunlight to windows and rooms in properties neighbouring the site. Existing buildings on the site are generally low-rise, with parts undeveloped, and as a consequence properties neighbouring the site currently experience atypical daylight and sunlight levels for an inner urban location. Development of the scale proposed will give rise to a loss of daylight and sunlight from existing ranging from negligible (i.e. BRE recommendations in terms of daylight and sunlight to windows and rooms are achieved) to major adverse.
- The impact of the development in terms of daylight and sunlight has been assessed in detail and is summarised above. The impacts are permanent and adverse. Whilst the design aim has been to mitigate the adverse effects as best possible, by the location and design of the proposed buildings, the scale of development and change proposed inevitably gives rise to impacts that cannot be mitigated. The 2012 and 2015 outline planning permissions approved the principle of major redevelopment of the application site and it is considered that significant weight should be given to the regeneration benefits of the development including the delivery of new homes when assessing the inevitable impacts of redeveloping an under-utilised and generally low-rise former industrial site in an inner urban location. On balance and in the circumstances it is considered that the impact on neighbours is acceptable.

### 764.1 SUSTAINABLE DEVELOPMENT

General Policy

- 765 NPPF paragraph 152 sets an expectation that planning will support transition to a low carbon future. This is reflected in relevant policies of the London Plan and the Local Plan.
- 766 London Plan policies require developments to meet the highest standards of sustainable design, including the conservation of energy and water; ensuring designs make the most of natural systems and the conserving and enhancing the natural environment.
- 767 CS Objective 5 sets out Lewisham's approach to climate change and adapting to its effects, and the London Plan approach is reflected in CSP 7 'Climate change and adapting to the effects' and CSP 8 'Sustainable design and construction and energy efficiency' which states that the Council will explore opportunities to improve the energy standards and other sustainability aspects involved in new developments and that it will expect all new development to reduce CO2 emissions through a combination of measures including maximising the opportunity of supplying energy efficiently by prioritising decentralised energy generation for any existing or new developments and meet at least 20% of the total energy demand through on-site renewable energy.
- 768 CSP 8 requires non-residential development to achieve a minimum of Building Research Establishment Environmental Assessment Method 'Excellent' standard.
- 769 DMP 22 'Sustainable design and construction' provides further guidance in terms of how all developments will be required to maximise the incorporation of design measures to maximise energy efficiency, manage heat gain and deliver cooling.

# 769.1.1 Energy and carbon emissions reduction

Policy

- 770 LPP SI2 'Minimising greenhouse gas emissions' sets out energy strategy requirements for major development proposals, LPP SI3 'Energy infrastructure' sets out requirements for energy infrastructure, and LPP SI4 'Managing heat risk' sets out requirements to manage heat risk.
- TT1 LPP SI2 states that major development proposals should be net zero-carbon which means reducing greenhouse gas emissions in operation and minimising both annual and peak energy demand in accordance with the following energy hierarchy: (1) be lean: use less energy; (2) be clean: supply energy efficiently; (3) be green: maximise opportunities for renewable energy; and (4) be seen: monitor, verify and report on energy performance. The policy requires a minimum on-site reduction of at least 35 per cent beyond Building Regulations for major development and where it is clearly demonstrated that the zero-carbon target cannot be fully achieved on site, any shortfall should be provided through a cash in lieu contribution to the borough's carbon offset fund or provided off-site.
- 772 CSP 8 'Sustainable design and construction and energy efficiency' seeks to minimise the carbon dioxide (CO2) emissions of all new development and encourages sustainable design and construction to meet the highest feasible environmental standards.

- 773 DMP 22 'Sustainable design and construction' requires all developments to maximise the incorporation of design measures to maximise energy efficiency, manage heat gain and deliver cooling using the published hierarchy.
- 774 CS Strategic Site Allocation 3 Surrey Canal Triangle allocates the 10.74ha Surrey Canal Triangle site for mixed use development and identifies that development should take opportunities to use energy generated by the South East London Combined Heat and Power Station (SELCHP) for district heating or other suitable sources of decentralised energy.

#### Discussion

- 775 The application is supported by an Energy and Sustainability Statement that sets out the overall vision for a sustainable development. This includes achieving a zero carbon development through energy efficient design, low carbon heating with connection to SELCHP and local carbon offsetting; the use of SMART energy metering for all residents; incorporating water efficient fittings & design solutions, including rainwater harvesting and used within non-potables uses on site; a holistic flood risk and drainage design integrated into the natural environment increases site resilience to climate change; a net bio-diversity gain across the full build out; achieving BREEAM 'Excellent' for all major non-residential spaces, including community, leisure, retail and office uses; a vacuum driven waste collection system to reduced traffic through the s; as well as softer measures such as a landscape led design that enables easy access to green spaces, helping people to relax and improving mental health and a range of transport connections to promote an active community, improving mental and physical wellbeing of the wider community.
- 776 In terms of overall CO2 emissions, using SAP 10 carbon factors Phase 1 of the residential element of the development is calculated to achieve a 75% reduction in regulated CO2 emissions from the Building Regulations 2013 Part L compliance baseline figure and the non-residential a 37% reduction. Phase 2-5 is calculated to achieve a 75% in regulated CO2 emissions from the baseline figure for the residential and a 52% reduction for the non-residential.

Be Lean

- 777 It is calculated that through various demand reduction measures Phase 1 residential will achieve a 5% reduction in CO2 from the baseline (16% for the non-residential) with Phase 2-5 achieving a 16% and 11% reduction respectively. Measures to achieve this comprise improved building fabric and air tightness improvements over a notional Part L compliant scheme; energy efficiency measures including high thermal massing, mixed-mode ventilation for the podium and openable windows for the non-residential spaces; communal heat generation via gas boilers; and localised cooling of residential and non-residential buildings.
- LP Policy SI2 states that residential development should achieve a 10% reduction in CO2 emissions through energy efficiency measures, and non-residential development a 15% reduction however the proposed development does not achieve this for the Phase 1 residential. In response the Applicant has sought to justify this by reference to the design challenge of needing to balance overheating and the internal noise conditions for residents. They note that by adopting a higher G-value for the glazing system in the modelling and taking into account the advantage of solar gains provided in winter and thereby reducing heating loads Phase 1 could achieve a 10% reduction. However it there would be an overheating risk in summer which would rely on opening windows to mitigate that risk. This would negatively affect the acoustic conditions in the residential units due to the background noise levels surrounding the site. To address this, cooling

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- 779 The GLA have re-stated that they expect schemes to meet the minimum 10% improvement from energy efficiency measures and that the Applicant should model additional energy efficiency measures to meet this target. The Applicant has responded that the removal of cooling from apartments would further increase the 'Be Lean' improvements and the feasibility of acoustic windows is to be explored to establish whether both the overheating and noise criteria can be met without the requirement for cooling thereby removing the cooling requirement in these spaces and the associated energy demand.
- 780 In respect of Phases 2-5 the GLA has recommended a condition be imposed that requires reserved matters applications to demonstrate a minimum 15% Be Lean reduction in regulated CO2 emissions compared to a 2013 Building Regulations compliant development for the non-residential space.

Be Clean

- 781 It is calculated that through heat generated by SELCHP, and with the site connected via district heat network (DHN), Phase 1 will achieve an additional 69% reduction in CO2 from the baseline. The residential units are calculated to achieve a 73% reduction (30% for the communal areas) and the auditorium a 28% reduction contributing to an overall 21% reduction for the non-residential. Phase 2-5 is calculated to achieve a 59% and 41% reduction respectively.
- 782 The proposed connection to the SELCHP DHN will contribute the majority of the CO2 emission reductions achieved by the development with the expectation that heat demand for all phases of the proposed development will be supplied via this network. However, the existing DHN is not routed via the application site and therefore the energy strategy is dependent on the provision of the required infrastructure linking SELCHP with the site and individual plots.
- A connection to SELCHP is considered to be an appropriate solution however whilst discussions have taken place between the Applicant and SELCHP to determine the viability of the connection commercial terms have not yet been agreed. Accordingly, should this application be approved it is proposed that a condition is included that should the connection to SELCHP become available after, but within 5 years of first occupation a temporary gas boiler solution should be proposed. Should the SELCHP connection be available more than 5 years after occupation an alternative on-site low carbon solution should be proposed.
- 784 In the event that SELCHP is not available for future phases the GLA recommend that an alternative site wide heat network would need to be provided and a condition imposed requiring reserved matters applications include detail confirming the development is designed to allow future connection to a district heating network.

Be Green

785 The submitted Energy Strategy does not propose any renewable energy technologies for the residential units. This has subsequently been reviewed and the Applicant has identified the opportunity for PV panels at roof level however this is limited by chiller and pump units to a maximum 174m2.

- 786 The GLA recommend that a condition be imposed requiring the reserved matters applications include a detailed roof layout demonstrating that the roof's potential for a PV installation has been maximised.
- Given the overall CO2 reduction that the scheme is calculated to achieve, subject to a connection to SELCHP and the limited scope to incorporate PV and other renewables into the design of Phase 1 it is considered that the provision of 174m2 of PV panels in Phase 1 and a commitment to further explore opportunities to incorporate renewables into future phases is considered acceptable.

#### Carbon Offset

- The proposed Energy Strategy seeks to minimise CO2 emissions as much as technically feasible and financially viable however there are remaining carbon emissions after the proposed 'Lean', 'Clean' and 'Green' measures have been implemented. For Phase 1 this amounts to a total of 209 tonnes of CO2 per year to be offset when the CO2 emission reductions achieved for the residential and non-residential space combined. For Phases 2-5 this amounts to 1,187 tonnes per year.
- 789 It is therefore proposed to offset any shortfall in CO2 reductions through a cash-in-lieu payment to the Council. Based on the Council's adopted carbon price of £104/tonne over a 30 year period that amounts to a carbon offset payment of £654,264 for Phase 1. Payments due for Phases 2-5 will need to be reviewed at reserved matters application stage in the light of more detailed analysis and applying up to date carbon factors.

#### Whole life-cycle carbon

Policy

790 LPP SI2 'Minimising greenhouse gas emissions' states that development proposals referable to the Mayor should calculate whole life-cycle carbon emissions through a nationally recognised Whole Life-Cycle Carbon Assessment and demonstrate actions taken to reduce life-cycle carbon emissions. The GLA has released draft guidance and a reporting template.

#### Discussion

- 791 In accordance with London Plan policy the Applicant submitted a Whole Life-Cycle Carbon Assessment and following review by the Council's Sustainability Officer and the GLA additional information has been submitted to address the matters raised. The assessment covers a range of 'modules' relating to different stages of a project over an assumed 60 year life cycle, covering product sourcing and construction (Module A1 – A5), in use (Module B1 – B7), end of life (Module C1 – C4) and benefits and loads beyond the system boundary (Module D).
- 792 New developments should aim to meet London Energy Transformation Initiative (LETI) 2020 design and construction targets in order to contribute to shifting the average carbon performance of the built sector and to meet future embodied carbon targets. The assessment shows that the embodied carbon performance of the development for Modules A C is comparable to benchmark values for current 'average design' residential development and comparable to a LETI rating of 'E'. This is in excess of the GLA aspirational target and the LETI 2020 target of 'C'. Whilst the Phase 1 Stage 2 design of the proposed development does not currently achieve these higher targets the Applicant contends that given each tower is a 32-storey new-build which sits above an

Is this report easy to understand? Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> auditorium that requires transfer structures and long structural spans the rating is reasonable. Given the high embodied carbon impact arising from the characteristics of the development, the design team has sought to optimise the structural form to reduce the embodied carbon intensity of the development.

793 The embodied carbon of the materials represents 54% of the total whole life cycle (embodied and operational) carbon footprint of the proposed development without grid decarbonisation and therefore a design decision was taken to reduce material quantities with a particular focus on the use of concrete which accounts for over 45% of the cradle to gate impacts and using low carbon specifications for concrete and steel. It is considered that there is significant scope for embodied carbon reduction through material specification and this should be explored in the next design stages and secured by planning condition.

### 793.1.1 Circular Economy

Policy

794 Policy SI7 'Reducing waste and supporting the circular economy' of the London Plan requires development applications that are referable to the Mayor to submit a Circular Economy Statement, whilst Policy D3 'Optimising site capacity through the design-led approach' requires development proposals to integrate circular economy principles as part of the design process. The GLA has released draft guidance on how to prepare Circular Economy Statements and a 'Design for a circular economy' Primer that explains the principles and benefits of circular economy projects.

#### Discussion

- 795 In accordance with London Plan policy the Applicant submitted a Circular Economy Statement and following review by the Council's Sustainability Officer and the GLA additional information has been submitted to address the matters raised. The Statement sets out the circular economy approach to the development including designing for flexibility and adaptability, longevity and reusability. The document adopts the London Plan targets of 95% reuse/recycling/recovery of construction and demolition waste and diversion from landfill at end of life. In respect of municipal waste it adopts a target of 65% re-use, recycle or recover with the use of the Envac waste collection system. The supplementary information also specifies a minimum 20% target (by value) for recycled content in building materials.
- 796 In accordance with the GLA guidance the supplementary information provides a 'Bill of materials' which estimates the quantity and material intensity of each of the main construction elements from substructure to external works and including superstructure (e.g. frame, floors, roof, stairs, walls, windows) and services (mechanical, electrical and plumbing). It is proposed that following grant of planning permission a fully detailed report update will be prepared when a further level of detail of information is available from the design team, and additional workshops have been carried out to detail targets and commitments relating to materials and techniques. A post-completion report will also be prepared with an updated Circular Economy Statement when the proposed development is at full build out including reporting on the targets, commitments and outcomes that have been achieved supported where necessary with evidence, including audits, correspondence, record drawings and images, specifications and product certifications. It is proposed that the commitment to produce this update will be secured via a planning condition.

797 The Applicant has submitted an updated Circular Economy Statement and has set appropriate targets for recycled content. Subject to securing the relevant post-completion assessment and updates it is considered that the development conforms with GLA guidance on this matter.

#### 797.1.1 Overheating

Policy

- 798 LPP SI4 'Managing heat risk' states that development proposals should minimise adverse impacts on the urban heat island through design, layout, orientation, materials and the incorporation of green infrastructure, and confirms that major development proposals should demonstrate through an energy strategy how they will reduce the potential for internal overheating and reliance on air conditioning systems in accordance with the identified cooling hierarchy.
- 799 DMP 22 'Sustainable design and construction' reflects regional policy.

#### Discussion

- 800 As part of the Energy and Sustainability Statement the Applicant has identified measures to reduce demand for cooling based on the cooling hierarchy set out in the London Plan. The submitted Statement has been reviewed by the Council's Sustainability Officer and the GLA and additional information has been submitted to address the matters raised.
- 801 The overheating and cooling strategy has been modelled under different weather conditions (moderately warm summer; short intense warm spell; long less intense warm spell) to identify risk of overheating. The GLA guidance states that it is expected that developments will meet the relevant compliance criteria under the first scenario and the Applicant has demonstrated that this can be achieved. However under the other two more extreme weather conditions a majority of spaces were not able to achieve compliance through passive measures alone.
- 802 The GLA guidance states that where compliance cannot be achieved the applicant must demonstrate that the risk of overheating has been reduced as far as practical and that all passive measures have been explored, including reduced glazing and increased external shading. The applicant should also outline a strategy for residents to cope in extreme weather events (e.g. use of fans) and they should commit to providing guidance to residents on reducing the overheating risk in their home in line with the cooling hierarchy.
- 803 In response to the general overheating risk the Applicant has identified a range of measures to reduce this risk. Based on the cooling hierarchy this includes (i) reducing the amount of heat entering the building such as through the incorporation of winter gardens/balconies to the residential facades providing passive solar shading; (ii) minimising internal heat generation by energy efficient design such as the positioning of residential units and vertical riser to minimise horizontal pipe runs and insulating heating and hot water distribution pipes; (iii) incorporating passive ventilation with opening windows and balcony doors to residential units to meet purge ventilation requirements in line with the Building Regulations and to improve thermal comfort; (iv) the provision of active cooling systems through mechanical ventilation with heat recovery (MVHR) designed and sized to meet whole unit background ventilation requirements

- 804 Whilst openable windows to allow purge ventilation forms the basis of the overheating modelling it is relevant to note that given the acoustic conditions in the area both acoustic and thermal comfort may not be achievable simultaneously with windows open. As a result mechanical cooling is provided to the flats to provide occupants with a choice on how to cool the space.
- 805 The GLA guidance acknowledges that meeting the compliance criteria using the more extreme weather conditions is challenging although it is expected that in the majority of cases a significant proportion of spaces will be able to achieve compliance if passive measures are fully exploited. In this case various measures have been proposed based on the cooling hierarchy however given local conditions, in the event of overheating active cooling systems are proposed to achieve comfort levels. In the circumstances it is considered that reasonable steps have been taken to reduce risk of overheating and that the proposed methods are acceptable.

### 805.1.1 Urban Greening

Policy

- 806 LPP G1 'Green infrastructure' states that development proposals should incorporate appropriate elements of green infrastructure that are integrated into London's wider green infrastructure network. LPP G5 'Urban greening' states that major development proposals should contribute to the greening of London by including urban greening as a fundamental element of site and building design, and by incorporating measures such as high quality landscaping, green roofs, green walls and nature-based sustainable drainage.
- 807 CSP 7 'Climate change and adapting to the effects' expects urban greening and living roofs as part of tackling and adapting to climate change. DMP 24 'Biodiversity, living roofs and artificial playing pitches' requires all new development to take full account of biodiversity and sets standards for living roofs.

### Urban greening factor

- 808 LPP G5 'Urban greening' identifies that development should contribute towards urban greening, with a target Urban Greening Factor (UGF) of 0.4 recommended for developments that are predominately residential. The UGF is calculated on the basis of a weighting given to different surface finishes ranging from hard and soft landscaping through to intensive and extensive green roofs on a development. The aggregate of the areas multiplied by the weighting is then divided by the total site area to provide a UGF for a development scheme.
- 809 The UGF for Phase 1 incorporates a landscaping scheme that seeks to maximise the level of urban greening that can be achieved however the development only achieves a score of 0.2 rather than the policy target of 0.4. A preliminary calculation for Phases 2-5 indicate a similar score.
- 810 The Applicant notes that due to significant areas of infrastructure and hard surfaces across the development (including roads and public footpaths as well as rooftop plant) it is very difficult to achieve a higher UGF score for Phase 1. A review of opportunities for additional green space at roof level has the potential to increase the score to 0.24. In mitigation they contend that the proposed landscaping will provide a significant increase in the biodiversity value of the site and achieve a net gain in excess of 10%. This is considered below under 'Natural Environment'.

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Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/spad-us-feedback-on-our-reports</u> 811 The UGF score is a target rather than statutory requirement and whilst the score for Phase 1 is considerably below this target it considered that the constraints of the site and site conditions limit the potential to increase this beyond the provision of more extensive green roofs as proposed by the Applicant.

# Living roofs

- 812 Phase 1 of the development incorporates living roofs and an area of living walls. The living roofs would be primarily at the podium level between the three towers on the landscaped terraces providing areas of planting with a substrate of a minimum settled depth of 150mm. Following comments from the Council's Ecology Officer and the GLA the potential for roof top planting has been explored and could provide additional areas of green roof although this is limited by rooftop mechanical equipment.
- 813 In addition to the ground level landscaping and planting on terraces at the lower levels of the buildings, trellis structures are located at the edge of the podium as part of the wind mitigation. Based on a modular system or climbers rooted in soil this will provide areas of vertical planting.
- 814 Given the form of the buildings and nature of the development the scope for including living roofs is limited and it is considered that this has been optimised in Phase 1. Opportunities for more extensive living roofs in Phases 2-5 will be explored when reserved matters applications for these phases are progressed.

Type of Living Roof/Wall	Size of Living Roof/Wall (m2)
Intensive green roof or vegetation over structure	1,090.0
Green wall	62.5
Total	1,152.5

# Table 10: Living Roof Provision (Phase 1)

## 814.1.1 Flood Risk

Policy

- 815 NPPF paragraph 159 expects inappropriate development in areas at risk of flooding to be avoided by directing development away from areas at highest risk. Paragraph 166 states development should only be allowed in areas at risk of flooding where mitigation measure can be included.
- 816 LPP SI12 'Flood risk management' requires development proposals to ensure that flood risk is minimised and mitigated, and that residual risk is addressed.
- 817 CSP 10 'Managing and reducing the risk of flooding' requires developments to result in a positive reduction in flooding to the Borough.

#### Discussion

## Tidal and river flood risk

- 818 The Environment Agency Flood Zone map shows the application site is protected by the River Thames tidal flood defences up to a 1 in 1000 (0.1%) chance in any year however the site is at risk if there was to be a breach in the defences. Should the defences be breached the site is within Flood Zone 3a, defined as an area with a 1% (1 in 100) or greater annual probability of river flooding, or a 0.5% (1 in 200) or greater annual probability of flooding from the sea in any given year.
- 819 Whilst the risk of flooding from rivers or the sea in Flood Zone 3a is classified as high, due to the River Thames flood defences the Phase 1 site is at very low risk of flooding from river or the sea. For Phases 2-5 the modelling shows that for the year 2100 a breach upstream of the Phase 1 site would cause flooding to approximately half of the site however the overall risk of flooding due to a breach in the river wall is considered low
- All 'more vulnerable' residential accommodation will be situated at the first floor level and above within Phase 1 of the development and all finished floor levels (excluding basement levels and connecting ramps) within Phase 1 of the development will be situated above the modelled breach flood level of 1.72mAOD. In Phases 2-5 finished floor levels for all 'more vulnerable' residential accommodation will be set above the modelled breach flood level.
- 821 The Environment Agency raise no objection to the application on flood risk grounds subject to conditions. They also recommend that flood resistant and resilient measures are incorporated in to the design and construction of the development proposals, where practical considerations allow.

# Surface water flood risk

822 The Environment Agency surface water flood map indicates that the majority of the site is classified as having a very low probability of surface water flooding (<1% chance in any given year) however there are a few areas with higher probabilities of surface water flooding (>1% chance in any given year) that correspond to localised depressions in the topography within the site, particularly along Bolina Road and in places along Surrey Canal Road. The majority of Phase 1 is classified as having a very low risk of flooding from surface water, with only small areas of medium risk in the north of the site and of low risk where the proposed auditorium and foyer will be located.

## Ground water flood risk

823 The site is situated in an area at risk from groundwater flooding of property situated below ground level with records indicating that groundwater may be encountered at between -2mAOD to -4.2mAOD. However, no historical ground water flooding incidents have been recorded on the site and the risk of flooding from groundwater is assessed as being low.

## 823.1.1 Sustainable Drainage

Policy

824 NPPF paragraph 168 expects major development to incorporate sustainable drainage systems (SuDS) unless there is clear evidence that this would be inappropriate.

- 825 LPP SI13 'Sustainable drainage' states that development proposals should aim to achieve greenfield run-off rates and ensure that surface water run-off is managed as close to its source as possible, in line with the identified drainage hierarchy.
- 826 CSP 10 'Managing and reducing the risk of flooding' requires applicants demonstrate that the most sustainable urban drainage system that is reasonably practical is incorporated to reduce flood risk, improve water quality and achieve amenity and habitat benefits.
- 827 Further guidance is given in the London Sustainable Drainage Action Plan, the Non-Statutory Technical Standards for Sustainable Drainage Systems and CIRIA C753 The SuDS Manual.

#### Discussion

- 828 The surface water runoff from the development will be designed to be restricted to three times the greenfield run off rate for the site. An allowance of 40% for climate change is employed. This reduction will be achieved in part by the incorporation of soft landscaping into what is currently an intensive urban environment and also by incorporation of SUDS techniques, including green roofs, rainwater harvesting and underground attenuation. Collection of external surface water run-off will be through the use of a series of gullies, linear drains and pipes connecting into the below ground drainage system. This run-off will drain through catchpits and trapped channel outlets with slit buckets to prevent sediments and contaminants from entering the downstream SUDS features. Surface water from the external streetscape and public realm will be attenuated through SUDS features such as rain gardens, permeable paving, filter trenches / drains, and underground attenuation.
- 829 The surface water drainage strategy proposes three times greenfield runoff rates for the drainage of building roofs and greenfield runoff rates to external areas at ground level. Whilst it is acknowledged that this does not comply with LPP SI13 with respect to runoff rates, the strategy has been agreed with Thames Water and with Lewisham as Lead Local Flood Authority.

## 829.1.1 Water infrastructure

## Policy

830 LPP SI5 'Water infrastructure' states that development proposals should minimise the use of mains water, achieve at least the BREEAM excellent standard for commercial development, incorporate measures to help achieve lower water consumption, ensure that adequate wastewater infrastructure capacity is provided, and minimise the potential for misconnections between foul and surface water networks.

#### Discussion

831 Thames Water has identified strategic water mains crossing the application site. They raise no objection to the application subject to a condition that no construction shall take place within 5m of the water main and that where the developer intends to divert the asset / align the development so as to prevent the potential for damage to subsurface potable water infrastructure, details must be submitted to and approved in writing by the local planning authority in consultation with Thames Water. Where development is located within 15m of a strategic water main Thames Water request that a condition be added to any planning permission that no piling shall take place until a piling method

**Is this report easy to understand?** Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us\_feedback-on-our-reports</u> statement has been submitted to and approved in writing by the local planning authority in consultation with Thames Water.

- 832 Thames Water has identified an inability of the existing water network infrastructure to accommodate the needs of the proposed development. They raise no objection to the application subject to a condition that no development shall be occupied until confirmation has been provided that either: (i) all water network upgrades required to accommodate the additional flows to serve the development have been completed; or (ii) a development and infrastructure phasing plan has been agreed with Thames Water to allow development to be occupied.
- 833 Thames Water advise that they have been unable to determine the waste water infrastructure needs of the proposed development however they raise no objection to the application subject to a condition that no development shall be occupied until confirmation has been provided that either (i) capacity exists off site to serve the development; or (ii) a development and infrastructure phasing plan has been agreed with the Local Authority in consultation with Thames Water.

## 833.1.1 Sustainable Infrastructure conclusion

834 The proposed development has been designed to mitigate against risks due to flooding and subject to the flood resistant and resilient measures being incorporated into the design and construction of the development the proposals are considered acceptable. Sustainable urban drainage measures have been progressed in discussion with the Council as LLFA and are considered acceptable. Details regarding water infrastructure and supply are subject to conditions. Overall it is considered that in respect of sustainable infrastructure the proposals are acceptable.

## 834.1 NATURAL ENVIRONMENT

General Policy

- 835 Contributing to conserving and enhancing the natural environment and reducing pollution is a core principle for planning.
- 836 The NPPF (Chapter 15) and NPPG promote the conservation and enhancement of the natural environment and set out several principles to support those objectives.
- 837 The NPPF at paragraph 185 states decisions should ensure that new development is appropriate for its location taking into account the likely effects (including cumulative effects) of pollution on health, living conditions and the natural environment, as well as the sensitivity of the site or wider area to impacts that could arise from the development.
- 838 LPP G1 'Green infrastructure' sets out the vision for green infrastructure as a multifunctional network that brings a wide range of benefits including among other things biodiversity, adapting to climate change, water management and individual and community health and well-being.

# 838.1.1 Ecology and biodiversity

Policy

- 839 Section 40 of the Natural Environment and Rural Communities Act 2006 places a duty on all public authorities in England and Wales to have regard to the purpose of conserving biodiversity.
- 840 NPPF paragraph 174 states decisions should minimise impacts on and provide net gains for biodiversity, including by establishing coherent ecological networks that are more resilient to current and future pressures. NPPF paragraph 180 sets out principles which LPAs should apply when determining applications in respect of biodiversity.
- 841 LPP G6 'Biodiversity and access to nature' states that Sites of Importance for Nature Conservation (SINCs) should be protected, that proposals that create new or improved habitats that result in positive gains for biodiversity should be considered positively, and that development proposals should aim to secure net biodiversity gain.
- 842 CSP 12 'Open space and environmental assets' seeks to preserve or enhance local biodiversity. DMP 24 'Biodiversity, living roofs and artificial playing pitches' requires all new development to take full account of biodiversity in development design, ensuring the delivery of benefits and minimising of potential impacts on biodiversity.
- 843 The railway embankments to the east and west of the application site are identified as Sites of Importance for Nature Conservation under CSP 12. Bridgehouse Meadows is identified as part of a Green Chain under CSP 12 which continues north east along the railway line from the proposed new station through to the Silwood Estate.

Discussion

844 The existing site is largely built infrastructure and hard surfaces but with trees and grass verges along Surrey Canal Road and the site is fringed on two sides by railway embankments. There are no statutory designated sites of nature conservation importance within or adjacent to the site however there are Sites of Importance for Nature Conservation (SINC) at Bridgehouse Meadows immediately to the south and the

# Is this report easy to understand?

Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> South Bermondsey Railway Embankments and the Senegal Railway Banks located adjacent to the site.

- 845 In terms of protected species, none of the trees or buildings within the site were identified as having features to support roosting bats. Historic surveys (in 2011) recorded bat activity close to the railway line to the north west of the site and the trees and scrub associated with the railway embankments offer limited potential foraging and navigational opportunities to bats. Trees within the Site, such as those on Surrey Canal Road are considered to be of very limited value to bats given their exposed location. There is no evidence for the presence of badgers on the site.
- 846 Landscaping of the site is predominately hard surfaces with more than 5 ha of hard landscaping compared to less than 1 ha natural surface and green roofs. In addition existing features that provide some connectivity between the SINCs are mostly proposed to be removed (e.g. trees and tree groups by Surrey Canal Road and by the railway corridor in Phase 2). The proposed soft landscaping is generally fragmented which limits connectivity across the site and with surrounding habitats.
- 847 Given the scale, density and characteristics of the proposed development as well as the nature of the surrounding uses and activity, including the operational needs of Millwall FC, it is considered that opportunities for extensive soft landscaping and natural surfaces is limited. It is proposed that bat and bird boxes are erected on retained trees within the site and on new buildings to provide roosting and nesting opportunities and new and retained trees will provide foraging opportunities. Adjacent to the site is Bridgehouse Meadows, a Site of Importance for Nature Conservation, and it is proposed that a financial contribution is secured towards improvement, management and maintenance of this space and to enhance the wider ecological and nature conservation value of the area.
- 848 The proposals seek to limit and mitigate the loss of existing green infrastructure and provide a robust landscaping solution that balances operational needs with supporting ecological and biodiversity objectives. Given the characteristics of the proposed development, the nature of the other uses within the site allocation, proposed ecological enhancements and the funding of works to improve Bridgehouse Meadows the proposals are considered acceptable.
- 848.1.1 Trees

Policy

- 849 NPPF paragraph 131 recognises that trees make an important contribution to the character and quality of urban environments, and can also help mitigate and adapt to climate change. It states that planning decisions should ensure that new streets are tree-lined, that opportunities are taken to incorporate trees elsewhere in developments, that appropriate measures are in place to secure the long-term maintenance of newly-planted trees, and that existing trees are retained wherever possible.
- 850 LPP G7 'Trees and woodlands' states that development proposals should ensure that, wherever possible, existing trees of value are retained, and if the removal of trees is necessary there should be adequate replacement based on the existing value of the benefits of the trees removed, based on an appropriate valuation system. The planting of additional trees should generally be included in new developments, particularly largecanopied species which provide a wider range of benefits.

851 CS Strategic Site Allocation 3 – Surrey Canal Triangle allocates the 10.74ha Surrey Canal Triangle site for mixed use development and identifies that development should enhance Bridge House Meadows, and provide appropriate amenity open space within the development including children's play space to provide health and recreational opportunities for new residents.

## Discussion

- 852 86 individual trees and 18 tree groups have been identified within the boundary of the site or adjacent to the site boundary. The application proposes the removal of a number of individual trees, primarily along Surrey Canal Road and on Rollins Street as well as tree groups along Surrey Canal Road and along the eastern edge of Excelsior Works adjacent to the new Overground station. Within Phase 1 five trees are to be removed, four to allow for the construction of an access road along the eastern side of the site and one due to the proximity of proposed buildings. Six existing trees are to be retained and 11 new trees are to be planted within the proposed terracing.
- 853 The majority of the trees it is proposed are removed are a mix of maple, lime and elder, generally Grade B and C, located in a narrow grass verge on Surrey Canal Road and in the pavement along Rollins Street (where they obstruct the footpath). These trees are located within Phase 2 and 3 of the proposed development where the proposals are submitted in outline. It is considered that the need to remove these trees should be reassessed when detailed proposals are submitted as part of a future reserved matters application. Accordingly the Tree Removal Plan is not recommended for approval other than in respect of Phase 1.

## 853.1.1 Ground pollution

Policy

- 854 Failing to deal adequately with contamination could cause harm to human health, property and the wider environment (NPPG). The NPPF at paragraph 174 states decisions should among other things prevent new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by, unacceptable levels of soil pollution. Development should help to improve local environmental conditions.
- 855 The NPPF states decisions should contribute to and enhance the natural and local environment by remediating and mitigating contaminated land, where appropriate (paragraph 174). Furthermore, NPPF paragraph 183 and NPPG states decisions should ensure a site is suitable for its proposed use taking account of ground conditions and any risks arising from contamination.
- 856 DMP 28 'Contaminated land' provides the policy basis for assessing development proposals in terms of site contamination.
- 857 Contaminated land is statutorily defined under Part 2A of the Environmental Protection Act 1990 (EPA). The regime under Part 2A does not take into account future uses which need a specific grant of planning permission. To ensure a site is suitable for its new use and to prevent unacceptable risk from pollution, the implications of contamination for a new development is considered by the LPA. The test is that after remediation, land should not be capable of being determined as "contaminated land" under Part 2A of the EPA.

- 858 If there is a reason to believe contamination could be an issue, developers should provide proportionate but sufficient site investigation information (a risk assessment) to determine the existence or otherwise of contamination, its nature and extent, the risks it may pose and to whom/what (the 'receptors') so that these risks can be assessed and satisfactorily reduced to an acceptable level. DEFRA has published a policy companion document considering the use of '<u>Category 4 Screening Levels</u>' in providing a simple test for deciding when land is suitable for use and definitely not contaminated land.
- 859 The risk assessment should also identify the potential sources, pathways and receptors ('pollutant linkages') and evaluate the risks. This information will enable the local planning authority to determine whether further more detailed investigation is required, or whether any proposed remediation is satisfactory.
- 860 At this stage, an applicant may be required to provide at least the report of a desk study and site walk-over. This may be sufficient to develop a conceptual model of the source of contamination, the pathways by which it might reach vulnerable receptors and options to show how the identified pollutant linkages can be broken.
- 861 Unless this initial assessment clearly demonstrates that the risk from contamination can be satisfactorily reduced to an acceptable level, further site investigations and risk assessment will be needed before the application can be determined.

#### Discussion

- 862 The Environment Agency identify that the site is situated over Principal and Secondary Aquifers. A Geoenvironmental and Geotechnical desk study has been undertaken and reported in the ES. An Initial Conceptual Site Model has been determined and a Preliminary Risk Assessment with respect to ground contamination has been carried out for the site on the basis of the current data.
- 863 The main sources of potential contamination have been identified and the potential risks have been qualitatively assessed based upon the site in its current condition, but also consideration of the potential risks associated with any below ground works (e.g. site investigation or future foundation works etc.) and the potential future use. The report concludes that it is considered unlikely that the site would be determined as Contaminated Land (under the provisions of Part 2A of the Environmental Protection Act 1990) in its current status or following any redevelopment provided further investigation, assessment and any necessary remedial design / action is undertaken. Suspected Japanese Knotweed and Giant Hogweed has been observed at the site and a survey of invasive species by an appropriate specialist is recommended to confirm the presence and location of invasive species and to recommend treatment / removal as appropriate. A preliminary Unexploded Ordnance (UXO) risk assessment has been undertaken which concludes that the risks associated with UXO are moderate and recommends that a detailed UXO risk assessment is carried out prior to any substantial below ground work.
- 864 These reports have been reviewed by the Environment Agency and the Council's Environmental Protection Team who concur with the findings and recommend that further investigations are carried out to determine any required appropriate remediation works that should be carried out, and that these are agreed with the authority before any site clean-up works are commenced. This would be secured by condition.

## 864.1.1 Air quality

Policy

- 865 NPPF paragraph 174 states decisions should among other things prevent new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by, unacceptable levels of air pollution.
- 866 LPP SI1 'Improving air quality' states that development proposals should not lead to further deterioration of existing poor air quality; create any new areas that exceed air quality limits, or delay the date at which compliance will be achieved in areas that are currently in exceedance of legal limits; and create unacceptable risk of high levels of exposure to poor air quality. As a minimum, development proposals must be at least Air Quality Neutral, and should use design solutions to prevent or minimise increased exposure to existing air pollution and make provision to address local problems of air quality in preference to post-design or retro-fitted mitigation measures. Major development proposals must be submitted with an Air Quality Assessment. In order to reduce the impact on air quality during the construction and demolition phase development proposals must demonstrate how they plan to comply with the Non-Road Mobile Machinery Low Emission Zone.
- 867 CSP 9 'Improving local air quality' seeks to improve local air quality. DMP 23 'Air quality' sets out the required information to support an application that might be affected by, or affect, air quality.

#### Discussion

- 868 The application site is located in an Air Quality Management Area, declared by the Council for exceedances of the annual mean nitrogen dioxide and the 24-hour mean particulate matter (PM10) objectives. In addition the SELCHP and the Deptford Recycling Centre are both located immediately to the east of the site and have the potential to impact local air quality and odour conditions within the proposed development. There is also the potential for dust during demolition and construction although potential adverse effects could be mitigated through dust control measures, incorporated into the site's Construction Environmental Management Plan which would be secured condition and approved prior to any works on site.
- 869 Road traffic emissions on completion will generally have a negligible effect on existing sensitive receptors and the overall air quality effects will not be significant. Effects from the operation of the SELCHP facility on future occupiers of the proposed development mean that to experience acceptable air quality concentrations mechanical ventilation to reduce the need to open windows is required. Odour concentrations from existing waste operators in proximity to the proposed development, as well as a domestic waste facility within the proposed development are considered to be acceptable for future site users.
- 870 In accordance with LPP SI1 the proposed development will be air quality neutral.

## 870.1.1 Water quality

Policy

871 NPPF paragraph 174 states decisions should among other things prevent new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by, unacceptable levels of water pollution. Development should, wherever possible, help to improve local environmental conditions such as water quality, taking into account relevant information such as river basin management plans.

Discussion

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- 872 There is the potential for impacts on water quality during construction, for example due to site run-off containing elevated suspended sediment levels, the release of hydrocarbons and oils into the on-site drainage system and accidental leaks of and use of hazardous materials. Whilst effects are likely to be temporary and water quality within the affected water body will improve over time as pollutants are dispersed and diluted there is a potential risk of discharge into the River Thames. Likewise there is a risk, albeit considered small, of pollutants contained into surface water ultimately discharging into the Thames.
- 873 Managing and mitigating against these risks will be through the scope, implementation and enforcement of a Construction Management Plan. It is considered that operational impacts on water quality are likely to be limited through implementation of the Surface Water Drainage Strategy and Foul Water Drainage Strategy as well as other designed-in SuDS and catchment control features that aim to ensure that surface water run-off will be of sufficient quality so as not to cause detrimental pollutant-based contamination of surface water.

#### 873.1.1 Wind microclimate

Policy

- 874 LPP D9 'Tall buildings' states that wind conditions around tall buildings must be carefully considered and not compromise comfort and the enjoyment of open spaces around the building.
- 875 CSP 18 'The location and design of tall buildings' relates to microclimate and tall buildings.

Discussion

- 876 The proposed development has been assessed using computational modelling (computational fluid dynamics CFD) and wind tunnel testing for both Phase 1 and the development as a whole. This shows that in the context of the existing surrounding buildings and spaces in Phase 1 there is the potential for downdrafts from the three tall buildings, localised acceleration at building corners and funnelling between the buildings at podium level. The design of Phase 1 including the shape of the buildings, trees, ground levels around recreational spaces and planting will assist in mitigating potential effects. The areas at podium level identified for seating and play features on the landscape drawings are assessed from the modelling as suitable for sitting during the summer when they are likely to be in greatest use and are therefore suitable for their intended purpose. Phase 1 has a neutral effect on the wind microclimate within the wider site and the wider surrounding area.
- 877 On completion of the development, much of Phase 1 is sheltered from prevailing winds by Phases 2 – 4 located to the south and west. These in turn incorporate substantial podia and careful building shapes to mitigate effects however Phase 5 is largely unprotected by other structures against prevailing winds although by avoiding typical building shapes and adopting more aerodynamically sensitive shapes together with a substantial and well planted podium there is scope to mitigate potential effects.
- 878 It is considered that the detailed design of Phase 1 including the incorporation of mitigation measures will achieve an acceptable wind environment for occupiers and visitors and for the intended purpose of the amenity areas at ground and podium level. Wind conditions in future phases will need to be reviewed in the light of the detailed

design of the buildings and spaces as they come forward in reserved matters applications.

#### 878.1.1 Waste

Policy

879 LPP SI7 'Reducing waste and supporting the circular economy' seeks to encourage waste minimisation and waste prevention through the reuse of materials and using fewer resources, and establishes a requirement to meet or exceed 95% reuse / recycling / recovery for construction and demolition waste. It identifies that referable applications should promote circular economy outcomes and aim to be net zero-waste.

Discussion

- 880 Considerations relating to supporting the circular economy and targets on reuse/recycling/recovery of construction and demolition waste are considered elsewhere in this report.
- 881 In terms of operational waste from the proposed development the waste strategy for the residential comprises the installation of a vacuum waste collection system serving all units. Waste will be conveyed from inlet points at each residential building via an underground vacuum pipe network to a central collection station prior to collection where it enters container compactors for storage prior to collection and transporting off site to a local waste treatment facilities by the waste contractor for recycling, energy recovery and disposal. For the non-residential/commercial floorspace, tenants/operators will be required to segregate waste types and store in bin store areas prior to movement to collection points for removal by the facility management team/private operators.
- 882 It is estimated that the proposed development will produce a total of 1,006,000 litres per week (19,300 kg per day) of waste material. Of this the Phase 1 component is estimated to produce 124,000 litres per week (2,400 kg per day). The total residential waste demand for the Proposed Development is estimated at 655,000 litres per week (13,100 kg per day). Excluding the Phase 1 uses, it is anticipated that the Proposed Development will produce 336,000 litres per week (6,000 kg per day) of material.
- 883 It is considered that the operational waste management strategy, including the use of a vacuum waste collection system for the residential units is acceptable and the Phase 1 layout has been planned to provide adequate space for the handling and transport of waste from the development.

## 883.1.1 Natural Environment conclusion

884 Where feasible, impacts of the development have been mitigated through scheme design and operational measures with supplementary mitigation proposed where relevant and achievable to address residual effects. These will be secured by condition and/or planning obligations. Given the limited scope for ecological enhancement within the site it is recommended that existing trees, other than those in Phase 1, are retained and the need to remove them is re-assessed when detailed proposals are submitted as part of a future reserved matters application. It is considered that given the characteristics of the proposed development, the nature of the other uses within the site allocation the proposals are acceptable in respect of the natural environment.

# 884.1 PUBLIC HEALTH, WELL-BEING AND SAFETY

# General Policy

- 885 The NPPF and NPPG promote healthy communities. Decisions should take into account and support the health and well-being of all sections of the community. The NPPG recognises the built and natural environments are major determinants of health and wellbeing. Further links to planning and health are found throughout the whole of the NPPF. Key areas include the policies on transport (Chapter 9), high quality homes (Chapter 5), good design (Chapter 12), climate change (Chapter 14) and the natural environment (Chapter 15).
- 886 The NPPG sets out a range of issues that could in respect of health and healthcare infrastructure, include how development proposals can support strong, vibrant and healthy communities. Development, where appropriate, should encourage active healthy lifestyles that are made easy through the pattern of development, good urban design, good access to local services and facilities; green open space and safe places for active play and food growing, and is accessible by walking and cycling and public transport. The creation of healthy living environments for people of all ages can support social interaction.
- 887 Where appropriate, applicants should show how they have accounted for potential pollution and other environmental hazards, which might lead to an adverse impact on human health (see Section 8.12).
- 888 Paragraph 130 states that planning decisions should ensure that developments create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.
- 889 LP Objective GG3 'Creating a healthy city' seeks to ensure development is designed, constructed and managed in ways that improve health and promote healthy lifestyles to help reduce inequalities.

# 889.1.1 Public health and well-being

Policy

- 890 LPP D8 states that the provision and future management of free drinking water at appropriate locations in new or redeveloped public realm. As these improve public health and reduce waste from single use plastic bottles and supports the circular economy through use of reuseable water bottles.
- 891 LPP E9 refers to the acceptability of hot food takeaways and states such uses should not be within 400metres walking distance from existing or proposed primary or secondary schools.

## Discussion

The GLA have requested the provision of free drinking water facilities in the public realm, in areas of high footfall. The applicant has responded stating that provision of free drinking water can be provided in Station Square (Phase 2) and Stadium Square (Phase 4) as those areas are expected to have high footfall. Officers are in agreement and recommend that details of free drinking water should be secured by planning obligation.

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- 893 Ilderton Primary School, with its entrance on Varcoe Road to the west of the application site is within 400m of the site and DMP18 states that the Council will not grant planning permission for new hot food take-away shops that fall within 400 metres of the boundary of a primary or secondary school referred to as an 'exclusion zone'. In line with LP Policy E9, the GLA do not support this aspect of the proposals. As existing, it is noted that there are currently a number of cafes within 400m of the school providing takeaway as well as 'eat in' services and the Applicant has argued that given the draw of crowds on event days to Millwall Football Club stadium it is reasonable to allow hot food takeaway uses within the development.
- 894 Officers consider the development context to be unique, and whilst parts of the site fall within 400m of a primary school, the development as a whole is the creation of a new urban destination. Considering the scheme will provide a large scale auditorium, leisure centre, creative industries quarter, retail and the adjacent Millwall Football Club, it is considered that an element of hoot food takeaway is reasonable. However, it is also considered necessary restrict the size limits of any hot food takeaway units, but that a provision of such uses on a site such as this is acceptable in principle given the strategic nature and site context which is unique in the borough.

## Public safety

Policy

- 895 NPPF paragraph 127 states that planning decisions should ensure that developments create places that are safe, inclusive and accessible and which promote health and wellbeing, with a high standard of amenity for existing and future users and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.
- 896 Section 17 of the Crime and Disorder Act 1998 requires all local authorities to exercise their functions with due regard to their likely effect on crime and disorder, and to do all they reasonably can to prevent crime and disorder.
- 897 The supporting text to LPP D3 'Optimising site capacity through the design-led approach' identifies that measures to design out crime should be integral to development proposals and be considered early in the design process. Development should reduce opportunities for anti-social behaviour, criminal activities, and terrorism, and contribute to a sense of safety without being overbearing or intimidating. LPP D11 'Safety, security and resilience to emergency' states that development should include measures to design out crime that, in proportion to the risk, deter terrorism, assist in the detection of terrorist activity and help mitigate its effects. These measures should be inclusive and aesthetically integrated into the development and the wider area.
- 898 CSP 15 'High quality design for Lewisham' requires development to minimise crime and the fear of crime.

Discussion

- 899 Phase 1 of the development is designed in accordance with the principles of the Secure by Design Homes 2019 document. The applicant has met with the Designing Out Crime Officer for the Metropolitan Police to discuss site wide security measures.
- 900 Phase 1 has been designed to contain a high level of natural surveillance through active frontages, and non-residential uses at ground floor with homes raised above. The location of ground floor entrances are clearly marked and visible from the public realm.

# Is this report easy to understand?

Please give us feedback so we can improve. Go to https://lewisham.gov.uk/contact-us/send-us\_feedback-on-our-reports Residential accesses are also secure i.e. accessed via a fob rather than being generally open to the public.

- 901 Site wide, the layout of the development is permeable all routes have clear sight lines and buildings are positioned around key public spaces such as the squares in Phase 1, 2 and 4. The successful open layout, coupled with measures such as CCTV network are considered acceptable, which would be secured by the S106 along with financial payments for implementation and monitoring, measures to address crime and public safety.
- 902 With regard to the relationship between this site and the adjacent Millwall Football Stadium, the applicant proposed an Event Management Plan, this would ensure that events on site do not clash with football games to avoid overcrowding and safe movement of pedestrians. This is to be secured in the S106.

## Fire safety

Policy

903 LPP D12 'Fire safety' requires major development proposals to be accompanied by a fire statement, prepared by a suitably qualified third party assessor, demonstrating how the development proposals would achieve the highest standards of fire safety, including details of construction methods and materials, means of escape, fire safety features and means of access for fire service personnel. LPP D5 'Inclusive design' seeks to ensure that developments incorporate safe and dignified emergency evacuation for all building users. In all developments where lifts are installed, as a minimum, at least one lift per core (or more subject to capacity assessments) should be a suitably sized fire evacuation lift suitable to be used to evacuate people who require level access from the buildings.

## Discussion

- 904 The London Fire Brigade has stated in existing hydrant provision is not within 90m of at least one proposed inlet location. The applicant has responded stating that Phases 2-5 are submitted in outline and that this is a matter for reserved matters stage when final building layout and access points will be designed. Where existing hydrant provision is not within the 90m required distance, it will be necessary for the developer to install additional fire mains in co-ordination with the Fire Brigade.
- 905 In accordance with Policy D12 of the London Plan, the applicant has provided a Fire Statement for Phase 1, the detailed part of the application and Phases 2-5 which are submitted in outline. The Fire Statement confirms that the development has been designed to guidance in the British Standard 991:2015 and the podiums to British Standard 999:2017 and additional updates to Approved Document B in May 2020 of the Building Regulations. The Statement provides details of construction, which confirms the structure of the Phase 1 auditorium will be reinforced concrete, and means of escape. All units will be located within a ventilated common corridor and have a distance of less than 15m from the front door to a staircase exit. Details of ventilation for the building, smoke extraction, smoke alarms and power supplies are also detailed in accordance with British Standards.
- 906 The Fire Brigade has otherwise raised no objections to the development.

907 It is considered that a suitably worded planning condition is attached requiring details of alternative / additional fire hydrant provision in later phases, in consultation with the London fire Brigade. In order to ensure appropriate fire hydrant provision across the site.

#### **Construction Access**

908 The construction programme has the potential for accidents, it is considered that the impact of construction can be appropriately mitigated through a Construction Management Plan.

#### 908.1.1 Public Health, well-being and safety conclusion

909 It is considered that the development sufficiently caters to support public health, wellbeing and safety. Whilst the development is inside 400m of a primary school, it is considered that there are sufficient and genuine reasons to permit an element of hot food takeaway as part of a range of commercial and leisure services. The site has a unique context adjacent to a major football stadium where crowds and visitors would expect a range of food options including takeaway. This is not typical of any other site in the borough and is considered to be a unique circumstance.

# 8 VIABILITY, DELIVERY AND PHASING

Policy

- 910 CS Strategic Site Allocation 1 identifies that the masterplan that is required to accompany the initial planning application relation to the redevelopment of the site should include a delivery strategy to identify how the development will be implemented and managed once occupied (including housing stock and publicly accessible space), any matters to be resolved such as land assembly and preparation, infrastructure requirements and delivery, development phasing and likely need for planning obligations (including financial contributions) and/or conditions. It should also identify the likely need for public sector intervention, by which agency and when.
- 911 The Surrey Canal Triangle Design Framework SPD confirms that development of the Surrey Canal Triangle site should be planned comprehensively to ensure an outcome which achieves the highest standards of design quality and deliverability and which connects effectively with its surroundings both within Lewisham and the London Borough of Southwark. It confirms that piecemeal development will not be supported and that where more than one planning application is required, the comprehensive ambitions set out within the SPD still need to be capable of being achieved.
- 912 The SPD highlights that there will need to be ongoing dialogue between the principal landowners of the Surrey Canal Triangle site and those with smaller interests to enable the successful delivery of its regeneration. The SPD does however confirm that because of the importance of the site in delivering the objectives of the Core Strategy, it may be necessary for the Council to use its compulsory purchase powers in relation to certain interests to acquire and facilitate the delivery of Surrey Canal Triangle as a whole.
- 913 The SPD identifies that the redevelopment of the area is envisaged to take approximately 10-12 years, and that carefully planned infrastructure delivery will be needed to support the phased development, to be secured through S106 agreements and/or through CIL payments. The SPD also highlights that in order to ensure that the impact on existing businesses and residents within and adjoining the development area is minimised, careful construction management will be required.

## Discussion

- 914 The applicants viability report has been robustly tested and reviewed by the Councils consultant Gerald Eve, and the maximum level of affordable housing offered at the current time is considered to be justified by the schemes viability. The viability of the scheme and its ability to offer any potential uplift in affordable housing will be carried out through detailed review mechanisms per phase. The detailed inputs for the S106 agreement will need to be agreed with the GLA at Stage 2 referral. This will be necessary to ensure that values are captured as they change in an area which is undergoing significant redevelopment.
- 915 Given that the proposals are due to be brought forward across 5 phases, it will be important to ensure that individual phases are delivered consistency with the overall proposals and vision for the site, in accordance with the Parameter plans and Development Specification. It is therefore recommended that each Reserved Matters application (Phase 2-5) is accompanied by a Reconciliation Document. This will need to set out the level of detail i) built to date; ii) what is proposed in the reserved matters and iii) what is permitted in outline but yet to be approved in detail.
- 916 The deliverability of a development is a material planning consideration. The Council will need to be satisfied that the proposals (as one of the five strategic sites identified in the

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Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-usofeedback-on-our-reports</u> Core Strategy) is able to be successfully implemented should planning permission be granted. The scheme is complex and large and the delivery of a comprehensive scheme over the site will depend on the applicant having sufficient control over land parcels (Excluding any land under Millwall Football Club which do not form part of the proposals). Design deliverability has been discussed at para 519-522 of the report.

- 917 There remains a reasonable prospect of the scheme proceeding, but there continue to be some major potential impediments, for example in terms of third party interests, to delivery of a comprehensive development. Controls need to be in place regarding the phasing of the development and ensuring that the developer controls all of the land interests in Phase 1 Orion before development commences, and that land interests across Phase 2-5 are also secured as appropriate. Where it is concluded that the applicant cannot develop a phase itself at the present time, appropriate measures can be put in place to prevent an unacceptable piecemeal development which would undermine the comprehensive vision for regeneration.
- 918 At present, the applicant has confirmed the following:
  - Registered Titles acquired to date: 79 (freehold and leasehold)
  - Registered Titles acquired since 30 March 2012 Planning Consent: 31 (free hold and leasehold)
  - Registered Titles outstanding to be acquired: 14 (freehold and leasehold, but excluding land owned by The Mayor and Burgesses of the London Borough of Lewisham, Network Rail and Utility providers)
- 919 The applicant has confirmed that there are no outstanding residential interests to be acquired. Of the residential units to be redeveloped in Phase 2, these are all owned by the applicant and are occupied on the basis of Assured Shorthold Tenancies. In the circumstances, and to avoid piecemeal development of the site, as well as to seek to minimises the risk of the scheme not being realised, it is appropriate to enforce a mechanism to avoid against such eventuality. The following mechanisms is required:

 a planning obligation to require the developer to use all reasonable endeavours to secure sufficient control over the land in the site (either through ownerships or formal partnership agreement with third party owners)

– a Grampian planning condition to prevent commencement of the relevant phase until all the relevant land is secured by the applicant and bound by the S106.

 – a planning obligation to require the developer to enter into a CPO Indemnity Agreement with the Council prior to implementation of the development to ensure that the costs associated with the promotion and implementation of any necessary CPO are underwritten by the applicant and;

– a planning obligation to require a Deed of Confirmation/ Deed of Adherence to bind those areas of the application which are not bound at the completion of the S106 agreement.

920 Compulsory Purchase Agreements, are the use of statutory powers, necessary to bring forward development of strategic importance. These are a last resort measure for the Council who would expect to see the applicant engage outside of the planning process to secure all land interests on an ongoing basis.

# 9 ENVIRONMENTAL IMPACT ASSESSMENT

# **Introduction**

- 922 This section reviews the various topics covered by the submitted Environmental Statement (ES). The key findings of the ES are referred to in earlier sections where necessary and have been used as an integral part of considering the acceptability of the proposed development. This section sets out proposed further mitigation (over and above designed-in mitigation that is embedded within the proposals).
- 923 The ES has been subject to detailed reviewed by independent specialist consultants appointed by the Council. Overall, officers generally agree with the findings of the ES, unless otherwise stated, and have recommended the use of planning conditions or obligations to secure the identified supplementary mitigation and other measures that they consider necessary.

## EIA Scope

924 The following topics have been assessed and reported in the ES. The findings have been taken into account and reported in the review of this planning application as set out elsewhere in this report and summarised further below.

Townscape, Visual and Built Heritage

Archaeology

Micro-climate: Daylight, Sunlight, Overshadowing and Solar Glare

Micro-climate: Wind

Socio-Economics and Population

Transport and Movement

Noise and Vibration

Air Quality

Ground Conditions, Soil and Contamination

Water Resources and Flood Risk

Ecology and Nature Conservation

Climate Change

925 In accordance with the EIA Regulations the ES considers alternatives to the proposed development, and cumulative impacts of the development with other relevant developments and includes a Non-Technical Summary. The findings have been taken into account and reported in the review of this planning application as summarised below.

Alternatives

926 The main Alternatives considered were: No Development; Alternative Sites for the proposed development; Alternative Uses within the proposed development; Alternative

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Designs and Layout for the proposed development. The 'No-Development' alternative would leave the site in an under-used, semi-derelict state and would not act as a catalyst for the future regeneration of this area which is set out in the development plan and therefore was not considered to be a realistic option in terms of planning policy. Similarly, given the established regeneration objectives and planning policy framework for the site no Alternative Sites were considered as delivery elsewhere would not secure the planning policy objectives for the area.

927 In respect of Alternative Uses and Designs and Layout, the proposals have evolved from the scheme permitted in 2015 and been modified as a result of consultation and meetings between the applicant team, the Council (including Design Review Panel) as well as the GLA, TfL and other consultee bodies. Emerging planning policy, including updates to the London Plan and the adoption of the Surrey Canal Triangle SPD have also informed the evolution of the design, as has the relationship and interface of the proposed development with Millwall FC Stadium. The final design iteration responds to this context.

Townscape, Visual and Built Heritage

- 928 The assessment identifies the scale, character, layout and sensitivity of the existing townscape context around the site, including the settings of designated heritage assets in the vicinity of the site. The appropriateness of the form and massing of the proposed development as defined by the parameter plans and the architectural form and character of Phase 1 was assessed in this context.
- 929 Residual effects during demolition and construction will be temporary. The ES concludes there will be no residual effects from the completed development on the ability to appreciate the heritage significance of the local conservation areas, listed buildings or registered landscapes. that the residual effects on townscape character areas will range from Negligible to Major in scale and Beneficial or Neutral in nature, with residual effects on the LVMF Townscape Views and on views from Conservation Areas ranging from Negligible to Moderate and Beneficial in nature. Officers consider the residual effects are Neutral rather than Beneficial.

## Archaeology

930 The assessment comprises a desk-based study, supplemented by boreholes in response to a request from GLAAS. Following implementation of an agreed programme of archaeological mitigation the ES concludes there will be no significant residual effects to archaeology during demolition and construction. It is proposed that the archaeological and paleoenvironmental potential of any underlying deposits will be suitably investigated and preserved by record with public dissemination of data and findings as appropriate. The receipt of additional information in respect of archaeology as requested by GLAAS is not considered to be 'further information' under Reg 25 of the EIA Regulations as it is not substantive in nature. This position is supported by caselaw (Corbett v Cornwall Council 2013), and is accepted as the results do not change the conclusions of the ES.

Micro-climate: Daylight, Sunlight, Overshadowing and Solar Glare

931 The impact of the proposed development has been modelled and assessed with reference to BRE guidelines and impacts arising from the extant planning permission for the development of the site. The assessment considers daylight and sunlight to neighbouring residential properties and to public buildings, overshadowing of amenity areas and Millwall FC Stadium, and solar glare on Network Rail operations. The assessment also considers daylight and sunlight to residential units within the proposed development. The existing baseline conditions and the levels of daylight being received

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by surrounding residential properties are considered to be atypical for the context, given the amount of unbuilt land and the low rise nature of the few buildings occupying the site.

932 On completion of the development existing amenity areas comply with the BRE guidelines and there will be negligible effects to the Network Rail operations arising from Phase 1 of the proposed development. Impacts on daylight and sunlight to neighbouring residential properties will range from Negligible to Major Adverse. The largest relative effects coincide with properties located very close to the site and/or featuring self-obstructing features such as balconies and overhangs.

#### Micro-climate: Wind

933 The assessment has been undertaken using computational modelling (CFD) and a wind tunnel assessment of Phase 1. The assessment concludes that Phase 1 has a Neutral effect on the wind microclimate within site and the wider surrounding area and that with mitigation the conditions for pedestrians are appropriate for the function and purpose of the open spaces on the site. Phases 2-4 also demonstrate compliance however there are exceedances for buildings in Phase 5. These are generally Minor Adverse and will be addressed during the detailed design of buildings in this phase.

#### Socio-Economics

- 934 Socio-economic effects assessed include the relocation of existing residents and businesses, construction-related employment and economic effects once the development is complete and occupied; effects related to the new population and employees that will work on the site including potential effects on local services, and health effects. Effects were assessed at the local, borough and London-wide scale.
- 935 With mitigation, including a Relocation Strategy for existing businesses, construction impacts will generally be Negligible with construction employment effects being Beneficial. On completion the delivery of new homes and jobs on site and local spending by residents, workers and visitors to the site will be Beneficial. With mitigation, impacts on social infrastructure are assessed as Negligible.

Transport and Movement

936 Impacts during construction will be mitigated through the agreement and implementation of a Construction Environmental Management Plan resulting in a Neutral or Minor Adverse impact. During the operation of the development, designed-in mitigation will improve the environment for pedestrians and cyclists in the area and deliver improved bus services and the residual impacts are assessed as Beneficial.

## Noise and Vibration

937 Impacts for properties adjoining the site are assessed as up to Moderate Adverse for limited periods of time during demolition works and Minor Adverse during construction works due to construction activities as well as construction traffic. Operational impacts are assessed as Negligible to Major Beneficial where HGV traffic is removed from residential streets.

Air Quality

938 Impacts during demolition and construction, particularly from dust, will be mitigated through the agreement and implementation of a Construction Environmental Management Plan resulting in a Neutral impact. Operational impacts in terms of PM2.5,

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Please give us feedback so we can improve. Go to https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports PM10, PM25 and NO2 levels will generally be Negligible and remain close to or below objectives in terms of annual mean concentrations, other than at one receptor where PM10 levels are assessed as giving rise to a Minor Adverse impact.

939 Impacts from the SELCHP facility on air quality for residents in the proposed development have been assessed as acceptable other than for CrVI (hexavalent chromium) and Ni (Nickel). In order to mitigate the impacts and ensure future residents are provided with cleaner air the proposed development will be mechanically ventilated to reduce the need for opening windows and air would be drawn in away from SELCHP and other sources of emissions such as from traffic. With mitigation the impacts are assessed as Negligible.

Ground Water and Contamination

940 During construction there is a potential for exposure to contamination by direct contact with the contaminated made ground and by the inhalation of contaminated dusts and ground gas/vapours. There is also a potential for contamination to be mobilised and to migrate via permeable strata to affect the underlying aquifers. During below ground works there are potential risks associated with possible presence of unexploded ordnance. Mitigation will be through further site investigation and a future Remediation Strategy as well as Construction Environmental Management Plan. All the potential risks associated with the ground conditions that could impact on future occupiers of the site will be mitigated during the construction phase by the implementation of the approved Remediation Strategy. Any contamination in the made ground or underlying aquifer will have either been excavated, treated, capped, or removed during the construction stage.

Water Resources and Flood Risk

- 941 Impacts on water quality during construction arising from increased sedimentation and accidental release of hydrocarbons and hazardous materials would be mitigated through the agreement and implementation of a Construction Environmental Management Plan with the residual effects being assessed as Negligible. Operational effects will be mitigated through a designed-in foul and surface water drainage strategy.
- 942 The site is located in an area of very low flood risk from the River Thames and flood defences further reduce the risk of flooding. The risk of flooding from surface water is greater however mitigation measures such as attenuating water before drainage and reducing overall discharge rates will reduce the risk of surface water flooding.

Ecology and Nature Conservation

943 Ecological surveys indicate that the site is currently of very limited ecological value predominantly comprising hardstanding and buildings, with small areas of amenity grassland, amenity planting and trees. With mitigation in the form of landscaping enhancements and general biodiversity improvements it is assessed that the proposed development would not result in any adverse residual effect on habitats of species of any significance, and there will be no net loss of features of ecological importance and potential Minor to Moderate Beneficial effects.

**Climate Change** 

944 The assessment considers direct and indirect greenhouse gas emissions associated with the proposed development and the resilience of the development to future changes in climate. The individual contribution to total greenhouse gas emissions (from local through to global scale) is assessed as small, although the contribution of greenhouse gas emissions to climate change is a cumulative global issue. Given the small

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945 Climate resilience measures have been incorporated into the design to seek to minimise climate risks due to future climate change and it is considered the residual effects negligible.

#### **Supplementary Mitigation**

946 The following has been identified as supplementary mitigation to reduce and minimise the likely significant effects of the proposed development i.e. mitigation additional to that embedded within the proposals through scheme design or specification. Not all impacts arising from the development can be mitigated and therefore on some topics Moderate and Major Adverse impacts that arise will remain and be permanent.

Торіс	Effect	Supplementary Mitigation
Townscape, Visual and Built Heritage	Construction: Temporary; Negligible to Moderate Adverse	Localised mitigation through Construction Environmental Management Plan
	Operational: Permanent; Negligible to Major Adverse	None proposed
Archaeology	Construction: Permanent; Negligible to Minor Adverse	Programme of archaeological recording
	Operational: None	
Micro-climate: Daylight, Sunlight, Overshadowing and Solar Glare	Construction: Temporary	None proposed
	Operational: Permanent; Negligible to Major Adverse	None proposed
Micro-climate: Wind	Construction: Temporary	None proposed
	Operational: Permanent; Negligible to Minor	Phase 1 – landscaping works
	Adverse	Phases 2-5 – subject to detailed design
Socio-Economics and Population	Construction: Temporary; Minor Adverse to Minor Beneficial	Local Employment Strategy (including construction and operational employment training and placements)
	Operational: Permanent; Negligible to Moderate	s.106 contribution; CIL payment

## Table 11: EIA mitigation

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	Adverse / Negligible to Major Beneficial	
Transport and Movement	Construction: Temporary; Minor Adverse	Construction Environmental Management Plan
	Operational: Permanent; Minor Beneficial	s.106 contribution
Noise and Vibration	Construction: Temporary; Minor to Moderate Adverse	Construction Environmental Management Plan
	Operational: Permanent; Negligible	s.106 contribution
Air Quality	Construction: Temporary; Negligible	Construction Environmental Management Plan
	Operational: Permanent; Minor Adverse	None proposed
Ground Conditions, Soil and Contamination	Construction: Temporary; Minor to Major Adverse	Health, Safety and Hygiene Regime; Construction Environmental Management Plan
	Operational: Permanent; Neutral	None proposed
Water Resources and Flood Risk	Construction: Temporary; Minor to Moderate Adverse	Construction Environmental Management Plan
	Operational: Permanent; Negligible	None proposed
Ecology and Nature Conservation	Construction: Temporary; Negligible	None proposed
	Operational: Permanent; Minor to Moderate Beneficial	Habitat creation; tree planting.
		s.106 contribution for off- site works
Climate Change	Operational: Permanent; Minor Adverse	None proposed

# 947 LOCAL FINANCE CONSIDERATIONS

- 948 Under Section 70(2) of the Town and Country Planning Act 1990 (as amended), a local finance consideration means:
  - 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
  - sums that a relevant authority has received, or will or could receive, in payment of Community Infrastructure Levy (CIL).
- 949 The weight to be attached to a local finance consideration remains a matter for the decision maker.
- 950 The CIL is therefore a material consideration.
- 951 £6,014,655 Lewisham CIL and £2,913,222 MCIL (total £8,927,878) is estimated to be payable on Phase 1, including estimated affordable housing relief. Valid applications for relief or exemption can only be confirmed once the applicant has completed the relevant forms. This would be confirmed at a later date in a Liability Notice.

# 952 EQUALITIES CONSIDERATIONS

- 953 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 954 In summary, the Council must, in the exercise of its function, have due regard to the need to:
  - eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
  - advance equality of opportunity between people who share a protected characteristic and those who do not;
  - foster good relations between people who share a protected characteristic and persons who do not share it.
- 955 The duty continues to be a "have regard duty", and the weight to be attached to it is a matter for the decision maker, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 956 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <u>https://www.equalityhumanrights.com/en/publicationdownload/technical-guidance-public-sector-equality-duty-england</u>
- 957 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
  - The essential guide to the public sector equality duty
  - Meeting the equality duty in policy and decision-making
  - Engagement and the equality duty
  - Equality objectives and the equality duty
  - Equality information and the equality duty
- 958 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <u>https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance</u>

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- 959 The application proposes the phased redevelopment of land in commercial and residential uses. As detailed above, the applicant has outside of the planning process sought to acquire land to facilitate the development, any of use compulsory purchase will be considered a last resort measure. The application is also accompanied by a detailed relocation strategy (EIA Chapter 12 – Appendix 12.1) which will need to be secured to ensure minimum disruption to existing occupiers which includes commercial relocation package measures either on site or off site with the developers support and a minimum notice period of 1 year for Assured Short hold Tenancy holders in Phase 2. The strategy will also include assistance on lease negotiations, flexible tenancy term and priority relocation. The Relocation Strategy is considered to be detailed and comprehensive in its aim of supporting existing occupiers.
- 960 The developer will also need to undertake continued community engagement as the scheme, if permitted, progresses. Measures will also be secured which will seek to minimise the impact of occupiers which include a strict phasing strategy for development to occur in a known and expected sequence and that no development can take place until all necessary land interests are secured.
- 961 It is noted that objections received refer to health impact and the impact upon the equalities of future residents in proximity to SELCHP. The sites operators no longer raise an objection to the modelling undertaken by the applicant, subject to further monitoring. The Council's Environmental Protection Officer has also raised no objection subject to the imposition of conditions which the applicant has agreed.
- 962 No standalone Equalities Impact Assessment has been submitted by the applicant. However, equalities considerations are considered throughout the submitted Environmental Impact Assessment. The conclusions of the ES are considered acceptable to inform a recommendation to grant permission subject to securing the necessary mitigation either though physical design and layout, planning condition or S106 obligations.
- 963 A number of measures will improve the lives of surrounding residents in the long term, the delivery of new over ground station, new bus routes and cycling infrastructure which will significantly improve access and travel. The provision of ENVAC will reduce refuse HGV movement, and energy connections to SELCHP will reduce carbon emissions arising from the development. The development will provide new employment opportunities, community space and a leisure centre with youth facilities and legally obligated discounted rates for Lewisham and Southwark residents.
- 964 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 provided the development is secured with appropriate planning conditions and legal obligations as set throughout this report.

# 965 HUMAN RIGHTS IMPLICATIONS

- 966 In determining this application the Council is required to have regard to the provisions of the Human Rights Act 1998. Section 6 of the Human Rights Act 1998 prohibits authorities (including the Council as local planning authority) from acting in a way which is incompatible with the European Convention on Human Rights. "Convention" here means the European Convention on Human Rights, certain parts of which were incorporated into English law under the Human Rights Act 1998. Various Convention rights are likely to be relevant including :
  - Article 8: Respect for your private and family life, home and correspondence
  - Article 9: Freedom of thought, belief and religion
  - Protocol 1, Article 1: Right to peaceful enjoyment of your property
  - Protocol 1, Article 2: Right to education
- 967 This report has outlined the consultation that has been undertaken on the planning application and the opportunities for people to make representations to the Council as Local Planning Authority.
- 968 Members need to satisfy themselves that the potential adverse amenity impacts are acceptable and that any potential interference with the above Convention Rights will be legitimate and justified. Both public and private interests are to be taken into account in the exercise of the Local Planning Authority's powers and duties. Any interference with a Convention right must be necessary and proportionate. Members must therefore, carefully consider the balance to be struck between individual rights and the wider public interest.
- 969 This application has the legitimate aim of providing range of new buildings as part of a new destination within the borough with community, employment and residential uses. The rights potentially engaged by this application are not considered to be unlawfully interfered with by this proposal.

# 970 LEGAL AGREEMENT

- 971 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
- 972 Paragraph 122 of the Community Infrastructure Levy Regulations (April 2010, as amended) puts the above three tests on a statutory basis.
- 973 The SPD identifies that carefully planned infrastructure delivery will need to support the phased development and that this should be secured through agreements pursuant Section 106 agreements and/or through Community Infrastructure Levy payments.

## Heads of Terms

974 The proposed Heads of Terms for a Section 106 Agreement are as follows:

## 1. Public Transport:

- Details of a Financial payment from the applicant for Surrey Canal Overground Station (if required), triggers and amount to be confirmed
- Details of a site compound in Phase 2 Excelsior for the construction of Surrey Canal Station to be agreed.
- Grampian obligations for Phase 1, 2 and 4 in relation to public transport provisions, linked to below:
  - Phase 1 buses (if Surrey Canal Station not operational prior to occupation): Financial payment of £1.62m towards the provision of one bus route. Triggers to be agreed in relation to lead in time for service but payment required to enable service to operate for first occupation of phase 1 if no station. Financial payments to be index linked.
  - Phase 1 bus driver facility (if Surrey Canal Station not operational prior to occupation): provision of facilities for bus drivers (w.c and mess room) at Landman Way, Provision of bus stand, associated signage, CCTV (where not covered by street camera), highway markings including mini-roundabout and potential pavement works for allow turning circle. Provision prior to occupation of Phase 1 ( if no station)
  - Phase 2-5 buses: Financial contribution of up to £9.45m (less any Phase 1 bus contribution) towards the provision of bus service enhancements (one towards or via Lewisham Town Centre and one towards central London or as otherwise agreed). The payment of this contribution is to be phased. The first payment is to be

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- The second payment is to enable the service to be introduced in time for first occupation of any building in Phase 4. TfL is to start providing bus service on first occupation of this space and includes the provision of suitable road(s), other necessary works for buses and relevant property agreement being provided. Minimum level of service to be agreed; Services to run as indicated unless otherwise agreed with TfL in future.
- Phase 2-5 bus driver: Incorporation of facilities for bus drivers (w.c. and mess room) and bus layovers prior to the bus services starting upon occupation of Phase 2;
- Developer to investigate (design and model) measures to assist bus movements on Surrey Canal Road specifically traffic signals at the Landmann Way or Trundleys Road junction.
- Cycle docking stations plan to be submitted detailing location and size of 2 docking stations (each having around 30 docks), to be agreed prior to residential occupation of the relevant Phase in consultation with TfL and contribution of £440,000 towards implementation. Serviced site provided prior to first occupation of relevant phase along with any necessary property agreement if site not on adopted highway.

# 2. Highways:

- Developer to raise carriageway of Surrey Canal Road (to enable suitable gradients), locate DHN/Envac pipes under the road and provide a new signalised pedestrian/cycle crossing and bus stop facilities prior to the first occupation of Phase 2; Each phase that fronts Surrey Canal Road should include measures to address the changes in levels between the plots and Surrey Canal Road, to ensure convenient step free access is provided between the plots and the new bus facilities on Surrey Canal Road, Rollins Street, and to the new station on Surrey Canal Road and that bus operations along Surrey Canal Road are not prejudiced.
- Developer to construct north-south road between Rollins Street and Surrey Canal Road and Lovelinch Close to the east and west of Phase 2 (the "bus loop") in accordance with an agreed specification (following consultation of details with TfL) no later than first occupation of dwellings in Phase 2 Excelsior), Including any necessary embankment or level change works to railway line and station;
- Developer to undertake pedestrian improvement works to Stockholm footway and at Stockholm Road/Ilderton Road junction no later than first occupation of dwellings in Phase 4;
- Developer to undertake pedestrian improvement works to Zampa Road footway and at Zampa Road/Ilderton Road junction no later than first occupation of dwellings in Phase 5.
- Developer to undertake pedestrian and cycle improvement works to Surrey Canal Road/Ilderton Road prior to the commencement of bus services referred to under Public Transport above; subject to agreement of scheme with LBS
- Developer to undertake works to Bolina Road north of the application site no later than first occupation of dwellings in Phase 5.
- Developer to construct Station Square to completion before first occupation of any residential unit in Phase 2.
- Developer to construct Stadium Square to completion before first occupation of any residential unit in Phase 4
- The developer is to provide seven dedicated on-street parking spaces which would be provided for car club vehicles; these would be distributed across the site. The car club vehicles should be available to residential and non-residential occupiers of the proposed development. Provision is to be provided of a phase specific car club strategy and ongoing management (triggers to be agreed).
- The developer to provide traffic calming features on Rollins Street to deter rat-running (up to the Ilderton Road junction) in Phase 3.

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# 3. Traffic Management, Pedestrian/Cycle Routes:

- Financial contribution of £300,000 towards improving pedestrian and cycle routes around the site for CFR 12 (triggers to be agreed) Financial payments to be index linked. LB Southwark to be consulted on priorities, with no more than 20% of contributions going to routes in Southwark. Phasing to be agreed;
- Developer to undertake works to railway arches and underpasses at South Bermondsey, Zampa Road, Stockholm Road and Rollins Street, and Bolina Road (with works including refurbishment to existing structures and lighting and finishes to walls, soffits and paving). Developer to secure all necessary approvals to undertake these works;
- Financial contribution of £88,000 towards Legible London for implementation of signage/other improvements to encourage walking (triggers to be agreed) Financial payments to be index linked;
- Financial contribution (to be agreed) towards Healthy Streets improvements at Ilderton Road and junctions with Zampa Road/Verney Road, Stockholm Road, Surrey Canal Road, Rollins Street, Lovelinch Close following an audit. Financial payments to be index linked;
- Residential car parking spaces (where provided) to be allocated to occupiers of private and affordable dwellings in proportion with the percentage of private and affordable homes provided;

# 5. South Bermondsey Station:

- Developer to work with others to provide a new permanent pedestrian and cycle access to South Bermondsey Station direct from the north west corner of the site;
- Developer to submit a planning application(s) to LB Southwark and LB Lewisham for the proposed link to the Station prior to the commencement of Phase 5 and to bring that part of the link on the Developer's land into use no later than first occupation of Phase 5;
- Proposed links to South Bermondsey Station are to be closed during the egress of people from an event at Millwall FC Stadium unless the Council agrees that they can be appropriately managed; and
- Developer to work with others to improve passenger facilities (including step free access to platforms) at the Station.

# 6. Controlled Parking Zone(s)

- Developer to pay up to £250,000 to LB Lewisham and LB Southwark towards consulting on and potentially creating a car parking zone(s) around the site, subject to separate process and consultation (triggers to be agreed). Financial payments to be index linked; and
- None of the occupiers (bar blue badge holders) of the development will be eligible for a parking permit to park on adopted roads in Lewisham or Southwark.

# 7. Travel and Event Day Issues

- Developer to appoint a Site Wide Travel Plan Coordinator, the establishment of a Travel Plan Steering Group, the implementation of approved Phase specific Travel Plans and introduction of monitoring mechanisms.
- Developer to keep agreed area free from obstruction for emergency vehicles and pedestrians for period commencing 4 hours before the beginning of an event until 4 hours after the end of an event;

# 8. Permission for Buses to Run

• Developer to enter into legal agreement to allow TfL to run, stop and stand buses on certain roads (at no cost to TfL) and for the public to have access at all times to bus stops

on these roads and to provide access for maintenance. In the event that roads are non-adopted.

# 9. Phasing and Land Assembly

- Development to be built out in accordance with most up-to-date approved Plan;
- A planning obligation to require the developer to use all reasonable endeavours to secure sufficient control over all the land in the site (either by way of ownership or formal partnership agreements with other owners);
- A Grampian planning obligation to prevent commencement of the relevant phase of the development until all the land within that relevant phase is controlled by the applicant and bound by the section 106 agreement;
- A planning obligation to require the developer to enter into a CPO Indemnity Agreement with the Council prior to implementation of the development to ensure that the costs associated with the promotion and implementation of any necessary CPO are underwritten by the applicant; and
- A planning obligation to require a Deed of Confirmation/Deed of Adherence to bind those areas of the application site which are not bound at the completion of the s106 agreement.

## 10. Housing

- Affordable Housing to be included in all Phases up to a maximum of 50% by habitable rooms.
- Affordable Tenure split phase 1 and across all phases, unless as otherwise agreed in conjunction with the final affordable housing registered provider.

Phase 1	Social Rent	Intermediate
1b 1p		
1b 2p	48	37
2b 3p	15	
2b 4p	37	43
3b 4p	5	
3b 6p	15	

- Timing of affordable units –75% of all affordable housing units in Phase 1 shall be completed (and ready for occupation) no later than the first occupation of the second private residential building in Phase 1 (either tower A or C).
- Wheelchair accessible housing (phase 1) –10% homes to meet M4(3) and remaining units to meet M4(2)
- Wheelchair accessible housing (phases 2-5)
- Affordable tenure mix Phases 2-5 including minimum number of dwellings per phase;
- No more than 50% of private units in any phase until 75% of all affordable housing units to be provided in that phase have been constructed (and ready for occupation). No more than 90% of private units in any phase until 100% of all affordable housing units to be provided in that phase have been constructed (and ready for occupation)
- Review mechanism Early stage review (upon substantial implementation completion of basement works – if planning permission has not been implemented within 2 years) plus a Late stage review (at the completion of each Phase) 75% of homes or sold or occupied should they be rented and where the developer returns meet or exceed an agreed level in accordance with the London Plan Affordable Housing and Viability SPG). Mid Stage viability reviews to be required upon submission of Reserved Matters for the relevant phase(s).
- Phase 1 podium level terrace and amenity space to be accessible to all residents, regardless of tower residency

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# **11. Access to Sports Facilities**

- Sports Facilities Strategy to be submitted to and approved by LBL that sets out how the proposed sports facilities are to be made available to local people and schools in Lewisham and Southwark at a subsidised rate for a minimum of 10% of the opening hours of the proposed facilities.
- Facilities to be managed by the New Bermondsey Sports Foundation (which has already been established) with the objectives of promoting healthy recreation;
- The developer to provides administrative and fundraising support to the Foundation to help it raise funding for charitable and voluntary groups which serve the communities of Lewisham and Southwark
- The Foundation is to provide preferential access to all Lewisham and Southwark residents and give concessionary rates to those in full time education.

# 12. Auditorium

- Auditorium structure to be complete to shell and core, including fitting of glazed frontage and glazed lobby (that links Tower A, C and B) prior to first occupation of any residential unit in Phase 1
- Café to be generally accessible to the public
- Public square to be completed and landscaped prior to first occupation

## 13. Sports Facilities and Phase 1 Auditorium Usage:

- The number of 'Occasions' including maximum permitted attendance, co-ordinated with Events at Millwall FC Stadium by be agreed by a Cumulative Site Wide Management Plan, with Stadium Events taking priority over Occasions; and
- An 'Occasion' will not commence or finish within the period 1.5 hours before or 1 hour after an Event at the Stadium.
- Sports Facilities Strategy including discounted entrance fee for residents of Lewisham and Southwark as well as students attending education facilities in either borough) for a minimum 20% of the opening hours.

## 14. Bridgehouse Meadows

• Prior to occupation of 950 dwellings, payment to LBL of up to £1,465,800 towards improvement, management and maintenance of Bridgehouse Meadows including pedestrian and cycle routes to and from and across the space (or direct works by the applicant to the value of £1,465,800). Financial payments to be index linked.

## 15. Education/Health/Training/Air Quality

- Local Employment Strategy to be submitted to and approved in writing by LBL upon submission of the first Reserved Matters application;
- Financial contributions towards Employment and Training as follows: £318,000 upon making a material start on the first phase; £50,000 upon making a material start on each of the subsequent phases, subject to a maximum of £518,000. Financial payments to be index linked.

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- Provision and marketing of a children's nursery space of at least 400sqm internal shell and core space, including fitting of building frontages and 200sqm external space in a location to be agreed; and
- Provision and marketing of a health facility constructed to internal shell and core (including fitting of glazed frontages/ shop fronts) in Phase 4, subject to discussions with the NHS. If no such space is required, alternative uses can be provided subject to agreement with LBL.

# 16. Publicly Accessible Open Space Areas

- Public to have access on foot and cycle to areas 24/7 throughout the year, except for specified purposes;
- Management and maintenance details to be submitted to and approved in writing by LBL before commencement of development; and
- Developer to insure against and damage, loss or injury.

# 17. Creative Industries Hub/ Incubation Space

- At least 2,000sqm as unis to be allocated as a Creative Industries Hub and/or Business Centre (incubation space).
- Business Centre (Incubation Space) to provide:
  - An office specification facility that offers cellular office spaces in a range of unit sizes with communal wc and kitchen facilities, reception/foyer and meeting rooms;
  - A managed facility that would also provide access to a number of central services.
- Creative Industries Hub to provide:
  - Basic level of accommodation in a range of unit sizes with communal, wc and kitchen facilities, reception and foyer;
  - Each unit to be serviced with basic services.
- Tenancies to be on an inclusive basis that includes the cost of Rates and Service Charge; and
- Tenancies on flexible licence terms from one month.

## **19. Relocation Strategy**

 Secure the Relocation Strategy as submitted and development should be implemented in accordance with.

## 20. Stadium Working Group

- A Working Group is to be established prior to a material start on site, to be made up of representatives from the Developer and MFC (and their respective contractors), LBL, the Metropolitan Police and other interested parties. The parties will meet every month or as otherwise agreed. The Group will: (a) consider and comment on draft Phasing Plans; (b) consider and comment on detailed construction timetables; (c) consider and comment on draft Cumulative Site Management Plans; (d) consider and comment on detailed landscaping (including hard and soft landscaping specification and tree location and type), lighting and CCTV proposals for the public realm; and (e) oversee the preparation, implementation, monitoring and review of Stadium Construction Management Plans and Stadium Event Day Management Plans.
- Submission of alternative representation members as agreed.

## 21. Stadium Construction Management Plan

• A Construction Management Plan is to be submitted to and approved by LBL before works commence in a particular Phase covering: (a) Construction logistics to ensure safe ingress, egress and evacuation from Stadium at all times, taking account of Events already

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Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-usafeedback-on-our-reports</u> programmed to take place and setting out a mechanism for agreeing how additional proposed Events are to be facilitated; (b) Construction works on all Plots to stop for the period 4 hours before to 4 hours after an Event at the Stadium; (c) Developer and MFC contractors to undertake any necessary remedial work to construction sites to enable Events to take place; and (d) Construction logistics to ensure the maintenance of vehicular and pedestrian access to and from the Stadium on Event days; and

• Construction to be carried out in accordance with approved details.

# 22. Stadium Event Day Management Plan

- Stadium Event Day Management Plan to be submitted to and approved in writing by LBL before development in any Phase is first commenced. Development in subsequent Phases shall not be commenced until subsequent versions of the Plan have been submitted to and approved, with each submission providing evidence of prior liaison with the Stadium Working Group. The Plan is to cover (a) segregation of home and away supporters, (b) litter removal, (c) crowd control, (d) crowd reservoir areas, (e) management of vehicular and pedestrian access, (f) Station Control and queue management at South Bermondsey and Surrey Canal Road Stations, (g) required temporary road closures, (h) car and coach parking, (i) signage and information, (j) Police liaison, (k) the operation of the water feature/s, (l) litter collection, and (m) how Events at the Stadium and Occasions in the Phase 1 Auditorium and Sports Facilities are to be co-ordinated, timetabled and managed (including how Events in the Stadium are to be given priority with MFC giving notice of every Event at Millwall FC Stadium within 24 hours of themselves being notified );
- Development to be occupied and managed in accordance with an approved Stadium Event Management Plan, which may be revised from time to time with the prior written agreement of the Council (following consultation with the Working Group).

## 23. Cumulative Site Management Plan

- Cumulative Site Management Plan to be submitted to and approved in writing by LBL before development in any Phase is first commenced. Development in subsequent Phases shall not be commenced until subsequent versions of the Plan have been submitted to and approved, with each submission providing evidence of prior liaison with the Stadium Working Group. The Plan is to cover management and maintenance of (a) Publicly Accessible Open Spaces and nonadopted highways, (b) car parking on non-adopted highways, (c) Management of Surrey Canal Road, (d) hard and soft landscaping within public areas, (e) Play space, (f) communal residential amenity space, (g) signage and information, (h) lighting, (i) CCTV, (j) the hours of use of the Phase 1 Auditorium and (k) how occupiers of premises within the site are to be kept informed of the Plan; and
- Development to be occupied and managed in accordance with an approved Cumulative Site Management Plan, which may be revised from time to time with the prior written agreement of the Council (following consultation with the Stadium Working Group).

## 24. Access Forum

- An Access Forum is to be established and consider detailed proposals before they are submitted to LBL for approval;
- Forum to hold first meeting within one month of being established; and
- Developer to have full regard to recommendations in formulating detailed proposals.

# 25. Design Quality Panel

- Developer to continue support for the SCT Design Panel including review fees;
- SCT Design Panel to consider detailed proposals before they are submitted to LBL for approval; and

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# 26. Design Quality

- Public Art Strategy to be submitted to and approved in writing by LBL prior to submitting the first Reserved Matters application;
- Before any Phase is first occupied Approved Public Art Strategy to be implemented; and
  Vacant Ground Floor Unit Strategy to be submitted to and approved in writing by LBL prior
- Vacant Ground Floor Unit Strategy to be submitted to and approved in writing by LBL prior to submitting the first Reserved Matters application approved Strategy to be implemented.
- Studio Egret West to be retained as design champion in the event they are not appointed as executive architect on Phase 1. Studio Egret West to be retained as design champion for the masterplan on phases 2-5 if other delivery architects are proposed.

# 27. Energy and Environmental Sustainability

# **Phase 1 Commitments**

- Phase 1 is to be connected to SELCHP from a District Heating Network;
- Phase 1 is to be linked to SELCHP before first occupation.
- In the event that SELCHP is not available for connection, simultaneous heating and cooling air source heat pumps located on the roof of Phase 1 will provide heating and domestic hot water to the podium and residential units.
- Domestic regulated CO<sub>2</sub> emissions will be reduced by at least 75% (using SAP 10 carbon factors) as compared to Greater London Authority (GLA) Baseline (to be defined), using energy efficiency measures, district heating recovered from SELCHP.
- Non-domestic regulated CO<sub>2</sub> emissions will be reduced by at least 35% (using SAP 10 carbon factors) as compared to Greater London Authority (GLA) Baseline (to be defined), using energy efficiency measures, district heating recovered from SELCHP.
- A cash-in-lieu payment and/or retrofit schemes identified in the local area will be made to offset the difference between the savings achieved on-site and the target set by the Zero Carbon Policy of the GLA.
- Back up heating is to be available through the provision of on-site air-cooled chillers within Phase 1 or via SELCHP.
- Buildings will be specified with high energy efficiency fabric and services measures, reducing regulated CO<sub>2</sub> emissions below those of a development, reducing emissions by 5% and 15% over Part L 2013 for residential and non-residential, respectively, through energy efficiency measures alone.
- Water use per person is limited to 105 litres per person per day, through the use of low flow fixtures and fittings.
- A choice of opening windows and cooling will be provided to mitigate overheating risk.
- The minimum reductions in CO2 emissions from the preferred SELCHP option (using SAP 10 Carbon Factors) shall be 511.1 tonnes per annum.

# Phase 2 to 5 Commitments

- Phases 2 to 5 to be connected to SELCHP from a District Heating Network.
- Each Plot or Phase is to be linked to SELCHP before first occupation and where CHP plant is installed prior to connection to SELCHP, it can be decommissioned and removed upon connection to SELCHP (unless it is needed for back-up).
- In the event that SELCHP is not available for plot connections, simultaneous heating and cooling air source heat pumps located on the roof of the relevant building will provide heating and domestic hot water to the podium and residential units.

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- Domestic regulated CO<sub>2</sub> emissions will be reduced by at least 75% (using SAP 10 carbon factors) as compared to Greater London Authority (GLA) Baseline (to be defined), using energy efficiency measures, district heating recovered from SELCHP.
- Non-domestic regulated CO<sub>2</sub> emissions will be reduced by at least 50% (using SAP 10 carbon factors) as compared to Greater London Authority (GLA) Baseline (to be defined), using energy efficiency measures, district heating recovered from SELCHP and solar PV.
- Buildings will be specified with high energy efficiency fabric and services measures, reducing regulated CO<sub>2</sub> emissions below those of a development, reducing emissions by 10% and 15% over Part L 2013 for residential and non-residential, respectively, through energy efficiency measures alone.
- Solar Photovoltaic (PV) allocation and output will be reviewed on a phase by phase basis. This will consider detailed roof design including lift overruns, external amenity terraces and plant/servicing requirements.
- A cash-in-lieu payment and/or retrofit schemes identified in the local area will be made to offset the difference between the savings achieved on-site and the target set by the Zero Carbon Policy of the GLA.
- Water use per person is limited to 105 litres per person per day, through the use of low flow fixtures and fittings.
- Natural ventilation and cooling choices will be balanced with acoustic constraints.
- The minimum reductions in CO2 emissions from the preferred SELCHP option (using SAP 10 carbon factors) shall be 2,813.9 tonnes per annum.
- Detailed energy statements in support of reserved matters applications for a particular Phase or Plot shall set out predicted CO2 savings against the above minimum reductions and demonstrate to what extent the detailed proposals are expected to contribute towards meeting the minimum requirements.

# 28. Sustainable Design and Construction

- Use of lower embodied energy materials wherever possible, including specific commitments; and
- Establishment of review and monitoring mechanisms to ensure that the specification of all materials takes full account of the Green Guide to Specification.

# 29. Waste Management and Envac

- Developer to incorporate Envac waste disposal system to serve all Phases
- A Central Receptor Station to be provided within Phase 1;
- No development in any phase shall be occupied until an operational ENVAC system is in place;
- The developer shall be responsible for the maintenance and repair of the ENVAC system;
- Household waste shall be collected in three streams (refuse, recycling and organic) and non-residential waste shall be collected in three streams (refuse, recycling and organic) requiring the central collection station to include six separate waste storage units to keep household and non-household waste separate;
- The three separate portals in the residential cores shall be suitably identified (refuse, recycling and organic) to help ensure occupiers to use the correct portal;
- The developer shall provide the Council with separate monthly monitoring reports on the amount (tonnes) for household and non-residential waste collected at the central collection station for each of the three waste streams (refuse, recycling and organic); and
- The developer shall be responsible for the collection and disposal of waste from the proposed streets and publicly accessible areas, with the proposed location and size of bins being approved by the Council in advance of installation.

# 30. Landscape/Ecology/Nature Conservation

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- Proposals for maximising opportunities for composting of organic waste and how these
  opportunities are incorporated in to detailed designs for private and communal amenity
  spaces; and
- Work with LBL to ensure Bridgehouse Meadows includes play areas (particularly for children over 11).

# 31. CCTV

• Phase-wide CCTV Strategy including for Landmann Way bus stand (dependent on final location and if not covered by street cameras) and bus loop to be submitted to (following consultation with the Stadium Working Group and TfL) and approved in writing by LBL prior to commencement of development in a particular phase – Implementation of Strategies.

## 32. Public Access to facilities

- Details of publically accessible toilets including their management (which can be closed 90 minutes before and until four hours after an event at MFC) to be agreed.
- Details of free drinking water facilities, including management. To be made available at initial occupation of each relevant phase.

## 33. Welcome Packs for new occupiers

 Details of a welcome pack to be distributed to all new residential occupiers at first occupation of each building. The pack shall detail surrounding potential sources of noise and pollution including but not limited to Millwall Football Club, Phase 1 Auditorium, Phase 3 Leisure Centre, Phase 2 and 5 Industrial space, SELCHP, Railway Tracks, Bus Loop, stops and standing.

## 34. Local labour including construction

• Submission of a local labour strategy

## 35. Post Construction Monitoring for SELCHP

 Prior to first occupation of any residential unit in Phase 1, to agree a strategy of noise monitoring in consultation with Veolia and any mitigation identified necessary shall be implemented.

## 36. Council Costs

- LBL monitoring costs; and
- Financial contributions to fund on-going consultant and project management costs
- TfL legal costs for S106 agreement to be paid by the applicant

## **37. LBL Development Monitoring**

• At the end of April each year, the Developer is to provide LBL with specific information.

#### Monitoring fee and legal costs

- 975 £25,000 fee (which applies to developments of 301+ units).
- 976 Commitment to meeting the Council's costs in relation to the preparation and drafting of the legal agreement (legal costs and officer time).
- 977 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, as amended).

## 978 CONCLUSION

- 979 This application has been considered in the light of policies set out in the development plan and other material considerations, including the information in the ES and other information and representations relevant to the environmental effects of the proposals. The application site is located within a Strategic Site Allocation which promotes comprehensive masterplan led regeneration. DMLP Policy 1 (Presumption in favour of sustainable development) repeats the ambitions of the NPPF and confirms that the Council will take a positive approach to sustainable development and will work proactively with Applicants to find solutions which mean that proposals secure development that improves the economic, social and environmental conditions in the Borough. Lewisham Spatial Strategy Policy 1 states that all new development will need to contribute positively to the delivery of the vision for Lewisham which includes the provision of new homes, good design in new buildings a net increase in open spaces and for developments to mitigate that impact where appropriate.
- 980 It is considered that the scale of the development is acceptable, that the proposed buildings and public realm have been designed to respond to the context, constraints and potential of the site and that the development would provide a high standard of accommodation.
- 981 The proposals have attracted a number of objections on a wide range of issues. Those material concerns expressed by local residents and local groups have been considered and addressed in earlier sections of this Report and in provisions set out in the recommended conditions and Section 106 agreement. The proposals have also attracted an equal number of public representations in support of redevelopment.
- 982 In accordance with Paragraph 202 of the National Planning policy Framework the harm to heritage assets has been weighed against the public benefits of the proposal including, where appropriate, securing its optimum viable use. Officers must also give great weight to any identified harm to heritage assets.
- 983 Less than substantial harm to heritage assets is recognised and great weight has been given to this identified heritage harm summarised as follows:
  - Less than substanisal harm to the Hatcham Conservation Area
- 984 The public benefits presented by the proposed development summarised below, have been weighed against heritage harm identified:
  - Delivery of up to 3,518 new homes (an uplift of 3,294 new homes)
  - Provision of 200 new affordable homes in Phase 1 (100% uplift) and 1,032 new affordable homes in Phases 2-5. A Total of 1,232 new affordable homes.
  - Provision of new employment, leisure and cultural uses, including auditorium space, cultural quarter, leisure centre, retail, health and light industrial space.
  - Provision of new transport infrastructure, including funding for up to 3 new bus routes (100% uplift in new bus routes), new cycle docking stations, and potential funding for delivery of Surrey Canal overground station.
  - Provision of new walking and cycling routes, including works to underpasses.

- 985 The officer assessment has also identified some impact upon surrounding existing occupants of neighbouring residential properties in relation to loss of light and overshadowing. However, on balance the benefits and planning merits of the scheme are considered to substantially outweigh any harm identified.
- 986 In conclusion, the proposed development is considered to be in accordance with the relevant national planning policy guidance and development plan policies. The proposals are wholly sustainable development in accordance with the NPPF and will make an important contribution to the borough, in respect of housing supply and importantly the wider borough community. The proposals are therefore considered to be both appropriate and beneficial. Therefore, on balance, any harm arising from the proposed development is considered to be outweighed by the benefits listed above.

## 987 **RECOMMENDATION**

## **RECOMMENDATION (A)**

988 To agree the proposals and refer the application, this report and any other required documents to the Mayor of London (Greater London Authority) under the terms of the Town and Country Planning (Mayor of London) Order 2008.

## **RECOMMENDATION (B)**

989 Subject to no direction being received from the Mayor of London, authorise the Head of Law to complete a legal agreement under Section 106 of the 1990 Act (and other appropriate powers) to cover the principal matters as set out in this report, including other such amendments as considered appropriate to ensure the acceptable implementation of the development.

## **RECOMMENDATION (C)**

990 Subject to completion of a satisfactory legal agreement, authorise the Head of Planning to GRANT PLANNNG PERMISSION subject to conditions including those set out below and such amendments as considered appropriate to ensure the acceptable implementation of the development.

# 990.1 CONDITIONS

# CONDITIONS

## 1. <u>Time Limit</u>

- (i) Applications for approval of Reserved Matters must be made not later than fifteen years from the date of the grant of this outline permission.
- (ii) The development to which this permission relates must be begun not later than:-
  - (a) The expiration of 3 years from the date of the grant of this permission, or
  - (b) If later, the expiration of 2 years from the final approval of the Reserved Matters or, in the case of approval on different dates, the final approval of

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<u>Reason:</u> To comply with the provisions of Section 92 of the Town & Country Planning Act 1990 (as amended) and the timescale of the development and to allow for the progressive process of approvals to enable the Development and the regeneration of the area in accordance with relevant planning policies to commence as soon as reasonably practicable and within a realistic timetable.

# 2. <u>Phase 1 - Approved Quantum</u>

The Phase 1 development hereby approved in detail shall be implemented in accordance with the approved details:

- a) 600 residential units, split between 200 units per building.
- b) Auditorium space allowing for 800 seats
- c) Envac central collection station and system.
- d) Three towers above auditorium space each 32 storeys high.
- e) Basement comprising car park, plant and storage.

**Reason:** To ensure that the development is implemented as approved and is acceptable to the local planning authority.

## 3. <u>Reserved Matters/Details</u>

Development shall not commence in a particular Plot or Phase (other than Phase 1) until layouts/plans/sections, elevations and other supporting material for that Plot or Phase detailing:

- i) Siting and layout of the buildings and other structures;
- ii) Design of the buildings (including floor areas, height and massing);
- iii) External appearance (including samples of the materials and finishes to be used for all external surfaces and including but not limited to roofs, elevation treatment and glazing);
- Means of access including car parking, cycle storage/parking, carriageways, cycleways and footways and servicing arrangements, including all surface treatments;
- v) Hard and soft landscaping and planting, site boundary treatments of all publicly accessible open space and all private open space (including play space, private residential amenity space and communal residential amenity space) have been submitted to and approved in writing by the local planning authority. Unless otherwise agreed in writing by the local planning authority, the development shall in all aspects be carried out in accordance with the details approved under this condition.
- vi) Any application for reserved matters shall be accompanied by a statement which demonstrates compliance with the approved Development Specification (October 2021).

<u>Reason:</u> In order that the local planning authority is satisfied with the details of the proposed development in accordance with Policy 15 High quality design in Lewisham in the adopted

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#### 4. <u>Develop in Accordance with Approved Plans – Phase 1</u>

The Development shall be carried out strictly in accordance with the following application documents, plans or drawings hereby approved:

0334-SEW-ZZ-00-DR-A-000001 Rev P1 0334-SEW-ZZ-BS-DR-A-PLZ099 Rev P2 0334-SEW-ZZ-00-DR-A-PLZ100 Rev P3 0334-SEW-ZZ-01-DR-A-PLZ101 Rev P1 0334-SEW-ZZ-02-DR-A-PLZ102 Rev P1 0334-SEW-ZZ-03-DR-A-PLZ103 Rev P1 0334-SEW-ZZ-04-DR-A-PLZ104 Rev P3 0334-SEW-ZZ-06-DR-A-PLZ106 Rev P3 0334-SEW-ZZ-08-DR-A-PLZ108 Rev P3 0334-SEW-ZZ-08-DR-A-PLZ112 Rev P1 0334-SEW-ZZ-14-DR-A-PLZ114 Rev P2 0334-SEW-ZZ-16-DR-A-PLZ116 Rev P3 0334-SEW-ZZ-16-DR-A-PLZ118 Rev P1 0334-SEW-ZZ-20-DR-A-PLZ122 Rev P3 0334-SEW-ZZ-16-DR-A-PLZ123 Rev P1 0334-SEW-ZZ-29-DR-A-PLZ129 Rev P2 0334-SEW-ZZ-30-DR-A-PLZ130 Rev P2 0334-SEW-ZZ-31-DR-A-PLZ131 Rev P2 0334-SEW-ZZ-32-DR-A-PLZ132 Rev P1 0334-SEW-ZZ-33-DR-A-PLZ133 Rev P1 0334-SEW-ZZ-00-DR-A-PLZ140 Rev P2 0334-SEW-ZZ-00-DR-A-PLZ141 Rev P1 0334-SEW-ZZ-00-DR-A-PLZ142 Rev P2 0334-SEW-ZZ-00-DR-A-PLZ143 Rev P2 0334-SEW-ZZ-00-DR-A-PLZ144 Rev P1 0334-SEW-ZZ-00-DR-A-PLZ145 Rev P3 0334-SEW-ZZ-00-DR-A-PLZ146 Rev P1 0334-SEW-ZZ-00-DR-A-PLZ147 Rev P1 0334-SEW-ZZ-00-DR-A-PLZ148 Rev P1 0334-SEW-ZZ-00-DR-A-PLZ149 Rev P1 0334-SEW-ZZ-00-DR-A-PLZ150 Rev P1

Phase 1 Existing Site Plan GA Plan - Level B1 - Basement GA Plan - Level 00 GA Plan - Level 01 GA Plan - Level 02 GA Plan - Level 03 GA Plan Typical - Level 04,05,09,10 GA Plan Typical - Level 06,07,11 GA Plan Typical - Level 08,13 GA Plan Typical - Level 12 GA Plan Typical - Level 14,15 GA Plan Typical - Level 16,17,19,20,21 GA Plan Typical – Level 18 GA Plan Typical - Level 22,24,25,26,27 GA Plan Typical - Level 23,28 GA Plan - Level 29 GA Plan - Level 30 GA Plan - Level 31 GA Plan – Level 32 – Rooftop Plant GA Plan - Level 33 - Roof GA Plan - Level -01\_A GA Plan - Level -01 B GA Plan - Level -01 C GA Plan - Level 00\_A GA Plan - Level 00\_B GA Plan - Level 00\_C GA Plan - Level 01\_A GA Plan - Level 01\_B GA Plan - Level 01\_C GA Plan - Level 02\_A GA Plan - Level 02 B

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0334-SEW-ZZ-00-DR-A-PLZ151 Rev P1	GA Plan - Level 02_C
0334-SEW-ZZ-00-DR-A-PLZ152 Rev P1	GA Plan - Level 03_A
0334-SEW-ZZ-00-DR-A-PLZ153 Rev P1	GA Plan - Level 03_B
0334-SEW-ZZ-00-DR-A-PLZ154 Rev P1	GA Plan - Level 03_C

#### **Elevations**

 0334-SEW-ZZ-ZZ-DR-A-PLZ220 Rev P1
 No

 0334-SEW-ZZ-ZZ-DR-A-PLZ221 Rev P1
 No

 0334-SEW-ZZ-ZZ-DR-A-PLZ222 Rev P1
 So

 0334-SEW-ZZ-ZZ-DR-A-PLZ223 Rev P1
 So

 0334-SEW-ZZ-ZZ-DR-A-PLZ223 Rev P1
 So

 0334-SEW-ZZ-ZZ-DR-A-PLZ224 Rev P1
 So

 0334-SEW-ZZ-ZZ-DR-A-PLZ225 Rev P1
 No

 0334-SEW-ZZ-ZZ-DR-A-PLZ230 Rev P1
 Re

 0334-SEW-AA-ZZ-DR-A-PLZ231 Rev P1
 Re

 0334-SEW-CC-ZZ-DR-A-PLZ232 Rev P1
 Re

GA Plan - Level 03\_A GA Plan - Level 03\_B GA Plan - Level 03\_C

North Elevation North-East Elevation South-East Elevation South Elevation South-West Elevation North-West Elevation Residential Building A Elevations Residential Building C Elevations

#### Sections

0334-SEW-ZZ-ZZ-DR-A-PLZ300 Rev P1	Section AA
0334-SEW-ZZ-ZZ-DR-A-PLZ301 Rev P1	Section BB
0334-SEW-ZZ-ZZ-DR-A-PLZ302 Rev P1	Section CC
0334-SEW-ZZ-ZZ-DR-A-PLZ303 Rev P1	Section DD
0334-SEW-ZZ-ZZ-DR-A-PLZ304 Rev P1	Section EE

#### Typical Floor Plans

0334-SEW-ZZ-ZZ-DR-A-PLZ4161 Rev P1	Typical Floor Plan – Type T1
0334-SEW-ZZ-ZZ-DR-A-PLZ4162 Rev P1	Typical Floor Plan – Type T2
0334-SEW-ZZ-ZZ-DR-A-PLZ4163 Rev P2	Typical Floor Plan – Type T3
0334-SEW-ZZ-ZZ-DR-A-PLZ4164 Rev P1	Typical Floor Plan – Type T4
0334-SEW-ZZ-ZZ-DR-A-PLZ4165 Rev P1	Typical Floor Plan – Type T5
0334-SEW-ZZ-ZZ-DR-A-PLZ4166 Rev P1	Typical Floor Plan – Type T6
0334-SEW-ZZ-ZZ-DR-A-PLZ4167 Rev P1	Typical Floor Plan – Type T7
0334-SEW-ZZ-ZZ-DR-A-PLZ4168 Rev P1	Typical Floor Plan – Type T2-2W
0334-SEW-ZZ-ZZ-DR-A-PLZ4169 Rev P1	Typical Floor Plan – Type T3-2W

#### Flat Layouts

0334-SEW-ZZ-ZZ-DR-A-PLZ400 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ401 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ402 Rev P1 Flat Layouts – 1 Bed 1 Person\_Type 1 Flat Layouts – 1 Bed 1 Person\_Type 2 Flat Layouts – 1 Bed 1 Person\_Type 3

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0334-SEW-ZZ-ZZ-DR-A-PLZ403 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ404 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ405 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ406 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ407 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ408 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ409 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ410 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ411 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ412 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ413 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ414 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ415 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ416 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ417 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ418 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ419 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ420 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ421 Rev P1

#### Typical Façade Details

0334-SEW-ZZ-ZZ-DR-A-PLZ800 Rev P1 window, planter 0334-SEW-ZZ-ZZ-DR-A-PLZ801 Rev P1 0334-SEW-ZZ-ZZ-DR-A-PLZ802 Rev P1

Flat Layouts - 1 Bed 2 Person Type 1 Flat Layouts – 1 Bed 2 Person\_Type 2 Flat Layouts – 1 Bed 2 Person\_Type 3 Flat Layouts – 1 Bed 2 Person\_Type 4 Flat Layouts – 2 Bed 3 Person M4 (3)\_Type 1 Flat Layouts - 2 Bed 4 Person\_Type 1 Flat Layouts – 2 Bed 4 Person\_Type 2 Flat Layouts – 2 Bed 4 Person Type 3 Flat Layouts – 2 Bed 4 Person\_Type 4 Flat Layouts – 3 Bed 5 Person\_Type 1 Flat Layouts – 3 Bed 5 Person\_Type 2 Flat Layouts - 3 Bed 5 Person M4 (3)\_Type 1 Flat Layouts – 3 Bed 6 Person\_Type 1 Flat Layouts – 3 Bed 6 Person\_Type 2 Flat Layouts – 3 Bed 6 Person Type 3 Flat Layouts – 2 Bed 3 Person M4 (3) Type 2 Flat Layouts – 3 Bed 4 Person M4 (3) Type 2 Flat Layouts – 3 Bed 6 Person\_Type 4

Flat Layouts – 1 Bed 1 Person\_Type 4

Podium – Typical Façade Details – entrance,

Flat Layouts – 1 Bed 1 Person\_Type 2 Flat Layouts – 1 Bed 1 Person\_Type 3

## Landscape Plans

0334-SEW-ZZ-00-DR-L-PLZ110 Rev P2 0334-SEW-ZZ-00-DR-L-PLZ111 Rev P2 0334-SEW-ZZ-00-DR-L-PLZ112 Rev P2 0334-SEW-ZZ-ZZ-DR-L-PLZ113 Rev P2 0334-SEW-ZZ-00-DR-L-PLZ114 Rev P2 0334-SEW-ZZ-00-DR-L-PLZ115 Rev P2 External Works - Level 00 Levels GA - Level 00 Soil Depth GA - Level 00 External Works GA - Level 01,02,03 Soil Depth GA - Levels 01,02, 03 Planting GA - Level 00,01,02,03 Tree Removal Plan

#### Landscape Sections

0334-SEW-ZZ-ZZ-DR-L-PLZ300 Rev P1 Landscape Details – Soft Landscape

Landscape Sections

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0334-SEW-ZZ-00-DR-L-PLZ800 Rev P1	Planting and Tree Detail	
Landscape Schedules		
0334-SEW-ZZ-ZZ-SH-L-PLSH00 Rev P1	Planting Schedule	
Schedules		
0334-SEW-ZZ-ZZ-SH-A-PLSH00 Rev P4	Summary Area Schedule	
0334-SEW-ZZ-ZZ-SH-A-PLSH01 Rev P2	Graphic Accommodation Schedule	
Access Plan		
ITL14365-GA-101 Proposed Site Acces	ss from Surrey Canal Road	
Environmental Statement October 2021		
Planning Statement, December 2020, revision 1		
Design and Access Statement, December 2020, Rev P3		
Utilities Report, Rev 01, 18/12/2020		
Energy and Sustainability Statement 22 December 2020		
Whole Life Carbon Analysis, 22/12/2020		
Phase 1, Stage 2 Life Cycle Assessment, 12 August 2021		
Regeneration Statement, 28/11/2019		
Daylight, Sunlight and Overshadowing Amenity Report, December 2020, updated November 2021		
Operational Waste Management Strategy,	21/12/2020	
Site Waste Management Plan, 21/12/2020		
Circular Economy Statement, Rev 04, 09/0	9/2021	
Relocation Strategy, December 2020		
Fire Statement, 15/12/2020		
Delivery Strategy, 11/12/2020		

<u>Reason:</u> To ensure that the proposal is carried out in accordance with the approved Development Specification and Plans and to ensure that the details of development accord with the assessment and conclusions of the Environmental Impact Assessment.

## 5. <u>Develop in Accordance with Approved Plans – Other Phases</u>

The Development shall be carried out strictly in accordance with the following application documents, plans or drawings hereby approved:

0340-SEW-ZZ-ZZ-PP-A-006000 Rev P1 Parameter Plan 01: Application Boundary

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0340-SEW-ZZ-ZZ-PP-A-006001 Rev P1	Parameter Plan 02: Existing Site Levels
0340-SEW-ZZ-ZZ-PP-A-006002 Rev P1 Application Boundary	Parameter Plan 03: Detailed Planning
0340-SEW-ZZ-ZZ-PP-A-006003 Rev P1	Parameter Plan 04: Buildings to be Retained
0340-SEW-ZZ-ZZ-PP-A-006005 Rev P1	Parameter Plan 06: Proposed Ground Levels
0340-SEW-ZZ-ZZ-PP-A-006006 Rev P1 Distances	Parameter Plan 07: Proposed Critical
0340-SEW-ZZ-ZZ-PP-A-006007 Rev P1 Predominant Uses	Parameter Plan 08: Ground Level
0340-SEW-ZZ-ZZ-PP-A-006008 Rev P1 Predominant Uses	Parameter Plan 09: Podium Level
0340-SEW-ZZ-ZZ-PP-A-006009 Rev P1 Predominant Uses	Parameter Plan 10: Typical Level
0340-SEW-ZZ-ZZ-PP-A-006010 Rev P2 deviation	Parameter Plan 11: Maximum limits of
0340-SEW-ZZ-ZZ-PP-A-006011 Rev P1	Parameter Plan 12: Basement Extents
0340-SEW-ZZ-ZZ-PP-A-006012 Rev P2 Space - Ground Level	Parameter Plan 13: Landscape and Open
0340-SEW-ZZ-ZZ-PP-A-006013 Rev P1 Space - Podium Level	Parameter Plan 14: Landscape and Open
0340-SEW-ZZ-ZZ-PP-A-006014 Rev P1 Space - Roof Level	Parameter Plan 15: Landscape and Open
ITL14365-GA-100 Parameter Plan 16: H	Highways

Environmental Statement October 2021

Planning Statement, December 2020, revision 1

Design and Access Statement, December 2020, Rev P3

Utilities Report, Rev 01, 18/12/2020

Energy and Sustainability Statement 22 December 2020

Whole Life Carbon Analysis, 22/12/2020

Regeneration Statement, 28/11/2019

Daylight, Sunlight and Overshadowing Amenity Report, December 2020, updated November 2021

Operational Waste Management Strategy, 21/12/2020

Site Waste Management Plan, 21/12/2020

Circular Economy Statement, Rev 04, 09/09/2021

Relocation Strategy, December 2020

Fire Statement, 15/12/2020

Delivery Strategy, 11/12/2020

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## 6. <u>Develop in Accordance with Approved Plans – Other Phases</u>

- a) Notwithstanding the detail shown on 0340-SEW-ZZ-ZZ-PP-A-006004 Rev P2 Parameter Plan 05: Tree Removal Plan. The details approved only relate to that of Phase 1 detailed on Phasing Plan – Phase 1 rev P1.
- b) Development shall not commence in a particular Plot or Phase (other than Phase 1) until a revised Tree Removal Plan is submitted alongside details in a Reserved Matters application which seeks to maximize the retention of trees and maximize Urban Greening.

**<u>Reason</u>**: In order that the local planning authority may be satisfied as to the details of the proposal and to comply with Policy G5 of the London Plan (2021; 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).

## 7. <u>Restriction on development of Phase 1</u>

No part of the development forming part of Phase 1 (Phasing Plan – Phase 1 rev P1) hereby permitted shall be commenced (excluding operations consisting of site clearance, demolition work, archaeological investigations, investigations for the purpose of assessing ground conditions, remedial work in respect of any contamination or other adverse ground conditions, diversion and laying of services, construction of site accommodation compounds and/or the erection of any temporary means of enclosure) unless and until:

- All interests in the land within Phase 1 (Phasing Plan Phase 1 rev P1) other than statutory undertakers' apparatus and adopted public highways in the said land have been acquired by the person commencing said development and title to the said land has been deduced to the local planning authority; and
- ii) All interests in Phase 1 (Phasing Plan Phase 1 rev P1) have been bound by the terms of the S.106 Agreement entered into pursuant to the Town and Country Planning Act 1990 (and all other powers) of the same date of this planning permission.

<u>Reason:</u> To avoid inappropriate piecemeal development across the site and to ensure a comprehensive phased approach to development in accordance with Strategic Site Allocation 3 Surrey Canal Triangle of the adopted Core Strategy (June 2011).

# 8. <u>Restriction on development of Phase 2</u>

No part of the development forming part of Phase 2 (as shown on Phasing Plan – Phase 2 rev P1) shall be commenced (excluding operations consisting of site clearance,

demolition work, archaeological investigations, investigations for the purpose of assessing ground conditions, remedial work in respect of any contamination or other adverse ground conditions, diversion and laying of services, construction of site accommodation compounds and/or the erection of any temporary means of enclosure) unless and until:

- i) All interests in the land within Phase 2 (as shown on the Phasing Plan Phase 2 rev P1) other than Guild House and Rollins House (as identified on Parameter Plan 04: Buildings to be Retained) and statutory undertakers' apparatus and adopted public highways in the said land have been acquired by the person commencing said development and title to the said land has been deduced to the local planning authority have been acquired and are held by the same person who owns all interests in the land comprised within Phase and title to the said land has been deduced to the local planning authority.
- ii) All interests in the said land have been bound by the terms of an Agreement entered into between the local planning authority and the applicant pursuant to section 106 of the Town and Country Planning Act 1990 (and other appropriate powers) of the same date of this planning permission.

<u>Reason:</u> To avoid inappropriate piecemeal development across the site and to ensure a comprehensive phased approach to development in accordance with Strategic Site Allocation 3 Surrey Canal Triangle of the adopted Core Strategy (June 2011).

## 9. <u>Restriction on development of Phase 3</u>

No part of the development forming part of Phase 3 (as shown on Phasing Plan – Phase 3 rev P1) shall be commenced (excluding operations consisting of site clearance, demolition work, archaeological investigations, investigations for the purpose of assessing ground conditions, remedial work in respect of any contamination or other adverse ground conditions, diversion and laying of services, construction of site accommodation compounds and/or the erection of any temporary means of enclosure) unless and until:

- iii) All interests in the land within Phase 3 (as shown on the Phasing Plan Phase 3 rev P1) and statutory undertakers' apparatus and adopted public highways in the said land have been acquired by the person commencing said development and title to the said land has been deduced to the local planning authority; have been acquired and are held by the same person who owns all interests in the land comprised within Phase and title to the said land has been deduced to the local planning authority.
- iv) All interests in the said land have been bound by the terms of an Agreement entered into between the local planning authority and the applicant pursuant to section 106 of the Town and Country Planning Act 1990 (and other appropriate powers) of the same date of this planning permission.

<u>Reason:</u> To avoid inappropriate piecemeal development across the site and to ensure a comprehensive phased approach to development in accordance with Strategic Site Allocation 3 Surrey Canal Triangle of the adopted Core Strategy (June 2011).

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## 10. Further restriction on Development of Phases 4, 5

- a) No part of the development forming part of Phase 4 (as shown on Phasing Plan Phase 4 rev P1) hereby permitted shall be commenced (excluding operations consisting of site clearance, demolition work, archaeological investigations, investigations for the purpose of assessing ground conditions, remedial work in respect of any contamination or other adverse ground conditions, diversion and laying of services, construction of site accommodation compounds and/or the erection of any temporary means of enclosure) unless and until:
- All interests in the land within Phase 4 (as shown on Phasing Plan Phase 4 rev P1) other than statutory undertakers' apparatus and adopted public highways in the said land have been acquired by the person commencing said development and title to the said land has been deduced to the local planning authority; and
- All interests in Phase 4 (as shown on Phasing Plan Phase 4 rev P1) have been bound by the terms of the S.106 Agreement entered into pursuant to the Town and Country Planning Act 1990 (and all other powers) of the same date of this planning permission.
- b) No part of the development forming part of Phase 5 (as shown on Phasing Plan Phase 5 rev P1) hereby permitted shall be commenced (excluding operations consisting of site clearance, demolition work, archaeological investigations, investigations for the purpose of assessing ground conditions, remedial work in respect of any contamination or other adverse ground conditions, diversion and laying of services, construction of site accommodation compounds and/or the erection of any temporary means of enclosure) unless and until:
- All interests in the land within Phase 5 (as shown on Phasing Plan Phase 5 rev P1) other than statutory undertakers' apparatus and adopted public highways in the said land have been acquired by the person commencing said development and title to the said land has been deduced to the local planning authority; and
- All interests in Phase 5 (as shown on Phasing Plan Phase 5 rev P1) have been bound by the terms of the S.106 Agreement entered into pursuant to the Town and Country Planning Act 1990 (and all other powers) of the same date of this planning permission.

<u>Reason:</u> To avoid inappropriate piecemeal development across the site and to ensure a comprehensive phased approach to development in accordance with Strategic Site Allocation 3 Surrey Canal Triangle of the adopted Core Strategy (June 2011).

## 11. <u>Reconciliation Document</u>

- Each Reserved Matters application that is submitted for a particular Phase or Plot shall be accompanied by a Reconciliation Document comprising a Development Table, Illustrative Plan and Commitments Note. The Reconciliation Document shall set out the detail of:
  - (1) what has been built to date;

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- (2) what is proposed in the Reserved Matters application,
- (3) what is permitted in outline but has yet to be approved in detail, and;
- (4) what has reserved matters approval.

In doing so it shall demonstrate how the development the subject of the Reserved Matters application is consistent with the overall proposals for the site, as established by the Revised Development Specification and Parameter Plans (as set out in Condition 5).

- (ii) The Development Table element of the Reconciliation Document shall include details of the following for (1), (2), (3) and (4):
  - The type and quantum of non-residential use(s) (sqm GEA);
  - The type and number of 1-bed, 2-bed, 3-bed and 4-bed dwellings and the number of habitable rooms for 'Private', 'Social Rented', 'Intermediate' and wheelchair accessible/'easily adaptable' housing;
  - The amount (sqm) of private residential amenity space, communal residential amenity space (including play space), publicly accessible open space and living roofs; and
  - The number of car parking, motor cycle parking and cycle parking spaces for residential dwellings, non-residential uses and visitors.
- (iii) The Illustrative Plan element of the Reconciliation Document shall include a plan at 1;1000 scale showing details of the following for (1), (2), (3) and (4):
  - The disposition of buildings on the Plots;
  - The disposition of roads, footpaths and cycle paths;
  - The location of the District Heat Network pipes; and
  - The location of the Envac System pipes and portals.
- (iv) The Commitments Note element of the Reconciliation Document shall include details of how the proposals the subject of the Reserved Matters application would meet all of the relevant commitments in the Development Specification (October 2021). It shall also confirm how the mitigation assumed in the Environmental Statement (October 2021) and secured by other planning conditions or planning obligations are to be incorporated into the detailed proposals and that the predicted environmental effects are not materially different from those that were assessed at outline stage.

<u>**Reason**</u>: To enable the Council to be satisfied that detailed proposals for part of the site are consistent with the outline proposals for the Site as a whole, as established by the Revised Development Specification and Parameter Plans and to ensure that the development on each Phase makes a positive contribution towards the delivery of the comprehensive and integrated masterplan for the Site as a whole.

## 12. Detailed Design and Access Statement

Each Reserved Matters application that is submitted for a particular Phase or Plot shall be accompanied by a Detailed Design and Access Statement which demonstrates the underlying approach of the proposed development and explains how it meets the design and access principles and character areas set out in the approved Design and Access Statement (December 2020, Rev P3).

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## 13. <u>Restriction of Comparison Shopping Use</u>

In accordance with paragraph 2.3.10 of the approved Development Specification (1 October 2021) the total amount of retail or service floorspace in use class E (a) for comparison goods shopping on the site shall not exceed 2,000sqm (GEA).

<u>Reason</u>: To ensure that the amount of comparison shopping floorspace provided at the site does not adversely affect the viability and vitality of existing town and district centres, and to comply with DM Policy 13 Location of Town Centres of the Development Management Local Plan (November 2014).

## 14. <u>Restriction on Size of Comparison Shopping Retail Units</u>

In accordance with paragraph 2.3.11 of the approved Development Specification (1 October 2021), retail shop units on the site, other than for the sale of convenience goods, shall not exceed 250sqm (GEA).

<u>Reason:</u> To ensure that the amount of Shopping A1 floorspace provided at the site does not adversely affect the viability and vitality of existing town and district centres, and to comply with DM Policy 13 Location of Town Centres of the Development Management Local Plan (November 2014).

## 15. <u>Restriction on Size of Convenience Shopping (A1) Unit Size</u>

In accordance with paragraph 2.3.12 of the approved Development Specification (1 October 2021) class E(a) retail shop units on the site for the sale of convenience goods shall not exceed 1,000sqm (GEA).

<u>Reason:</u> To ensure that the amount of Shopping A1 floorspace provided at the site does not adversely affect the viability and vitality of existing town and district centres, and to comply with DM Policy 13 Location of Town Centres of the Development Management Local Plan (November 2014).

## 16. Minimum provision of Light industrial space

In accordance with paragraph 2.3.16 of the approved Development Specification (1 October 2021) the minimum amount of Class E(g)(iii) floorspace provided and retained on site shall be as follows:

- (i) 6,600sqm (GEA) in Phase 5; and
- (ii) 223sqm (GEA) in Phase 2

<u>Reason</u>: To ensure that the amount of comparison shopping floorspace provided at the site does not adversely affect the viability and vitality of existing town and district centres, and to comply with DM Policy 13 Location of Town Centres of the Development Management Local Plan (November 2014).

#### 17. Hours of Opening (Class E (b) and Sui generis)

The cafes/restaurants, drinking establishments and hot food take-aways (Use Classes E(b) and sui generis) permitted shall not be open to members of the public other than between the hours of 07.00AM and 24.00PM on any day of the week unless otherwise agreed with the local planning authority.

<u>Reason:</u> To safeguard the amenities of the adjoining premises and the area generally and to comply with DM Policy 26 Noise and Vibration and DM Policy 32 Housing design, layout and space standards of the Development Management Local Plan (November 2014).

#### 18. Detailed Energy Strategy

Each Reserved Matters application that is submitted for a particular Phase or building shall be accompanied by a Detailed Energy Statement which sets out how the proposed development would fully contribute to CO2 emissions reduction, with reference to the approved Energy and Sustainability Statement (December 2020) and commitments in planning obligations.

<u>Reason:</u> To ensure that development on each Phase fully contributes to CO2 emission reductions in accordance with Policy 7 Climate change and adapting to the effects, Policy 8 Sustainable design and construction and energy efficiency and Site Specific Allocation 3 Surrey Canal Triangle of the adopted Core Strategy (June 2011).

## 19. Daylight and Sunlight

Each Reserved Matters application that seeks approval of details of permitted residential dwellings or details of scale of permitted buildings in any Phase shall be accompanied by written details of how the proposed details apply the commitments set out in the approved Development Specification (1 October 2021) and the guidelines in the Building Research Establishment's "Site Layout Planning for Daylight and Sunlight: A Guide to Good Practice 2011" and ensures that a satisfactory level of amenity would be provided.

<u>Reason:</u> To provide sufficient information to enable the local planning authority to ensure that a satisfactory level of amenity is provided for future occupiers of the proposed residential dwellings and occupiers of existing residential dwellings, in accordance with

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## 20. <u>Wind</u>

- (i) Each Reserved Matters application that seeks approval of details of landscaping associated with communal residential amenity space and/or publicly accessible open space shall confirm how the mitigation measures identified in Chapter 11 (Wind Microclimate) of the approved Environmental Statement (October 2021) have been incorporated into the proposals. They shall also be accompanied by a written assessment of the likely wind effects of the proposals based on a purposelydesigned boundary layer wind tunnelstudy and set out details of any mitigation that may be necessary.
- (ii) Wind mitigation measures that are approved in relation to Reserved Matters applications shall be implemented before the housing in the Plot(s) to which they relate are first occupied, or as otherwise agreed in writing by the local planning authority, and thereafter retained.

<u>Reason:</u> To provide sufficient information to enable the local planning authority to ensure that a satisfactory level of amenity is provided for future occupiers of the proposed residential dwellings and users of publicly accessible open space, in accordance with DM Policy 32 Housing design, layout and space standards of the adopted Development Management Local Plan (2014).

## 21. Amount of Car Parking

Phases 1 – 5 of the Development shall provide:

- (i) A maximum of 120 new non-residential car parking spaces. Supplementary evidence will be provided to demonstrate the proposed quantum of space as being essential to the approved operations of occupants, and shall be retained as such thereafter. A minimum of 5% of the spaces will be sized and allocated for disabled users and a minimum of an additional 5% of the spaces will be sized for disabled users (but not allocated from the outset).
- (ii) 7 car parking spaces for a car club; and
- (iii) A maximum of 351 residential car parking spaces. All spaces will be designed for accessible vehicles.

**<u>Reason</u>**: In Accordance with Policy 14 Sustainable transport and movement of the adopted Core Strategy (June 2011) and Policy T6 of the London Plan (2021). The development has been subject of Environmental Impact assessment and any material changes in the amount of car parking and/ or cycle parking may have an impact which has not been assessed by that process.

# 22. <u>Cycle Parking and Facilities</u>

- Secure and covered cycle parking shall be provided within the Development for the permitted residential dwellings at a ratio of 1 long-stay space per studio or 1 person 1 bedroom dwelling; 1.5 long-stay spaces per 2 person 1 bedroom dwelling; 2 long-stay spaces per unit for all other dwellings; and 1 short-stay space per 40 dwellings;
- (ii) Secure and covered cycle parking shall be provided for the permitted non-residential uses in accordance with the following standards:

## Land Use Standards (GEA)

- Food retail: 1 long-stay space per 175 sq m GEA; 1 short-stay space per 20 sq m GEA for first 750 sq m and 1 space per 150 sq m thereafter;
- Non-food retail: 1 long-stay space per 250 sq m GEA for first 1,000 sq m and 1 space per 1,000 sq m thereafter; 1 short-stay space per 60 sq m GEA for first 1,000 sq m and 1 space per 500 sq m thereafter;
- Financial / professional services; cafes and restaurants; drinking establishments (with and without food); take-aways above 100 sqm: 1 long-stay space per 175 sq m GEA; 1 short-stay space per 20 sq m GEA;
- Offices: 1 long-stay space per 75 sq m; 1 short-stay space per 500 sq m for first 5,000 sq m and 1 space per 5,000 sq m thereafter;
- Light industry and research and development: 1 long-stay space per 250 sq m; 1 short-stay space per 1,000 sq m;
- Nurseries: 1 space per 8 full time equivalent (FTE) staff plus 1 space per 8 students;
- Health centre: 1 long-stay space per FTE staff; 1 short-stay space per 3 FTE staff;
- Sports centre: 1 long-stay space per 8 FTE staff; 1 short-stay space per 100 sq m GEA;
- Place of Worship: 1 long-stay space per 8 FTE staff; 1 short-stay space per 30 seats.

No Phase of the Development shall be commenced until details of the proposed provision of cycle parking for residents, occupiers of non-residential uses and visitors (including the numbers, type of cycle stands and their location) for that Phase have been submitted to and approved in writing by the Local Planning Authority in consultation with TfL.

The cycle parking details shall demonstrate:

- no less than 5% of all provision is available on Sheffield stands with wide spacing (1.8m spacing, or 900mm side space if wider cycles are expected just on one side of a stand) for larger/wider cycles;
- evidence that further exploration to increase the quantum of Sheffield stands at a minimum spacing of 1.0m available for residential use has been carried out;
- the cycle lift has minimum dimensions of 1.2 by 2.3 metres, with a minimum door opening of 1000mm
- the ramp dimensions including gradient;
- any two-tier racks used are mounted with a minimum of 2.5m clear aisle width;
- details of the security measures that are to be implemented should cycle parking provision not be located in the main building
- all other matters to be in accordance with the London Cycling Design Standards.

Approved cycle parking facilities shall be provided before the occupation of residential dwellings and non-residential uses to which they relate are first occupied and shall be retained thereafter.

(iii) Changing facilities (including a shower) shall be provided within each Building for which

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(iv) No Building where changing facilities are to be provided shall be first occupied until the approved changing facilities have been provided and made available for use. Thereafter such facilities shall be retained and used only as changing facilities for use as provided for in (iii) of this Condition.

<u>Reason:</u> To encourage cycling in accordance with Policy 14 Sustainable transport and movement of the adopted Core Strategy (June 2011) and Policy T5 of the London Plan (2021).

## 23. Parking Management Plans

No Development within a particular Phase shall be first occupied until such times as a Parking Management Plan (PMP) for car and cycle parking (in Buildings and outside of Buildings) has been submitted to and approved in writing by the local planning authority. PMPs shall include details of:

- (ii) The location, size, layout and access arrangements (including allocation of spaces) of all car parking spaces including 'blue-badge' car parking spaces and cycle parking spaces; and
- (iii) The location, size, layout and access arrangements (including allocation of spaces) of all cycle storage/parking spaces.; and
- (iv) The management measures that will be implemented to ensure that the parking provided is not being misused; and
- (v) Arrangements for the on-going monitoring of the need for 'blue-badge' car parking spaces and for making adjustments to the number and location of on-street 'bluebadge' car parking spaces in response to monitoring results.

Car and cycle parking relating to a particular Plot in the Phase shall be provided before any Building is first occupied and maintained in perpetuity in accordance with an approved PMP unless otherwise agreed in writing by the local planning authority.

<u>Reason:</u> In order to ensure adequate provision for car and cycle parking and to comply with Policy 14 Sustainable transport and movement of the adopted Core Strategy (June 2011), DM Policy 29 of the adopted Development Management Local Plan (2014).

#### 24. Road Safety Audit – Bus Loop

Prior to the commencement of highway works and construction and/or improvements to the roads which will form the bus loop, a Stage 1 Road Safety Audit (RSA) of the local highway network including that which is adopted, to be adopted or to be private highway, shall be

undertaken, submitted to and approved in writing by Local Planning Authority in consultation with TfL.

Reason: To ensure the proposal allows for the safe movement of buses within thes ite and to reduce vehicle-pedestrian conflicts in accordance with Policy T3 of the London Plan.

## 25. Car Parking for Retail Uses

Notwithstanding Condition 21 no car parking (other than 'blue-badge' bays) shall be allocated or otherwise made available to staff working in or visitors visiting the permitted Retail Uses in the Development.

<u>Reason:</u> To safeguard the vitality and viability of town centres in Lewisham and Southwark in accordance with Spatial Policy 2 Regeneration and Growth Areas and Policy 6 Retail hierarchy and location of retailing of the adopted Core Strategy (June 2011).

#### 26. Delivery and Service Plan

- (i) No Building on any relevant Phase shall be first occupied until a Delivery and Servicing Plan (DSP) for that building has been submitted to and approved in writing by the local planning authority. DSPs shall set out details of the proposed serving areas (location, size and dimensions) and proposed hours of servicing.
- (ii) The uses in all buildings shall be carried out in accordance with the relevant approved DSP.

<u>Reason:</u> To ensure safe, efficient and sustainable access to and protect amenities of existing and future occupiers and comply with Policy 14 Sustainable transport and movement of the adopted Core Strategy (June 2011), DM Policy 32 Housing design, layout and space standards of the Development Management Local Plan (2014).

## 27. <u>Highway Layouts</u>

No Building on a particular Plot or Phase shall be first occupied until the (public or private) highway(s) serving that Plot or Phase have been constructed to the satisfaction of the local planning authority.

<u>Reason</u>: To ensure safe, efficient and sustainable means of access to the development in accordance with Policy 14 Sustainable transport and movement of the adopted Core Strategy (June 2011).

#### 28. <u>Match-day Supporter Segregation Barriers</u>

(i) Prior to the commencement of development in Phases 4 and 5, if required, details of proposed physical method of separation of away supporters and home supporters

during the construction and operational stages of the particular Phase shall be submitted to and approved in writing by the local planning authority, in consultation with the Metropolitan Police Service and Millwall Football Club.

(ii) Any Match-day supporter segregation barriers shall be provided on days when there is a football match at the Stadium from 2 hours before to 2 hours after the scheduled start of the match.

<u>Reason</u>: To ensure that the coach parking area can be used on match-days in ways that reduce crime and the fear of crime and that such barriers are of a suitably high quality design and to comply with Policy 15 High quality design for Lewisham of the adopted Core Strategy (June 2011).

## 29. Emergency Flood Plan

- (i) No building in a particular Plot shall be first occupied until an Emergency Flood Plan in accordance with the findings of the approved New Bermondsey Flood Risk Assessment (Rev 00 15/12/2020, Annex A revised 20/08/21) has been submitted to and approved in writing by the local planning authority (in consultation with the Environment Agency).
- (ii) The approved Emergency Flood Plan shall be kept in place and its findings implemented for as long as development in the Plot to which it relates is occupied.

<u>Reason:</u> To ensure that the risks of flooding are managed in ways that safeguard the safety of people in accordance with Policy 10 Managing and reducing the risk of flooding of the adopted Core Strategy (June 2011).

## 30. <u>Sustainable Water Drainage – Phase 1</u>

The approved development in Phase 1 shall be implemented in full accordance with the approved 'New Bermondsey Flood Risk Assessment – proposed phase 1 development'. The details shall be fully implemented prior to first occupation, unless agreed in writing.

Reason: To prevent the increased risk of flooding and to improve water quality in accordance with Objective 6: Flood risk reduction and water management and Core Strategy Policy 10: Managing and reducing the risk of flooding (2011), and Development Management Local Plan (November 2014) DM Policy 28 Contaminated land.

## 31. <u>Surface Water Drainage - All other Phases</u>

- a) No development (other than Phase 1) on any phase (other than demolition of above ground structures) shall commence on site until a scheme for surface water management, including specifications of the surface treatments, management plan and sustainable urban drainage solutions, has been submitted to and approved in writing by the local planning authority.
- b) The details shall accord with the approved 'New Bermondsey Flood Risk Assessment Rev 00 15/12/2020 Annex A revised 20/08/21' and shall include a restriction in run-off and surface water storage as outlined in Annex A to the FRA 'Drainage Strategy Rev 02 dated 20/08/2021'.
- c) The scheme for each Phase should subsequently be implemented in accordance with

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**Reason:** To prevent the increased risk of flooding and to improve water quality in accordance with Objective 6: Flood risk reduction and water management and Core Strategy Policy 10: Managing and reducing the risk of flooding (2011), and Development Management Local Plan (November 2014) DM Policy 28 Contaminated land.

## 32. Flood Risk Assessment

- (i) The Phase 1 development hereby approved in detail shall be implemented in accordance with the approved 'New Bermondsey Flood Risk Assessment – Proposed Phase 1 Development' prior to first occupation, unless agreed in writing with the local planning authority.
- (ii) Each Reserved Matters application that is submitted for a particular Phase or Plot shall be accompanied by a detailed surface water drainage strategy. The submitted surface water drainage strategy for each Phase or Plot should accord with the approved 'New Bermondsey Flood Risk Assessment Rev 00 15/12/2020 Annex A revised 20/08/21' and shall include a restriction in run-off and surface water storage as outlined in Annex A to the FRA 'Drainage Strategy Rev 02 dated 20/08/2021'. The scheme for each Phase should subsequently be implemented in accordance with the approved details prior to first occupation, unless agreed in writing.

<u>Reason</u>: To ensure adequate drainage arrangements during both the construction and long-term operational phases of the development in accordance with Policy 10 Managing and reducing the risk of flooding of the adopted Core Strategy (June 2011).

## 33. Contaminated Land

- (a) No phase of development (excluding demolition of existing buildings and structures shall commence until a site investigation report for that phase of development to characterise and risk assess the site which shall include the gas, hydrological and contamination status, specifying rationale; and recommendations for treatment for contamination encountered (whether by remedial works or not) has been submitted, (including subsequent correspondences as being necessary or desirable for the remediation of the site) to and approved in writing by the Council.
- (b) If during any works on the site, contamination is encountered which has not previously been identified ("the new contamination") the Council shall be notified immediately and the terms of paragraph (a), shall apply to the new contamination. No further works shall take place on that part of the site or adjacent areas affected, until the requirements of paragraph (a) have been complied with in relation to the new contamination.
- (c) That phase of development shall not be occupied until a closure report for the phase has been submitted to and approved in writing by the Council.

This shall include verification of all measures, or treatments as required in (Section (a) i-& ii) and relevant correspondence (including other regulating authorities and stakeholders involved with the remediation works) to verify compliance requirements, necessary for the remediation of the site have been implemented in full.

The closure report shall include verification details of both the remediation and postremediation sampling/works, carried out (including waste materials removed from the site); and before placement of any soil/materials is undertaken on site, all imported or reused soil material must conform to current soil quality requirements as agreed by the authority. Inherent to the above, is the provision of any required documentation, certification and monitoring, to facilitate condition requirements.

Reason: To ensure that the local planning authority may be satisfied that potential site contamination is identified and remedied in view of the historical use(s) of the site, which may have included industrial processes and to comply with DM28 of the Development Management Local Plan (2014).

# 34. Controlled Waters

The development in a phase hereby permitted shall not begin until a scheme to deal with contamination of land/ground gas/controlled waters in that phase has been submitted to and approved in writing by the local planning authority. The scheme shall include all of the following measures, unless the local planning authority dispenses with any such requirement specifically in writing:

- Based on the findings of the Geoenvironmental and Geotechnical Desk Study Report by Buro Happold, a remediation scheme detailing how the remediation will be undertaken, what methods will be used and what is to be achieved. A clear end point of the remediation shall be stated, and how this will be validated. Any ongoing monitoring shall also be determined.
- 2. If during the works contamination is encountered which has not previously been identified, then the additional contamination shall be fully assessed in an appropriate remediation scheme which shall be submitted to and approved in writing by the local planning authority.
- 3. The development or phase of development shall not be occupied until a closure report for the development or phase has been submitted to and approved in writing by the Council. This shall include verification of all measures, or treatments as required in (Section (a) i & ii) and relevant correspondence (including other regulating authorities and stakeholders involved with the remediation works) to verify compliance requirements, necessary for the remediation of the site have been implemented in full.

The closure report shall include verification details of both the remediation and post-remediation sampling/works, carried out (including waste materials removed from the site); and before placement of any soil/materials is undertaken on site, all imported or reused soil material must conform to current soil quality requirements as agreed by the authority. Inherent to the above, is the provision of any required documentation, certification and monitoring, to facilitate condition requirements.

Reason: To ensure that the local planning authority may be satisfied that potential site contamination is identified and remedied in view of the historical use(s) of the site, which may have included industrial processes and to comply with DM Policy 28 of the Development Management Local Plan (2014).

## 35. UXO Assessment

No demolition of structural elements of the existing buildings shall be carried out within any Phase of the development until an Unexploded Ordnance Threat Assessment has been completed for that Phase of the development, and (in the event that the Threat Assessment makes recommendations for further surveys and/or measures to protect the safety of the public, of future occupiers of the land and of workers on the site) then structural demolition shall be carried out fully in accordance with the recommendations of the Assessment(s). A copy of the assessment(s) shall be sent to the Local Planning Authority for their records.

Reason: To protect the safety of the public, of future occupiers of the land and of workers on the site and to comply with DM Policy 28 of the Development Management Local Plan (2014).

## 36. Archaeology

A) No development on each phase other than demolition to existing ground level shall take place until a program of geo/archaeological evaluation on that phase in accordance with a Written Scheme of Investigation for that phase which has been submitted to and approved by the local planning authority in writing and a report on that evaluation has been submitted to and approved by the local planning authority in writing authority in writing.

B) No development on each phase other than demolition to existing ground level shall take place until a program of archaeological mitigation on that phase in accordance with a Written Scheme of Investigation for that phase, together with a proposed public engagement programme and a scheme for the provision for analysis, publication and dissemination of the results and archive deposition as appropriate, has been submitted to and approved by the local planning authority in writing.

C) Each phase shall not be occupied until the site investigation and post-investigation assessment for that phase has been completed in accordance with the program set out in the Written Scheme of Investigation approved under Parts (A and B), and the provision for analysis, publication and dissemination of the results and archive deposition, as appropriate and as approved.

<u>Reason:</u> To safeguard/record any archaeological remains and to comply with Policy 16 Conservation areas, heritage assets and the historic environment of the adopted Core Strategy (June 2011).

## 37. Noise - Internal Residential Environment

Other than works of demolition, development shall not commence in a particular Plot until details have been submitted to and approved in writing by the local planning authority for sound insulation measures for Buildings on that Plot against external noise to residential units that achieve levels not exceeding 30dB LAeq and 45dB LAmax (night) for bedrooms, 35dB LAeq (day) for other habitable rooms, with windows shut and other means of ventilation provided. The ventilation shall be capable of overcoming thermal overheating as defined in Approved Document Part L1A. To avoid opening windows, alternative means of purge ventilation shall be provided. The ventilation shall consider measures that reduce the intake of poor quality air and for development in Phases 2, 3 and 4 the ventilation shall be designed avoiding the intake of air from the Surrey Canal Road side of the site, where technically feasible.

(i) Other than works of demolition, development shall not commence in any particular Plot

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- (ii) The Building(s) in a particular Plot shall not be occupied until:
  - (a) The sound insulation and ventilation scheme for that Building(s) approved pursuant to paragraph (ii) of this condition has been implemented in its entirety;
  - (b) Noise measurements have been carried out, within and external to the residential premises, the number and location of which to be agreed with the Pollution Control Group prior to measurement and to comply with the noise levels determined at the design phase; and]
  - (c) The measurement data has been submitted to and approved in writing by the local planning authority.

Thereafter, the sound insulation scheme shall be maintained in perpetuity.

<u>**Reason**</u>: To provide sufficient information to enable the local planning authority to ensure that a satisfactory level of amenity is provided for future occupiers of the proposed residential dwellings, in accordance with DM Policy 26 Noise and vibration of the Development Management Local Plan (November 2014).

## 38. Noise - Residential Amenity Space Environment

(i) Development other than works of demolition shall not commence in a particular Plot until the location and details of winter gardens/barriers to safeguard the noise environment of the proposed private and communal residential amenity areas have been submitted to and approved in writing by the local planning authority.

(ii) The approved winter gardens/barriers shall be installed before any residential dwellings in the particular Plot are first occupied and retained thereafter.

<u>**Reason**</u>: To provide sufficient information to enable the local planning authority to ensure that a satisfactory level of amenity is provided for the proposed private and communal residential amenity areas, in accordance with DM Policy 26 Noise and vibration of the Development Management Local Plan (November 2014).

## 39. Noise from Fixed Plant and Machinery (General)

(i) The rating of the noise emitted from fixed plant on the site shall be a minimum of 5dB below the existing background level at any time. The noise levels shall be determined at the facade of any noise sensitive property. The measurements and assessments shall be made by a suitably qualified acoustic consultant according to BS 4142:2014.

(ii) Other than works of demolition, development shall not commence in a Particular Plot until details of a scheme complying with paragraph (i) of this condition have been submitted to and approved in writing by the local planning authority. The development shall not be occupied until:

- (a) The scheme approved pursuant to paragraph (ii) of this condition has been implemented in its entirety and noise measurements have been carried out, within and external to the residential premises, the number and location of which to be agreed with the Pollution Control Group prior to measurement and to comply with paragraph (1); and
- (b) The measurement data has been submitted to and approved in writing by the local planning authority. Thereafter, the scheme shall be maintained in perpetuity.

**<u>Reason</u>**: To ensure a satisfactory environment for the future occupiers of Buildings and so as to comply with DM Policy 26 Noise and vibration of the Development Management Local Plan (November 2014).

## 40. Noise – residential and commercial interface

(i) No development above ground level shall commence on any relevant building in any Phase until full details of sound insulation for the ceiling between the permitted Non-residential spaces and permitted residential accommodation above has been submitted to and approved in writing by the local planning authority.

(ii) No residential accommodation shall occur until the sound insulation approved under paragraph (i) of this condition has been implemented.

(iii) The sound insulation approved under paragraph (i) of this condition shall be retained thereafter.

Reason: To ensure a satisfactory environment for the future occupiers of Buildings and so as to comply with DM Policy 26 Noise and vibration of the Development Management Local Plan (November 2014).

## 41. Ventilation Systems

Prior to any Superstructure Works on a particular Plot or Phase 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), associated with uses in that Plot have been submitted to and approved in writing by the local planning authority. The ventilation system shall be installed in accordance with the approved plans and specification before the use in that Plot to which it relates is first occupied 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 DM Policy 26 Noise and vibration of the Development Management Local Plan (November 2014).

## 42. External Lighting

i. Details of all external lighting (including feature lighting) to be installed within each

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- ii. All such external lighting shall be installed in accordance with the approved details before any part of the Development in the relevant Phase is first occupied and thereafter any external lighting (including any directional hoods) shall be retained in accordance with the approved details.
- iii. Details submitted for approval pursuant to paragraph (i) of this Condition, shall be accompanied by a supporting statement which demonstrates that the proposed lighting is the minimum needed for security, working purposes and for highlighting design features and that the proposed lighting would minimise pollution from glare and spillage.

<u>Reason</u>: In order that the local planning authority may be satisfied that the lighting is installed and maintained in a manner which will minimise possible light pollution to the night sky and neighbouring properties and to comply with DM Policy 27 Lighting of the Development Management Local Plan (November 2014).

## 43. Children's Play Space

Each Reserved Matters application that is submitted for a particular Plot or Phase that includes residential floorspace (within Use Class C3) shall be accompanied by details of the provision of play. The level of playspace provision required will be determined in congruity with the relevant adopted standards as at August 2021 and with regard to the 2019 GLA Population Yield Calculator. Play spaces for children between the ages of 0-4 will be located on podiums in accordance with Parameter Plan 14. The playspace shall thereafter be retained and maintained in accordance with the manufacturers specifications.

<u>Reason</u>: To ensure that there is sufficient children's play space provided and to comply with Policy 15 of the Core Strategy (2011).

## 44. Protection of Trees to be Retained

No development (including works of demolition) shall commence in a particular Phase until adequate steps have been taken to safeguard all trees in that Phase that have been identified for retention (on the Tree Removal Plan) against damage prior to or during building works, including the erection of fencing. These fences shall be erected to the extent of the crown spread of the trees, or where circumstances prevent this, to a minimum radius of 2 metres from the trunk of the tree and such protection shall be retained until the development in that Phase has been completed. No excavations, site works, trenches or channels shall be cut, or pipes or services laid in such a way as to cause damage to the root structure of the trees.

**Reason**: To safeguard the health and safety of trees during building operations and the visual amenities of the area generally and to comply with DM Policy 25 Landscaping and trees of the Development Management Local Plan (2014), Policy 12 Open space and environmental assets of the adopted Core Strategy (June 2011).

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# 45. <u>Code of Construction Practice</u>

- (i) No works (including demolition and construction) shall commence in a particular Plot or Phase until an Air Pollution Risk Assessment (APRA) for that Phase has been carried out in accordance with the Best Practice Guidance 'The control of dust and emissions from construction and demolition' produced by the GLA and London Councils (2006) or equivalent.
- (ii) No works (including demolition and construction) shall commence in a particular Plot or Phase until a Code of Construction Practice (CoCP) (incorporating an APRA, details of measures to be employed to mitigate against likely adverse noise and vibration effects demonstrating best practical means including details of a noise monitoring and communication strategy, together with details of proposed reptile barrier fencing and measures to prevent light spill for Phases that abut a railway embankment) has been submitted to and approved in writing by the local planning authority.
- (iii) No such works in that Plot or Phase shall be carried out other than in accordance with the approved Plot or Phase-specific CoCP.

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

## 46. <u>Construction Logistics Plan</u>

(a) No development in any Plot or Phase shall commence on site until a Construction Logistics Management Plan for Stage 1 of the construction works (being demolition, enabling works, piling and ground works) has been submitted to the Local Planning Authority and approved in writing and in consultation with Transport for London.

The Stage 1 Construction Logistics Management Plan shall build upon Appendix 7.1 from the Environmental Statement October 2021 (Framework Construction Environment Management Plan) take into account the existing and emerging construction works in the local area including those along the Evelyn Street construction corridor and those within in LB Southwark.

The Stage 1 Construction Logistics Management Plan shall also: -

- (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 vehicle activity on road traffic and residential amenity
- (iii) Minimising trips to and from the site between 08.00 and 09.00 and 15.00 and 18.00 during Ilderton Primary School and Sir Francis Drake Primary School term times and 08.00 and 09.00 and 17.00 and 18.00 during school holidays;
- (iv) Traffic marshalling and off/on site holding areas; and
- (v) Taking account of delivery times of any other construction sites within 500m of the site which are due to be active at the same time.
- (vi) Measures to deal with safe movement of all modes, including site access/ exit arrangements.

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- (vii) Full details of how the cycle and pedestrian network is to be maintained
- (viii) Construction staging and how this will impact on access/egress arrangements and avoid adverse impact on bus operations.
- b) The measures specified in the approved Construction Logistics Management Plan for Stage 1 shall be implemented prior to commencement of any demolition, piling or groundworks and shall be adhered to during the period of the Stage 1 construction works.
- c) Stage 2 of the construction works (being all and any construction-related activity not comprised within Stage 1) shall not commence on site until a Construction Logistics Management Plan for Stage 2 of the construction works, has been submitted to the Local planning Authority and approved in writing and in consultation with Transport for London. The Stage 2 Construction Logistics Management Plan update the Stage 1 Construction Logistics Management Plan so as to apply to the Stage 2 construction works and shall, in relation to the Stage 2 works, also: -
- (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 vehicle activity on road traffic and residential amenity by;
- (iii) Minimising trips to and from the site between 08.00 and 09.00 and 15.00 and 18.00 during Ilderton Primary School and Sir Francis Drake School term times and 08.00 and 09.00 and 17.00 and 18.00 during school holidays;
- (iv) Traffic marshalling and off/on site holding areas; and
- (v) Taking account of delivery times of any other construction sites within 500m of the site which are due to be active at the same time.
- (vi) Measures to deal with safe movement of all modes, including site access/ exit arrangements.
- (vii) Full details of how the cycle and pedestrian network is to be maintained
- (viii) Construction staging and how this will impact on access/egress arrangements and avoid adverse impact on bus operations.
- (ix) Provision of appropriate space/ infrastructure to support sustainable freight deliveries to and from the site.
- d) The measures specified in the approved details relating to Construction Logistics Management Plan: Stage 2 Construction shall be implemented prior to commencement of Stage 2 works and shall be adhered to during the period of the Stage 2 construction works.

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

## 47. Crane details

No cranes or scaffolding shall be erected on the site unless and until construction methodology and diagrams clearly presenting the location, maximum operating height, radius and start/finish dates for the use of cranes during the Development has been submitted to and approved by the Local Planning Authority, the Local Planning Authority having consulted London City Airport.

Reason: In order that the local planning authority may be satisfied that the demolition and construction process is carried out in a safe manner and to comply with Policy T7 of the London Plan (2021)

#### 48. <u>Air safeguarding</u>

No building or structure of the development hereby permitted shall exceed 248m AOD.

Reason: Development exceeding this height would penetrate the Instrument Flight Procedure (IFP) surfaces surrounding Heathrow Airport and endanger aircraft movements and the safe operation of the aerodrome. See Advice Note 1 'An Overview' for further information (available at <a href="http://www.aoa.org.uk/wp-content/uploads/2016/09/Advice-Note-1-Aerodrome-Safeguarding-An-Overview-2016.pdf">http://www.aoa.org.uk/wp-content/uploads/2016/09/Advice-Note-1</a> Aerodrome-Safeguarding-An-Overview-2016.pdf).

#### 49. <u>Secure by Design</u>

- A. Prior to any Superstructure Works on the relevant Block or Phase, details of security measures shall be submitted and approved in writing by the Local Planning Authority and any such security measures shall be implemented prior to occupation in accordance with the approved details which shall be in line with the standards set out by `Secured by Design'.
- B. Prior to the first occupation of the units hereby consented, confirmation that the standards recommended by Secure by Design for that building has been achieved shall be submitted to and approved in writing by the Local Planning Authority.

Reason: To ensure a high level of safe and secure design and to comply with Policy D6 of the London Plan (2021).

#### 50. London Overground

The development hereby permitted shall not be commenced until detailed design, method statements and risk assessments for each phase of the development covering demolition, Substructure and Superstructure and all temporary works have been submitted to and approved in writing by the local planning authority (in consultation with RfL) which:

- provide details on all structures
- provide details on the use of plant
- accommodate the location of the existing RfL Assets / Infrastructure
- accommodate RfL Operational and Maintenance requirements
- accommodate ground movement arising from the construction thereof mitigate the effects of noise, vibration & distractions arising from the adjoining operations to the RfL Infrastructure & Operations

The development shall thereafter be carried out in all respects in accordance with the approved design and method statements, and all structures and works comprised within the development hereby permitted which are required by the approved design statements in order to procure the matters mentioned in paragraphs of this condition shall be completed, in their entirety, before any part of the building hereby permitted is occupied.

Reason: To ensure that the development does not impact on existing or proposed Rail for London transport infrastructure & operations, in accordance with Policy T3 and 'Land for Industry and Transport' Supplementary Planning Guidance 2012.

## 51. <u>Materials</u>

Prior to any Superstructure Works on the relevant Plot or Phase a detailed schedule, drawings and samples of the following have been submitted to and approved in writing by the local planning authority. The development shall be carried out in accordance with the approved details.

- Minimum full storey height sample panel to be constructed on site of each proposed building façade, to include entrances, canopies, windows, balconies and winter gardens, soffits, exo-skeleton structure;
- (ii) On site samples of roof terrace enclosures/ balustrades; and
- (iii) On site samples of roof top plant enclosures.

Reason: In order that the local planning authority may be satisfied as to the external appearance of the proposal in accordance 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).

## 52. Soft landscaping

- 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 full details of the green wall proposed to the servicing yard) 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 development above the first floor of any Block.
- 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).

## 53. <u>Hard landscaping excluding s278 works</u>

a) No development above the first floor of any Block shall take place until detailed design proposals for hard landscaping have been submitted to the local planning authority for their approval.

b) The development shall be implemented in accordance with the details approved by the local planning authority.

# Is this report easy to understand?

Please give us feedback so we can improve. Go to https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports Reason: In order that the local planning authority may be satisfied as to the details of the proposal and to comply with Policy 15 High quality design for Lewisham of the Lewisham Core Strategy (June 2011) and Development Management Local Plan (November 2014) Policy 25 Landscaping and trees, and DM Policy 30 Urban design and local character; and Policies SI 12 Flood risk management and SI 13 Sustainable drainage of the London Plan (March 2021).

## 54. Bird and Bat Boxes

Details of the number and location of the bird/bat boxes to be provided per building as part of the development hereby approved shall be submitted to and approved in writing by the local planning authority prior to commencement of Superstructure Works and shall be installed before occupation of the building and maintained in perpetuity.

Reason: To comply with Policy 12 Open space and environmental assets of the Core Strategy (June 2011), and DM Policy 24 Biodiversity, living roofs and artificial playing pitches and local character of the Development Management Local Plan (November 2014).

## 55. Detailed residential and non-residential entrances

a) Prior to any Superstructure Works on the relevant Block or Phase, details showing plans, elevations and sectional details at a scale of 1:10 or 1:20 of the proposed frontages to the any non-residential unit shall been submitted to and approved in writing by the local planning authority.

b) The development shall be constructed in full accordance with the approved details, and completed prior to first occupation 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 Lewisham Core Strategy (June 2011).

## 56. <u>Electric vehicle charge points</u>

- a) Prior to any Superstructure Works on the relevant Block or Phase, details of the number and location of electric vehicle charging points to be provided, and a programme for their installation and maintenance shall be submitted to and approved in writing by the local planning authority. The details shall be accompanied by a summary of how they meet policy.
- b) The electric vehicle charging points as approved shall be installed prior to occupation of the Development and shall thereafter be retained and maintained in accordance with the details approved under (a).

Reason: To reduce pollution emissions in an Area Quality Management Area in accordance with DM Policy 29 Car parking of the Development Management Local Plan (November 2014), and Policies SI 1 Improving air quality T6 Car parking and T6.1 Residential parking and Policy T7 Deliveries, servicing and construction of the London Plan (March 2021).

## 57. <u>Use of vibro compaction machinery</u>

**Is this report easy to understand?** Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/spad-usafeedback-on-our-reports</u> No vibro-compaction machinery shall be used in the development until details of the use of such machinery and a method statement have been submitted to and approved in writing by the Local Planning Authority in consultation with London Overground Infrastructure Protection. The use of such vibro-compaction machinery shall only be carried out in accordance with the approved method statement.

Reason: To protect the safe operation of the railway.

## 58. Lighting (London Overground)

Permanent external lights and those installed during construction of any building in any phase shall not shine directly onto London Overground property.

Reason: To protect the safe operation of the railway.

## 59. Protection against external noise

a) The residential units hereby approved shall be designed so as to provide sound insulation against external noise and vibration, to achieve levels not exceeding 30dB LAeq (night) and 45dB LAmax for bedrooms (measured with F time weighting), 35dB LAeq (day) for other habitable rooms, with windows shut and other means of ventilation provided;
b) The evaluation of human exposure to vibration within the buildings shall not exceed the vibration dose values criteria 'Low probability of adverse comment' as defined BS6472.

Reason: To safeguard the amenities of the occupiers of the proposed dwellings and to comply with DM Policy 26 Noise and vibration, DM Policy 32 Housing design, layout and space standards of the Development Management Local Plan (November 2014), and to meet the principles of London Plan Policy D13 Agent of Change.

## 60. **BREEAM**

- a. New non-residential floorspace (shell/shell and core) will achieve a minimum BREEAM 'Very Good' standard and where fully fitted out by the applicant will look to achieve the BREEAM 'Excellent' standard where possible (or equivalent under the latest BREEAM version, at the time).
- b) Prior to the completion of the Superstructure a Design Stage Certificate for each building (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).
- c) Within 6 months of occupation of any of the buildings, 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) for that specific building.

Reason: To comply with Lewisham Core Strategy Policy 7 Climate change and adapting to the effects, Core Strategy Policy 8 Sustainable design and construction and energy efficiency (2011) and Policy SI 2 Minimising greenhouse gas emissions and Policy SI 3 Energy infrastructure of the London Plan (March 2021).

## 61. No external plumbing or pipes

Is this report easy to understand? Please give us feedback so we can improve. Go to <u>https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports</u> 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, including rainwater pipes, shall be fixed on the external faces of the building hereby approved, without the prior written consent from the Local Planning Authority.

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).

#### 62. Satellite dishes

Notwithstanding the Provisions of Article 4 (1) and part 25 of Schedule 2 of the Town and Country Planning (General Permitted Development) Order 2015, no satellite antenna shall be erected or installed on the buildings hereby approved. The proposed development shall have a central dish or aerial system (for each relevant Block) for receiving all broadcasts for the residential units created: details of such a scheme shall be submitted to and approved by the local planning authority prior to first occupation of any Block, and the approved scheme shall be implemented and permanently retained thereafter.

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 Lewisham Core Strategy (June 2011) and DM Policy 30 Urban design and local character of the Development Management Local Plan (November 2014).

#### 63. <u>Retention and Equal Access of Amenity Spaces</u>

a) Prior to occupation of any residential unit in any phase, details of all communal space, including floor area, use, and fit out for that phase shall be submitted to and approved by the local planning authority. The development shall be constructed and retained in accordance with the approved details permanently for the benefit of the residential occupiers.

b) The details shall demonstrate how amenity spaces have equal access for all residents of all tenures.

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 Lewisham Core Strategy (June 2011) and DM Policy 32 Housing Design, layout and space standards of the Development Management Local Plan (November 2014).

## 64. <u>Phase 1 Voltaic Panels</u>

Prior to any Superstructure Works on the relevant Block or Phase details of any PV panel array to be installed in that plot or phase shall be submitted to and agreed in writing with the local planning authority. The PV panel array shall be retained and maintained as installed thereafter.

Reason: To promote sustainable forms of energy and to minimise carbon emissions in accordance with Core Strategy Policy 8 and Policy SI 2 Minimising greenhouse gas emissions and Policy SI 3 Energy infrastructure of the London Plan (March 2021).

## 65. Living Roof Details

a. Prior to any Superstructure Works on the relevant Block or Phase details of any biodiversity living roof in that plot or phase shall be submitted to the local planning authority for approval.

b. The details shall demonstrate the proposed plug planted and seeded substrate (that shall vary between 80-150mm with peaks and troughs and an average of at least 133mm), the proposed plant species, management arrangements and any proposed photovoltaic panels and fixings.

c. 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.

d. 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 relevant Block or Phase approved.

Reason: To comply with 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), and policies G5 Urban greening, G6 Biodiversity and access to nature, SI 12 Flood risk management and SI 13 Sustainable drainage of the London Plan (March 2021).

## 66. <u>Residential accommodation first floor and above</u>

Within Phase 1 of the development, all 'more vulnerable' residential accommodation should be situated at the first floor level and above, in line with the submitted Flood Risk Assessment (FRA) for Phase 1 by Ove Arup & Partners Ltd (Arup) (Section 6.9 and so on) unless otherwise agreed in writing with the local planning authority.

Reason: To reduce the risk of flooding to the development and occupants, in line with the London Borough of Lewisham's Core Strategy (Policy 10).

## 67. Finished floor levels (Environment Agency)

Within Phases 2 to 5 of the development, finished floor levels for all 'more vulnerable' residential accommodation must be set no lower than 1.72 metres above Ordnance Datum (mAOD), in line with the submitted Flood Risk Assessment (FRA) for Phases 1 to 5 by Buro Happold (dated 15 December 2020 with reference Revision 00) (Section 4.4.6 and so on) unless otherwise agreed in writing with the local planning authority.

Reason: To reduce the risk of flooding to the development and occupants, in line with the London Borough of Lewisham's Core Strategy (Policy 10).

## 68. <u>Remediation Strategy (Environment Agency)</u>

Prior to each phase of development approved by this planning permission, a remediation strategy for that phase that includes the following components of a scheme to deal with the

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1) a preliminary risk assessment which has identified:

- all previous uses;
- potential contaminants associated with those uses;
- a conceptual model of the site indicating sources, pathways and
- receptors;
- potentially unacceptable risks arising from contamination at the site;

2) a site investigation scheme, based on (1), to provide information for a detailed assessment of the risk to all receptors which may be affected, including those off site;

3) the results of the site investigation and detailed risk assessment referred to in (2) and, based on these, an options appraisal and remediation strategy giving full details of the remediation measures required and how they are to be undertaken;

4) a verification plan providing details of the data which will be collected in order to demonstrate that the works set out in the remediation strategy in (3) are complete and identifying any requirements for longer-term monitoring of pollutant linkages, maintenance and arrangements for contingency action.

Any changes to these components require the express consent of the Local Planning Authority. The scheme shall be implemented as approved.

Reason: To ensure that the development does not contribute to, or is not put at unacceptable risk from, or adversely affected by, unacceptable levels of water pollution, in line with the National Planning Policy Framework (NPPF) (Paragraph 170).

#### 69. <u>Verification Report (Environment Agency)</u>

Development in a particular phase shall not be occupied until a verification report for that phase demonstrating completion of the works set out in the approved remediation strategy approved pursuant to condition xx and the effectiveness of the remediation has been submitted to and approved, in writing, by the Local Planning Authority. The report shall include results of sampling and monitoring carried out in accordance with the approved verification plan to demonstrate that the site remediation criteria have been met. It shall also include any plan (a 'long-term monitoring and maintenance plan') for longer-term monitoring of pollutant linkages, maintenance and arrangements for contingency action, as identified in the verification plan, if appropriate, and for the reporting of this to the Local Planning Authority. Any long-term monitoring and maintenance plan shall be implemented as approved.

Reason: To ensure that the site does not pose any further risk to the water environment by demonstrating that the requirements of the approved verification plan have been met and that remediation of the site is complete, in line with the National Planning Policy Framework (NPPF) (Paragraph 170).

#### 70. Piling (Environment Agency)

Piling or any other foundation designs using penetrative methods shall not be permitted other than with the express written consent of the Local Planning Authority, which may be given for those parts of the site where it has been demonstrated that there is no resultant unacceptable risk to groundwater. The development shall be carried out in accordance with the approved details. Reason: To ensure that piling works taking place in made ground or contaminated areas do not present a risk to groundwater within the underlying Secondary Aquifer, in line with the National Planning Policy Framework (NPPF) (Paragraph 170).

# 71. Drainage systems (Environment Agency)

No drainage systems for the infiltration of surface water drainage into the ground are permitted other than with the written consent of the Local Planning Authority. Any proposals for such systems must be supported by an assessment of the risks to controlled waters. The development shall be carried out in accordance with the approved details.

Reason: To ensure that the development does not contribute to, and is not put at unacceptable risk from or adversely affected by, unacceptable levels of water pollution caused by mobilised contaminants discharging to groundwater in the underlying Secondary Aquifers, in line with the National Planning Policy Framework (NPPF) (Paragraph 170).

# 72. <u>Air Quality CEMP</u>

Prior to the commencement of any Phase of the development, a Dust Management Plan for that phase (DMP), based on an AQDRA (Air Quality and Dust Risk Assessment), shall be submitted to and approved, in writing, by the local planning authority. The DMP shall be in accordance with The Control of Dust and Emissions during Construction and Demolition SPG 2014. The DMP will need to detail the measures to reduce the impacts during the construction phase. The development shall be undertaken in accordance with the approved plan.

Reason: To manage and prevent further deterioration of existing low quality air across London in accordance with Policy T7 and SI1 of the London Plan (2021).

### 73. Air Quality standard mitigation

No development in a particular phase shall take place until a scheme of proposed air quality mitigation measures to protect the future occupiers from air pollution exposure in that phase shall be submitted to and approved in writing by the local planning authority. The approved mitigation scheme shall be implemented in its entirety in accordance with details approved under this condition before any of the development is first occupied or the use commences and shall be retained as such thereafter.

Reason: To ensure that the amenities of occupiers are protected from the poor air quality in accordance with policy SI1 of the London Plan (2021).

### 74. Non-Road Mobile Machinery

All Non-Road Mobile Machinery (NRMM) of net power of 37kW and up to and including 560kW used during the course of the demolition, site preparation and construction phases on any Phase of the development shall comply with the emission standards set out in chapter 7 of the GLA's supplementary planning guidance "Control of Dust and Emissions During Construction and Demolition" dated July 2014 (SPG), or subsequent guidance. Unless it complies with the standards set out in the SPG, no NRMM shall be on site, at any time, whether in use or not, without the prior written consent of the local planning authority. The developer shall keep an up to date list of all NRMM used during the demolition, site preparation and construction phases on any Phase of the development on the online register at <a href="https://nrmm.london/">https://nrmm.london/</a>.

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,

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# 75. <u>Air Quality NO2 Monitoring</u>

Prior to the commencement of development, a report following a 6-month baseline monitoring period through use of NO2 diffusion tubes shall be submitted to and approved in writing, by the local planning authority. Locations and methodology of monitoring shall be agreed by Lewisham Council prior to commencement of monitoring. The baseline monitoring report will establish whether a scheme of proposed air quality mitigation measures to protect the future occupiers from air pollution exposure shall be submitted to the local planning authority.

Reason: To ensure that the amenities of occupiers are protected from the poor air quality in accordance with policy SI1 of the London Plan (2021).

# 76. <u>Air Quality PM10 Monitoring</u>

During and after demolition and construction works (and three months prior to commencement of any works on site), of any Phase of the development, PM10 monitoring shall be carried out on site for that phase of the development. Parameters to be monitored, duration, locations and monitoring techniques must be approved in writing by Lewisham Council prior to commencement of monitoring.

Reason: To ensure that the amenities of occupiers are protected from the poor air quality in accordance with policy SI1 of the London Plan (2021).

### 77. <u>Thames Water (waste capacity)</u>

No development shall be occupied until confirmation has been provided that either:-

1. Capacity exists off site to serve the development or

2. A development and infrastructure phasing plan has been agreed with the Local Authority in consultation with Thames Water. Where a development and infrastructure phasing plan is agreed, no occupation shall take place other than in accordance with the agreed development and infrastructure phasing plan.

Or

3. All wastewater network upgrades required to accommodate the additional flows from the development have been completed.

**Reason**: Network reinforcement works may be required to accommodate the proposed development. Any reinforcement works identified will be necessary in order to avoid flooding and/or potential pollution incidents. The developer can request information to support the discharge of this condition by visiting the Thames Water website at thameswater.co.uk/preplanning.

# 78. Thames Water (water)

No construction shall take place within 5m of the water main. Information detailing how the developer intends to divert the asset / align the development, so as to prevent the potential for damage to subsurface potable water infrastructure, must be submitted to and approved in writing by the local planning authority in consultation with Thames Water prior to commencement of any Phase of development. Any construction must be undertaken in accordance with the terms of the approved information. Unrestricted access must be available at all times for the maintenance and repair of the asset during and after the construction works.

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# 79. Thames Water (piling)

- a) No piling shall take place until a piling method statement (detailing 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 water infrastructure, and the programme for the works) has been submitted to and approved in writing by the local planning authority in consultation with Thames Water.
- b) Any piling must be undertaken in accordance with the terms of the approved piling method statement.

**Reason**: The proposed works will be in close proximity to underground water utility infrastructure. Piling has the potential to impact on local underground water utility infrastructure.

# 80. Thames Water (network infrastructure)

No development shall be occupied until confirmation has been provided that either: all water network upgrades required to accommodate the additional flows to serve the development have been completed; or a development and infrastructure phasing plan has been agreed with the Local Planning Authority in consultation with Thames Water to allow development to be occupied. Where a development and infrastructure phasing plan is agreed no occupation shall take place other than in accordance with the agreed development and infrastructure phasing plan.

**Reason**: The development may lead to no / low water pressure and network reinforcement works are anticipated to be necessary to ensure that sufficient capacity is made available to accommodate additional demand anticipated from the new development.

# 81. Site Waste Management and Circular Economy

Prior to commencement of development in a particular phase, the applicant will submit a strategy outlining, for that phase, how performance against the Strategic Approach and the Key Commitments of the Circular Statement prepared by Buro Happold 4 September 2021 would be monitored and reported to the local planning authority and reporting shall be carried out and submitted in accordance with the approved document.

**Reason**: To comply with London Plan Policy S17 to promote resource conservation, waste reduction, increases in materials re-use and recycling and reductions in waste going forward for disposal.

# 82. <u>Life Cycle Carbon</u>

Prior to occupation of Phase 1, the applicant will submit an updated Life cycle carbon assessment following the conclusions set out within the Stage 2 Life Carbon Assessment by Arup 12 August 2021. The development shall be carried out in accordance with the approved document and maintained thereafter.

Reason: To comply with Policy SI 2 of the London Plan (2021).

### 83. <u>Development Phasing</u>

The development hereby approved shall not be commenced until a phasing plan showing the location of all phases, the sequencing for those phases, and indicative timescales for their delivery is submitted to and approved by the Local Planning Authority in writing. The development shall be carried out in accordance with the plan thereby approved.

The phasing plan may be updated from time to time subject to the written approval of the Local Planning Authority.

**Reason:** To allow the local planning authority to understand the phasing of the development and for clarity of the submission details in relation to each of those phases either in relation to the discharge of planning conditions or for the purposes of the CIL Regulations 2010 (as amended).

### 84. <u>Security Measures</u>

Before any above ground works within any Phase of the development hereby authorised begin, details of security measures relating to that Phase shall be submitted to and approved in writing by the Local Planning Authority. Any such security measures shall be implemented/installed prior to the occupation of the relevant building to which they relate in accordance with the approved details, and confirmation that the standards recommended by Secure by Design for that building has been achieved shall be submitted to the Local Planning Authority.

Reason: To ensure a high level of safe and secure design and to comply with Policy D11 of the London Plan (2021).

### 85. Public Safety Measures

Before any above ground works within any Phase of the development hereby authorised begin, details of required measures to address public safety, security and resilience to emergency relating to that Phase shall be submitted to and approved in writing by the Local Planning Authority, in consultation with the Metropolitan Police. The approved details shall be implemented/installed in full prior to completion of the relevant Phase of the development hereby approved.

Reason: To ensure a high level of safe and secure design and to comply with Policy D11 of the London Plan (2021).

### 86. Full-fibre Connectivity Infrastructure

Prior to above ground works on any phase, details of ducting and provision of full fibre connectivity shall be submitted to and approved in writing by the local planning authority. The approved details shall be implemented/ installed in full prior to completion with the relevant Phase of the development hereby approved.

Reason: To ensure appropriate digital infrastructure and to comply with Policy SI 6 of the London plan (2021).

# 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 and proactive discussions took place with the applicant prior to the application being submitted through a pre-application discussion. As the proposal was in accordance with these discussions and was in accordance with the Development Plan, no contact was made with the applicant prior to determination.
- Applicants are advised to read 'Contaminated Land Guide for Developers' (London Borough's Publication 2003), on the Lewisham web page, before complying with the above condition. All of the above must be conducted in accordance with DEFRA and the Environment Agency's (EA) Model Procedures for the Management of Land Contamination.

Applicants should also be aware of their responsibilities under Part IIA of the Environmental Protection Act 1990 to ensure that human health, controlled waters and ecological systems are protected from significant harm arising from contaminated land. Guidance therefore relating to their activities on site, should be obtained primarily by reference to DEFRA and EA publications.

- C Assessment of the scheme for Noise from Fixed Plant and Machinery (General) shall be carried out by a suitably qualified acoustic consultant.
- D Assessment of the sound insulation scheme should be carried out by a suitably qualified acoustic consultant, and should be guided by the advice in PPG24 and comply with the standards given in the current BS8233 for internal noise design levels. A suitably qualified ventilation engineer should carry out assessment of the ventilation scheme.
- E The applicant is reminded of the need to secure a licence from LB Lewisham Highways for any structure or part of structure that overhangs the public highway.
- F Japanese Knot Weed (Fallopia japonica) has been identified close to the western boundary of the site and will need to be removed.
- G Thames Water will aim to provide customers with a minimum pressure of 10m head (approx 1 bar) and a flow rate of 9 litres/minute at the point where it leaves Thames Water pipes. The developer should take account of this minimum pressure in the design of the proposed development.
- H There is a large water main in Surrey Canal Road and also a smaller distribution main in Bolina Road, both of which are shown as being situated within the proposed development boundary. Thames Water will not permit any building within 5 metres of them and will require 24 hours unrestricted access for maintenance purposes.
- I Where a crane is 100m or higher, crane operators are advised to notify the CAA (arops@caa.co.uk) and Defence Geographic Centre (dvof@mod.gov.uk). The following details should be provided before the crane is erected:
  - Cranes precise location

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- An accurate maximum height
- Start and completion dats
- I The applicant is advised that Network Rail has asked that it give the company 6 weeks' notice of their intention to start works on site, as it is useful for drivers and maintenance crews to know when works occur adjacent to the railway. You are advised to give such notice to Network Rail, quoting the application reference number, to Head of Town Planning, Network Rail, 1 Eversholt Street, London NW1 2DN.
- J Piling or other sources of ground penetration could create a pathway for contaminants to migrate into the Principal aquifer. Preventive measures should be taken in order to protect groundwater quality. We recommend that where soil contamination is present a risk assessment is carried out as per our guidance 'Piling into Contaminated Sites'.
- K The development of this site is likely to damage archaeological remains. The applicant should therefore submit detailed proposals in the form of an archaeological project design. The design should be in accordance with appropriate English Heritage guidelines.
- L The following definitions apply in respect of the planning conditions above:

### Substructure

Substructure works are defined as building foundations or underlying building supporting substructure. These exclude site preparation works.

### Superstructure

Superstructure works are defined as part of the building above its foundations. These exclude site preparation works.

### CIL

For the purposes of the Community Infrastructure Levy Regulations 2010 (as amended) this is a phased development. Each CIL chargeable development approved by this condition shall be considered a separate chargeable development for the purposes of calculating Community Infrastructure Levy.

### Phase

A phase of development comprises a phase defined for the purposes of CIL and/or a phase defined for the purposes of the discharge of planning conditions and/or a construction phase or sub-phase, and for the purposes of discharging relevant planning obligations. A phase can comprise site preparation works, demolition works, sub-structures, and/or buildings, Plots or groups of Plots.

### M London Overground Informatives

- RfL requires that the applicant enters into an Asset protection Agreement with RfL to ensure that the development is carried out safely and in accordance with RfL's requirements.
- RfL may need to request that the applicant conducts a light & glare assessment to determine the impact on the RfL signalling apparatus and / or train drivers' vision on approaching trains. RfL reserves the right to request the screening of any light & glare, including vehicular lights, which may interfere with the sighting of signalling apparatus and / or train drivers' vision on approaching trains.
- RfL may need to request that the applicant conducts radio/GSMR surveys before and after the construction to assess the level of impact the development has on RfL's radio/GSMR infrastructure/ operation. It may be necessary to enhance or renew RfL's radio/ GMSR infrastructure as a result of the development. RfL will seek payment from the Developer for any improvements necessary.
- No maintenance regime for the proposed development elevations facing the railway should be permitted which compromises the safe, efficient and economic operation of the railway.

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- For all new developments adjacent to operational lines RfL accepts no liability in respect of noise and vibration. Developers should undertake their own investigations to establish any level of noise and vibration likely to originate from the operation of the railway, and design their mitigation measures accordingly.
- Any additional fencing required on the railway boundary, for example for screening purposes, must be independent of RfL's fencing and allow room for maintenance of both fences.
- All drainage needs to be directed away from the railway and into local authority sewers, and it should be installed a minimum distance of two metres from the railway boundary. The use of soakaways is not favoured by RfL and therefore is unacceptable as they could have a detrimental effect on RfL land. The drainage system should be designed to take this into account.
- RfL would be opposed to balconies and fully openable windows on the elevations facing the railway (applicable to those in close proximity of the railway).
- N Daylight assessments undertaken at Reserved Matters stage should be conducted on the same methodology as set out in the approved Daylight, Sunlight and Overshadowing Amenity Report, December 2020, updated November 2021.
- O. Written schemes of archaeological investigation will need to be prepared and implemented by a suitably qualified archaeological practice in accordance with Historic England Greater London Archaeology guidelines. They must be approved by the planning authority before any on-site development related activity occurs.

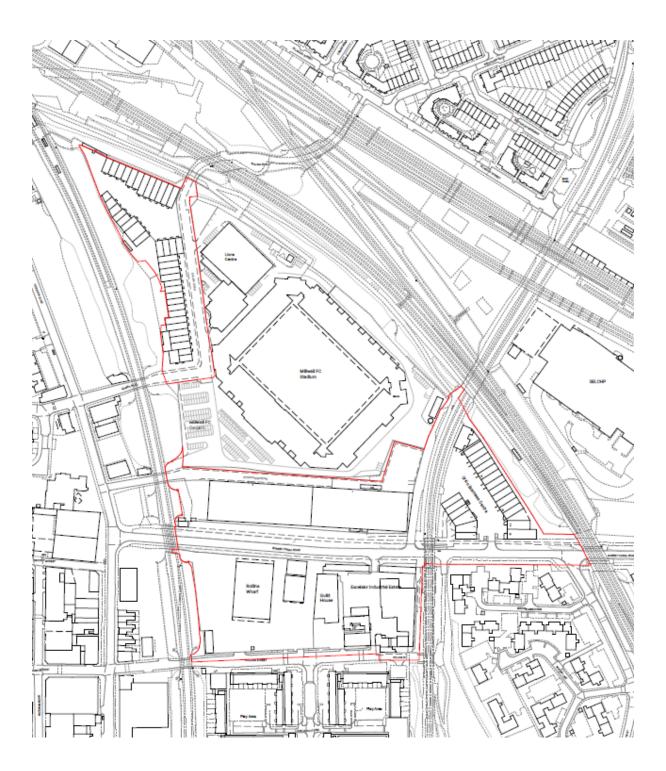
# 991 BACKGROUND PAPERS

- (1) Submission drawings
- (2) Submission technical reports and documents
- (3) Internal consultee responses
- (4) Statutory consultee responses
- (5) Design Review Panel responses
- 992 REPORT AUTHOR AND CONTACT

Gareth Clegg – <u>Gareth.clegg@lewisham.gov.uk</u>

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DC/20/119706 – Planning Application Site Plan



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# SITE SPECIFIC FINANCIAL VIABILITY ASSESSMENT

# REVIEW

# Surrey Canal Road, Stockholm Road, Bolina Road and Rollins Street, London SE15 & SE16

# On behalf of:

# London Borough of Lewisham

Date: January 2022



# Prepared by: James Brierley Fiona Kilminster, Rosanna Cole

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# RICS MANDATORY REQUIREMENTS

Requirement	Section/ Page	This assessment has been produced having regard to and abiding to the requirements of RICS Professional Statement Financial Viability in Planning: conduct and reporting (1st edition 2019). Appendix 1, where applicable provides a guide to where in the report the requirements have been adhered to.
		In preparing this viability assessment, we confirm that we have acted with reasonableness, impartiality and without interference. We have also complied with the requirements of PS2 Ethics, competency, objectivity, and disclosures in the RICS Valuation – Global Standards 2020 in connection with valuation reports.
		This document sets out our terms of engagement for undertaking this viability assessment. We declare that to the best of our knowledge there is no conflict of interest (paragraph 1.1 of the Conflict-of-Interest Professional Statement of January 2018), Other than, if necessary, where stated in the report circumstances which fall under Informed Consent (as per the Conflict-of-Interest Professional Statement).
		We confirm that our fee basis for undertaking this viability assessment is neither performance related nor involves contingent fees.
		We confirm that this viability assessment has been prepared in the full knowledge that it may be made publicly at some point in the future. Where we believe there to be information, which is commercially sensitive, that we have relied upon in arriving at our opinion we have stated so in our report. We request that permission is sought by the instructor/applicant prior to being made public to ensure commercially sensitive or personal information does not infringe other statutory regulatory requirements.
		We confirm that we have not undertaken an area-wide viability assessment concerning existing and future policies against which the scheme will in due course be considered. We have confirmed with the instructing party that no conflict exists in undertaking the viability assessment, we have also highlighted to the Council where we have previously provided advice relating the site in question. Should this position change, we will immediately notify the parties involved. We understand that if any of the parties identified in this report consider there to be a conflict that we would immediately stand down from the instruction.
		Throughout this viability assessment we have set out a full justification of the evidence and have also supported our opinions where they differ from the Applicant's advisor with a reasoned justification. We note in due course the emphasis within the RICS Professional Statement on conduct and reporting in Financial Viability in Planning the need to see to resolve differences of opinion wherever possible
	S8	In determining Benchmark Land Value (if required) we have followed NPG (Viability) (2019) setting out this in detail within the Benchmark Land Value section.
	S13	We make a clear distinction in our report between preparation/review of a viability assessment and subsequent negotiations. Such negotiations may be identified as part of an addendum documents and may relate to S106 agreements.
	S12	Sensitivity analysis and accompanying explanation and interpretation of the results is undertaken for the purposes of a viability assessment. This enables the reader to consider the impact on the result of changes to key variables in the appraisal having regard to the risk and return of the proposed scheme.
		We confirm we have advocated transparent and appropriate engagement between the Applicant and Council's viability advisors.
	P6	This report includes a non-technical summary at the commencement of the report which includes all key figures and issues relating to the assessment.

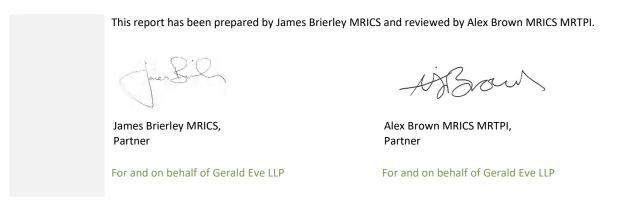


We confirm this report has been formally reviewed and signed off by the individuals who have carried out the assessment and confirm that this FVA [as above\*] has been prepared in accordance with the need for objectivity, impartiality and without interference. Subject to the completion of any discussion and resolution or note of differences, we will be retained to then subsequently advise upon and negotiate the Section 106 Agreement.

All contributors to this report have been considered competent and are aware of the RICS requirements and as such understand they must comply with the mandatory requirements.

We were provided an adequate time to produce this report, proportionate to the scale of the project and degree of complexity of the project.

### **SIGN OFF**



NOTE: This report has been produced in accordance with National Planning Policy Framework (2019) and Planning Policy Guidance (as amended). Gerald Eve LLP can confirm that the report has been produced by suitably qualified Practitioners of the Royal Institution of the Chartered Surveyors (RICS) and that the report has been produced in accordance with RICS Practitioner guidance on viability in planning matters.

The contents of this report are specific to the circumstance of the Proposed Scheme and date of publication; and it together with any further information supplied shall not be copied, reproduced, or distributed to any third parties for any purpose other than determining the application for which it is intended. Furthermore, the information is being supplied to **the client** on the express understanding that it shall be used only to assist in the financial assessment in relation to the Application. The information contained within this report is believed to be correct as at the date of publication, but Gerald Eve LLP give notice that:

- I. all statements contained within this report are made without acceptance of any liability in negligence or otherwise by Gerald Eve LLP. The information contained in this report has not been independently verified by Gerald Eve LLP.
- II. none of the statements contained within this report are to be relied upon as statements or representations of fact or warranty whatsoever without referring to Gerald Eve LLP in the first instance and taking appropriate legal advice.
- III. references to national and local government legislation and regulations should be verified with Gerald Eve LLP and legal opinion sought as appropriate.
- IV. Gerald Eve LLP do not accept any liability, nor should any of the statements or representations be relied upon, in respect of intending lenders or otherwise providing or raising finance to which this report as a whole or in part may be referred to.
- V. Any estimates of values or similar, other than specifically referred to otherwise, are subject to and for the purposes of discussion and are therefore only draft and excluded from the provisions of the RICS Valuation Professional Standards 2014; and
- VI. Information in this report should not be relied upon or used as evidence in relation to other viability assessments without the agreement of Gerald Eve LLP.



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- Appendix 2 Key Relevant Planning Policies
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- Appendix 7 Development Finance Costs
- Appendix 8 Benchmark Land Value
- Appendix 9 Existing Use Value Residential Uses
- Appendix 10 Argus Appraisal Summaries



# EXECUTIVE SUMMARY (NON-TECHNICAL)

Instruction	<ul> <li>Gerald Eve LLP ('GE') has been instructed by London Borough of Lewisham ('the Council') to undertake a Financial Viability Review ('FVR') of a Financial Viability Assessment ('FVA'), submitted on behalf of Renewal ('the Applicant'), to determine whether the appropriate level of planning obligations including Section 106 contributions and affordable housing have been proposed.</li> </ul>
Site	ii. The Site comprises approximately 15.8 acres (6.4 ha) and is made up of four separate parcels of land which surround the Millwall FC Stadium. These lie within the Surrey Canal Triangle area, in the north west of the Borough of Lewisham. The Site is also adjacent to the London Borough of Southwark to the north and west, with South Bermondsey Station located at the northwest corner of the Site, just north of the Bolina parcel.
Proposed Scheme	<ul> <li>The proposed redevelopment ('the Scheme') comprises a hybrid planning application for the redevelopment of land at Surrey Canal Road, Stockholm Road, Bolina Road and Rollins Street, London SE15 and SE16 ('the Site') to provide a mixed-use development comprising c.3,500 residential units together with retail, employment; and community provision.</li> </ul>
Approach	iv. GE has had regard to planning documents and cost reports provided by the Applicant in undertaking this assessment as well as acceptable assumptions based upon other viability assessments undertaken in the Borough and wider London. Conclusions may require consideration following any adjustment to the Scheme or the provision of additional information supporting the application. These are set out in the summary of inputs table below.
	v. This report has been prepared having regard to relevant planning policy applicable to the Site at the date of writing and generally accepted principles of undertaking (site specific) FVAs. It has also been written adhering to the RICS Guidance note Financial Viability in Planning (2021) (the "RICS GN") and the RICS Professional Statement on Conduct and Reporting in viability that supports the RICS GN (2019) (the "RICS Professional Statement").
Purpose	vi. The purpose of this FVA is to demonstrate the viability of the Scheme including proposed level of affordable housing on-site; considering specific site and Applicant circumstances; including potential Section 106 ('S106') obligations, Borough Community Infrastructure Levy ('BCIL') and Mayoral Community Infrastructure Levy ('MCIL').
Method	vii. GE has considered the Scheme against the minimum return at which it is considered a reasonable landowner would be willing to sell their land known as the Benchmark Land Value (BLV).
Applicant Viability Conclusions	viii. Newsteer ('the Advisor') has produced the FVA on behalf of the Applicant which forms part of the planning application. The Advisor's assessment concludes that the application results in the viable provision of 35% affordable housing to be delivered across five phases. The Advisor has concluded this based upon a GDV of £2.031b, a cost of £2.024b, a BLV of £94.41m and a profit return on private residential sales of 20%. We note the Advisor has not presented the viability of the scheme in their report on an IRR basis which we consider to be more appropriate for a development of this length.

Review Viability Conclusions	ix. GE has robustly tested the proposed Scheme and concludes that the inclusion of 35% (by unit) on site affordable housing appears to represent the maximum reasonable amount that can be justified having regard to viability whilst meeting the requirements of policy associated with redevelopme of housing in London.
Standardised inputs	x. Where possible the report applies standardised inputs and has regard where appropriate the specifics of the site and proposed development. Standardised evidence means it is resourced from primary, secondary, or tertiary data sources.
Total GDV	xi. GE estimate the total GDV to be £1.97b.
Total Cost <sup>1</sup>	xii. GE estimate the total development cost to be £2.02b. The build costs have been assessed independently by Veal & Sanders Quantity Surveyors (see Appendix 6).
Existing Use Value (EUV)	xiii. GE have undertaken an independent existing use value assessment (see Appendix 9 and Section 8 which concludes an EUV for the site of £72.5m. This figure includes all land within the application red line, whereas the Advisor's EUV does not include third party land.
Premium	xiv. GE have reached the conclusion, based upon an Alternative Use method – assuming refurbishmen of the existing commercial and industrial properties that a premium of 19% appears reasonable to be added to the EUV. We are aware however that the GLA do not consider a premium should be applied to the scheme on the basis of an AUV as we have applied.
Benchmark Land Value (BLV)	xv. GE conclude that a realistic Benchmark Land Value (BLV) for the site to be released for developme equates to £85.9m based upon and EUV+ methodology. As the GLA do not consider a premium should be applied, it is worth noting that the BLV they are likely to adopt is £72.5m.
Return	xvi. GE conclude that the risk profile associated with this scheme and the nature of the hybrid application would indicate a return of c.20% on private residential use would be appropriate. However, the scheme has also been tested on a lower return of 18.5% on private residential use t reflect the impact of reduced risk associated with crystallization of later phases at detail consent stage. This level is likely to be adopted by the GLA in considering the scheme. For longer term schemes, such as the proposed development, it is also sensible to look at the return under an IRR which we would expect to be between 10-14% without growth and 14-16% with growth, which has been tested through a growth modelling assessment under section 12.
Residual Value	xvii. Based upon our initial assessment GE consider that the residual value of the site is significantly below that of the BLV, indicating the maximum level of affordable housing which can reasonably justified by viability has been included within the scheme.

<sup>&</sup>lt;sup>1</sup> Excluding land and profit

Outcome Variance	xviii.	This outcome appears to be significantly below that proposed by the Applicant and therefore we have had regard to the differences in assumptions and undertaken several sensitivity/ scenarios to review this difference to better understand the deliverability of the proposed scheme. Most notably we have considered the potential growth over the development period.
Sensitivity	xix.	GE have conducted sensitivity analysis on the build costs and scheme values which shows how sensitive the scheme is to becoming viable, and also scenario analysis to test a policy compliant affordable housing mix and provision of GLA grant funding, a lower profit return of 18.5% on private residential sales values and for the inclusion of additional revenue from ground rents on the private residential units. We have also conducted a growth model assessment to determine whether the scheme could become viable throughout the development lifetime.
Sensitivity testing outcomes	xx.	Our scenario and sensitivity analysis indicates that the level of variance in assumptions to achieve a viable outcome appear to be within a reasonable tolerance range and therefore the scheme appears capable of being viable and deliverable throughout its lifetime when growth is included and the scheme considered on an IRR basis as opposed to profit on GDV as is used on present-day appraisals. We consider, in this instance, the level of variance would be sufficient to enable a developer to be comfortable to progress with delivery of such a long-term development.
Deliverability	xxi.	GE understand that this site is available for redevelopment (subject to completion of purchase agreements) and consider that, having regard to reasonable input variance and growth modelling, it appears to have a realistic prospect of development being commenced in the next 5 years, subject to the agreed S106 package.
FVA	xxii.	This FVA review should not be considered a financial certainty – it is an assessment of the Scheme having regard to the best available evidence at the time of the review.
Commercial sensitivity	xxiii.	It is anticipated this report will be published and contains no confidential information which has not been reasonably identified and addressed (aggregated) to enable the report to be shared.
	xxiv.	GE consider that all inputs into our appraisal have been reasonably justified. GE have clearly set out supporting and reasonable justification for all inputs considered and have undertaken appropriate sensitivity to demonstrate the impact of variance.

Use			Source			
	Units	GIA (sm)	GIA (sf)	NIA (sm)	NIA (sf)	
Private Residential	2,286	214,541	2,309,300	160,673*	1,729,466*	Advisor
Affordable Residential	1,232	113,697	1,223,824	86,474*	930,795*	Advisor
<b>Residential Total</b>		328,238	3,533,124			
Car Parking	470					Advisor
Retail		7,225	77,769	NKN	NKN	Advisor
Employment		13,413	144,376	NKN	NKN	Advisor
Community		4,251	45,757	NKN	NKN	Advisor
Leisure		11,595	124,808	NKN	NKN	Advisor
Auditorium		3,656	39,353	NKN	NKN	Advisor
Non Residential Total		40,140	432,063			

# SUMMARY OF INPUTS

\*We note that Phase 1 NIA excludes Winter Gardens however Phases 2-5 include them.

Assumption		Advisor				GE			
	£	£/sf (£/sm)			£	£/sf (£/sm)			
Private Residential	£1.6bn	P1 £803 (£8,643) - (£10,366)	P5 £963		Accepted	Accepted			
Affordable Residential									
Affordable Rent	£311m	£197 (£2,120)	£197 (£2,120)		£256m	Accepted			
Intermediate Rent		£442 (£4,758)				£302 (£3,25	51)		
Shared Ownership		£455 (£4,898)				Accepted			
Residential GDV	£1.9bn				£1.8bn				
	£	Rent	Yield	RF	£	Rent	Yield	RF	
Car Parking	£14.1m	£30k/ space			Accepted	Accepted			
Retail	£36.1m	£30/sf (£323/sm)	6%	12m	Accepted	Accepted	Accepted	Accepted	
Employment	£56.4m	£30/sf (£323/sm)	6%	12m	Accepted	Accepted	Accepted	Accepted	
Community	£15.8m	£20/sf (£215/sm)	5.5%	12m	£14.4m	Accepted	6%	Accepted	
Leisure	£18.7m	n/a	n/a	12m	£14.5m	£10/sf (£108/sm)	8%	Accepted	
Auditorium	£10.7m	n/a	n/a	12m	£10.7m	n/a	n/a	Accepted	
Existing Use Income	£17.3	Pre-con £1.8m P1 £6.3m P2 £4.4m P3 £3.5m P4 £1.3m		£17.8m	P1-3 Accepted P4 £1.8m				
Non-Residential GDV	£169m				£164m				
Total GDV	£2.03bn				£1.97bn				

Ratchets/ Growth to Scheme Values	Advisor	GE	
Private Residential	2.5% per phase	Accepted	
Affordable Residential	2.5% per phase	LAR & IR - 0% per phase LSO - 2.5% per phase	
Commercial	0% per phase	Accepted	
Cost	Advisor	GE	
	Rate	Rate	
Build cost	£1.3bn	Accepted	
Contingency	5%	Accepted	
Professional fees	8%	Accepted	
	eff. 6.75% Stamp duty: eff. 4.99%	Accepted	
Marketing	£2k per private unit	Accepted	
Sales Agent Fee	Private & non res: 1.5% Affordable: 0.5%	1% Accepted	
Sales Legal Fee	Private & non-resi: £600 per unit Affordable: £250k	Accepted 0.25%	
Finance	6% debit 1% credit	Accepted 0%	
S106	£12.3m	Accepted	
CIL	£46.9m	Accepted	

BLV and Return	Advisor	GE
	£	£
EUV	£72.6m	£72.5m
Premium	30%	19%
BLV	£94.4m	£85.9m
Return	Private Residential: 20% Commercial: 15% Affordable Residential: 6%	Accepted (scheme also tested with 18.5% on private residential, and on an IRR basis with growth modelling)

Base Appraisal Outcome	Advisor	GE
Residual Value	£77.7m	-£8.6m <sup>2</sup>
Deficit/ Surplus on BLV	-£16.7m	-£94.5m

9

<sup>&</sup>lt;sup>2</sup> Assumes placemaking premium on LSO and private units only

Surrey Canal Road, London SE15 & SE16 On behalf London Borough of Lewisham Financial Viability Assessment - Review

Sensitivity/ Scenario Outcomes on RLV					
Affordable	Ground rent	20% return on private residential sales	18.5% return on private residential sales	16% IRR (growth model)	
		No Growth	No Growth	Growth	
35% (Advisor's mix)	Excluding ground rents	-£8.6m	£14.5m	£86.7m	
	Including ground rents	£22.6m	£45.6m		
35% (Policy compliant mix & GLA Grant Funding)	Excluding ground rents	£30m	£53m		

# 1. INTRODUCTION

Economic climate and influencing factors	1.1. This report has been prepared as of September 2021 in the context of the prevailing economic climate and reflects the market and proposed development now. Should these circumstances change, it may be necessary to revise and update the inputs to the financial appraisal, and therefore resulting outturns, prior to the application being determined by the council.
Instructions	1.2. Gerald Eve LLP ('GE') has been instructed to undertake a Financial Viability Review ('FVR') of a Financial Viability Assessment ('FVA'), submitted on behalf of Renewal ('the Applicant') been prepared by Newsteer ('the Advisor'); to determine whether the appropriate level of planning obligations including Section 106 contributions and affordable housing have been proposed.
Site	1.3.The site reflects circa 15.8 acres (6.4ha) of existing industrial and mixed-use land at Surrey Canal Road, Stockholm Road, Bolina Road and Rollins Street, London SE15 and SE16.
The Scheme	1.4. The Applicant is seeking redevelopment of the Site for a scheme that would be delivered over five phases through a hybrid planning application consisting of a full planning application for Phase 1 and outline planning application for Phases 2-5. These applications are as follows:
	"Full planning application for Phase 1 comprising the demolition of existing buildings at Orion Business Centre and construction of residential dwellings together with auditorium, meeting rooms offices, and restaurant/café floorspace (Sui Generis and Class E) within a podium, with associated vehicular and cycle parking, public realm, amenity space, landscaping, and infrastructure.
	And,
	Outline planning application for demolition of existing buildings (with the exception of Guild House and part of Rollins House which are to be retained) and construction of up to 400,000sqm floorspace comprising residential floorspace (Class C3), business floorspace, leisure floorspace, retail, food and drink floorspace and non-residential institution floorspace (Class E), learning and non-residential institutions Class F1), pubs and takeaways (Sui Generis) together with associated basements, vehicular and cycle parking, public realm, amenity space, landscaping, highway works and infrastructure (scale, layout, landscaping, access and appearance reserved)."
Confirmation of Terms of Engagement	1.5. Our instruction is to undertake an objective, impartial review of the Applicant's FVA report, supported by Veale & Sanders, to determine if the Proposed Development can viably afford to deliver housing/ affordable housing and whether the offer presented represents the maximum reasonable amount, in line with policy requirements. The report therefore represents an FVA Review.
Relevant guidance and policy	1.6. This review has been prepared having regard to the NPPF (2021); National Planning Guidance ("NPG"); the Mayor's Affordable Housing and Viability SPG (August 2017); Lewisham Core Strategy (June 2011); Surrey Canal Triangle Design Framework Supplementary Planning Document (February 2020); the London Plan (March 2021); the RICS Guidance Note: Financial Viability in Planning 2012 ("the RICS GN"), the RICS Guidance Note: Assessing viability in planning under the National Planning Policy Framework 2019 for England (July 2021), conduct and reporting Practice Statement 2019 ("the RICS PS"); and generally accepted principles of undertaking (site specific) FVAs.
Conflict of interest declaration	1.7. We declare that to the best of our knowledge there is no conflict of interest (paragraph 1.1 of the Conflict-of-Interest Professional Statement of January 2018); and that our fee basis for undertaking this viability assessment is neither performance related nor involves contingent fees.
Transparency and confidentiality	1.8. We confirm that this viability assessment has been prepared in the full knowledge that it may be made publicly available at some point in the future. Where we are of the view that there is information, which is commercially sensitive, that we have relied upon in arriving at our opinion,

		we have stated so in our report. We request that permission i prior to being made public to ensure commercially sensitive o infringe other statutory regulatory requirements.				
Confirmation of relationship to area-wide assessment	1.9.	We confirm that we have not undertaken an area-wide viability assessment concerning existing and future policies against which the scheme will in due course be considered. We have confirmed with the instructing party that no conflict exists in undertaking the viability assessment. Should this position change, we will immediately notify the parties involved. We understand that if any of the parties identified in this report consider there to be a conflict that we would immediately stand down from the instruction.				
Timeframe	1.10.	GE has had enough time to complete this instruction and whe the Advisor in the process of reaching our conclusions.	ere necessary, has exchanged wit			
The Financial Viability Assessment (FVA)	1.11.		The Advisor has provided an FVA dated April 2021 related to the Scheme. Subsequently they provided an update FVA dated May 2021. Further to this they have provided additional information on GE's request, set out within the table below.			
Supporting information	1.12.	We note that the Applicant has instructed the following consu applied within the FVA:	ultants to provide information			
		• Newsteer (conducting the FVA).				
		Carney Sweeney Ltd (Planning Consultant	.).			
		• Studio Egret West (Architects); and				
		RPS (Cost Consultant).				
Information reliance	1.13.	We have not undertaken a measurement of the Applicant's pl have relied upon the information contained in the FVA and as				
		Whilst we have relied on the information that has been provid our own market knowledge and research and experience. Fur exercise GE and V&S engaged with the Advisor and sought cla clarifications are set out in the table below.	thermore, in completing this			
		Table 1: Further Information Requested by GE				
Clarifications	1.14.	Clarification/Request	Received			
		<ul> <li>Residential Sales Timings</li> <li>Live Argus appraisal</li> <li>Residential Sales Values</li> <li>Details of current rental terms for EUV</li> </ul>	28/04/2021			
		<ul> <li>EUV premium</li> <li>Detailed cost plan (Phase 1)</li> <li>Area schedules for Phases 2-5</li> </ul>	24/05/2021			
		<ul> <li>Information on the intended operation of leisure, auditorium, community, and employment uses</li> </ul>	26/05/2021			

		Land assembly costs			
		• Ancillary GEA area for P2-5.	14/06/2021		
		Land assembly costs	01/07/2021		
		• Evidence of demand for leisure use	30/11/2021		
Information reliance	1.15.	We have included in Appendix 2 an overview of our opinion associated at national, regional, and local level. In Appendix of the applied methodology and approach in assessing viabi guidance for planning purposes.	3 we have included an explanation		
Planning Policy	1.16.	The application is situated within the London Borough of Lewisham and therefore assessment of planning obligations must have regard to the Lewisham Core Strategy (June 2011), the Development Management Local Plan (November 2014) and the Planning Obligations SPD (February 2015); the London Plan (adopted 2021); and, the Mayor of London Development Viability Supplementary Planning Document (adopted 2nd October 2017). For further relevant details please see Appendix 2.			
Professional judgment	1.17.	As outlined in the RICS GN, in undertaking this exercise, GE i judgement based upon information provided by the Applica and the maximum reasonable level of Affordable Housing th planning obligations.	nt as to the viability of the Scheme		
Viability Model	1.18.	A financial appraisal has been compiled using an industry sta appraisal to assess the viability of the Scheme. Whilst this re day costs and values, sensitivities have been made for purpor resultant conclusions. These are explained further within the a present-day appraisal.	port does have regard to current oses of the financial modelling and		
Sensitivity	1.19.	A risk analysis has been provided to test the sensitivity and a having regard to changes in the inputs. This is in accordance Planning (2021) and normal practice when undertaking finan of schemes of this nature about scale and programme.	with RICS Guidance Viability in		

# 2. REQUIREMENT FOR THE FVA

NPPF paragraph 58	Paragraph 58 of the National Planning Policy Framework (2021) states: 2.1.	
F 2: 20: 20: 20	Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable.	
	<u>It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.</u>	
	The weight to be given to a viability assessment is a matter for the decision maker, having regard all the circumstances in the case, including whether the plan and the viability evidence underpinninities it is up to date, and any change in site circumstances since the plan was brought into force.	
	All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance [NPG], including standardised inputs, and should be made publicly available.	
Reasons for an FVA	Paragraph 007 of the NPG indicates: 2.2.	
	Such circumstances could include, for example where development is proposed on unallocated site a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic chan have occurred since the plan was brought into force.	2
Advisor's justification	We have reviewed the Advisor's report, and subsequent letter to the Council dated 5 January 202 which appear to be in accordance with the RICS Professional Statement Financial Viability in Planning: conduct and reporting (1st edition 2019). This is a requirement of practice for RICS members and firms and is regulated by RICS.	2,
	We are therefore able to confirm that the report has had regard to the 14 mandatory requiremen	ts.
Identified specific reasons	The Applicant's proposal, however, constitutes a major development and Council validation requirements require a viability assessment to be submitted with an application proposing residential units. This is unless the application qualifies for the 'Fast Track' approach set out in the Mayor's Affordable Housing and Viability SPG (2017), where 50% affordable housing in proposed industrial land.	!
	As the Applicant has not proposed 50% affordable housing it does not qualify for the 'Fast Track' route, and a viability assessment is therefore required by the GLA. Furthermore, the council have borough-wide strategic target of 50% of all new units being affordable housing which has not bee proposed by the scheme, and the scheme does not accord with the Council's required tenure split 70% social rent / 30% intermediate.	n
Reliance on Area Wide Assessment	The Advisor has not made specific reference to assumptions or deviations in applied assumptions 2.5. That set out in the London Borough of Lewisham: Local Plan Viability Assessment (November 2019 ('LPVA') (2019). We make appropriate reference to this study throughout the report.	
Area wide outcomes	2.6. We note that the LPVA (2019) indicates that private residential values would need to exceed £8,0 psm (£800 psf) for the scheme to viable at 0% affordable housing provision, and achieve £8,250 for the scheme to be viable at 5% affordable housing provision with a policy compliant mix of 70:30 affordable rent and intermediate rent. We note that this study shows that 35% affordable housing cannot be viably met.	or

2.7. When growth is introduced, raising the BLV, the scheme becomes viable at 0% affordable housing with private sales rates of £7,750 psm and at 5% at £8,000 psm.

Surrey Canal Road, London SE15 & SE16 On behalf London Borough of Lewisham Financial Viability Assessment - Review

# 3. SITE BACKGROUND - LOCATION



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Figure 1: Location map (1:30,000). Not to scale.

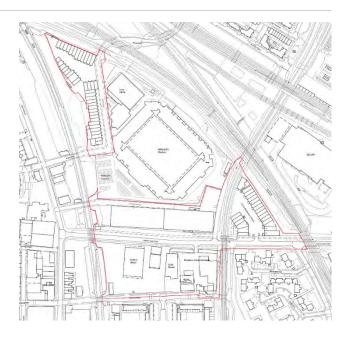


Figure 2: Site Plan – Source: Newsteer. Not to scale.

Town /City	3.1. The Site comprises approximately 15.8 acres (6.4 ha) and is made up of four separate parcels of lar which surround the Millwall FC Stadium. These lie within the Surrey Canal Triangle area, in the nort west of the London Borough of Lewisham.
Location	3.2. The Site is also adjacent to the London Borough of Southwark to the north and west, with South Bermondsey Station located at the northwest corner of the Site, just north of the Bolina parcel. The four separate parcels of land are as follows:
	<ul> <li>Orion – The furthest east, located immediately north of Surrey Canal Road and bounded by two railway lines to the east and west. The new overground station is located directly south across Surr Canal Road.</li> </ul>
	Stockholm – Located west of Orion, separated by the East London Line. This site is again immediate north of Surrey Canal Road but bounded by the Millwall FC Stadium to the north.
	Timber Wharf & Excelsior Works – This site is located south of the Stockholm parcel across Surrey Canal Road. It is bounded to the south by Rollins Street.

	Bolina – The furthest north, located northwest of the Millwall FC Stadium and southwest of South Bermondsey Station. Bolina Road is to the south and east providing access to the parcel whilst the north and west boundaries are again railway lines.
Distance to	3.4. The Site is accessible via the London Overground from nearby stations. South Bermondsey Station is immediately northwest of the Site and provides a regular rail service to London Bridge. The East London Line Extension is set to create a new station adjacent to the Site on Surrey Canal Road which will further enhance connectivity with connections to Canada Water and Shoredich High Street. Other stations also nearby include Surrey Quays (0.9 km), Queens Road Peckham (1.25 km) and New Cross Gate (1.28 km).
	3.5. Should the proposed Bakerloo Line Extension go ahead this would further improve accessibility to the Site, with the nearest station being 'Old Kent Road Station 2' (0.5 km) to the southwest.
	3.6. By car, the Site is approximately an hour from London Gatwick Airport and by train it is around 50 minutes. To London City Airport by train, it is circa 45 minutes and by car, this can be as quick as 20 minutes but usually around 30 minutes is expected.
Existing Use	3.7. The Site is currently predominantly occupied with light industrial units along with a few residential units and other uses shown below:
	<ul> <li>Orion – Light industrial units known as Orion Business Centre</li> <li>Stockholm – Light industrial units</li> <li>Excelsior Works &amp; Timber Wharf – Industrial units and warehouses, Guild House (businesses and studios), Rollins House (residential) and Timber Wharf (scaffolding yard)</li> <li>Bolina – Light industrial units</li> </ul>

# 4. VIABILITY GUIDANCE, PLANNING CONTEXT

Viability Guidance	4.1. Viability in planning has its locus in the National Planning Policy Framework (NPPF) originally published in March 2012, revised in February 2019 and July 2021, which sets out the Government's planning policies for England and how these are expected to be applied. The NPPF recognises the place of viability testing, in both plan-making and decision-making.
	<ul> <li>Further guidance relating to interpreting the NPPF is set out in National Planning Guidance (NPG) which refers to viability both planning obligations (PPG 2016) and viability (NPG 2019 as amended) and indicates that planning viability assessments are recommended to reflect NPG, in determining appropriate planning obligations.</li> </ul>
	4.3. The NPG indicates that viability assessments are to be undertaken by suitably qualified practitioners. The Royal Institute of Chartered Surveyors (RICS) has published practitioner guidance in 2012 and 2021 regarding viability assessments in planning. The RICS also produced a Professional Statement (Sept 2019) which indicates mandatory guidance for qualified practitioners for when undertaking viability in planning. For further details see Appendix 3.
	<ul> <li>4.4. At the time of writing this FVA, the RICS Guidance Note Financial Viability in Planning, originally published in 2012 and updated in 2019 (the "RICS GN") is currently used by members as guidance for carrying out FVAs.</li> </ul>
	4.5. The NPPF states at paragraph 58 that 'the weight to be given to a viability assessment is a matter for the decision maker'.
The new RICS Guidance Note	<ul> <li>However, a new RICS guidance note was published (on 31 March 2021) titled Assessing Viability in Planning under the NPPF 2019 for England, (the "New RICS GN") which became effective on 1 July 2021. It has been updated to supersede the 2012 document and bring it in line with NPG. This FVR has had regard to the updated guidance note.</li> </ul>
	4.7. As such, we follow the principles within the New RICS GN within this FVA as this follows the core principles of the RICS GN (2012), but also provides up to date guidance on how FVAs should be undertaken and assessed at the decision-taking stage.
	4.8. The RICS GN supplements and gives added guidance to RICS members and other stakeholders in the planning process on undertaking and understanding financial viability assessments (FVAs) in both a plan-making and decision-taking context. This guidance note is based on the NPPF and PPG as at the date of publication.
	4.9. The New RICS GN introduces viability in the context of the NPPF and NPG. It sets out the purpose, requirement and process of an FVA at the plan-making and decision taking (Development management) stage.
	4.10. It outlines what the evidence base for each stage is and how Benchmark Land Value should be considered.
	4.11. The key message of the New RICS GN is that the viability principles of the NPG should be followed similarly to the RICS GN 2012. The New RICS GN is grounded in the statutory and regulatory planning regime that currently operates in the UK.
Planning Policy and Related Matters	4.12. As noted, the application is situated within the London Borough of Lewisham and therefore assessment of planning obligations must have regard to the Council development plan which comprises Lewisham Core Strategy (June 2011), the London Plan (2021) and the Mayor of London Development Viability Supplementary Planning Document (adopted 2nd October 2017) and addendum 2019. For further relevant details please see Appendix 2.
Site Specific Planning	4.13. The Site is within the Housing Zone designation as identified by the GLA's Housing Strategy. In addition, the land is allocated in the Council's Core Strategy Strategic Site Allocation Policy SSA3 for the Surrey Canal Triangle to comprise residential, leisure and retail facilities. The Surrey Canal Triangle Design Framework Supplementary Planning Document (February 2020) provides detailed guidance that supplements the Core Strategy's Strategic Site Allocation.

Planning History	<ul> <li>4.14.</li> <li>4.14.</li> <li>There are several historic planning decisions relating to the Site given its size. These relate to changes of use as well as alterations and extensions to various properties across the application site. A full breakdown of these applications is provided within the Planning Statement.</li> </ul>
	<ul> <li>On 30 March 2012, outline planning permission (ref. DC/11/76357) was granted at the Surrey Canal Triangle for a phased mixed-use development of this site for up to 24,000 sqm of development. The description of development is as follows:</li> </ul>
	4.16. "Comprehensive, phased, mixed use development of the site, for up to 240,000sqm (GEA) of development, as set out in the revised Development Specification dated 1 July 2011, and as amended 2 September 2011. The development comprises: Class A1/A2 (Shops and Financial and Professional Services) up to 3,000 sq m; Class A3/A4 (Cafes/Restaurants and Drinking Establishments) up to 3,000 sq m; Class A5 (Hot Food Takeaways) up to 300 sq m; Class B1 (Business) between 10,000 sq m - 15,000 sq m; Class C1 (Hotels) up to 10,000 sq m; Class C3 (Dwelling Houses) between 150,000 sq m - 190,000 sq m (up to 2,400 homes of different sizes and types); Class D1 (Non-Residential Institutions) between 400 sq m - 10,000sq m; Class D2 (Leisure and Assembly) between 4,260 sq m - 15,800 sq m (excluding the Stadium which remains but including a replacement ground person's store of 140 sq m). involving the demolition of all existing buildings on the site with the exception of the Millwall FC Stadium (which is to be retained and its facade upgraded and/ or reclad), Plot Excelsior 2 - Guild House (which is to be retained and extended), and Plot Excelsior 5 - Rollins House (which is to be retained, but not altered or extended as part of this planning application); the demolition and replacement of the existing Millwall FC ground person's store of approximately 140 sq m; redevelopment to provide a series of new buildings (including roof top and basement plant); re-profiling of site levels; alterations to Surrey Canal Road and the realignment of Bolina Road; new streets and other means of access and circulation, including pedestrian/cycle paths carriageways and servicing areas and accesses to them; cycle storage; and, supporting infrastructure works and facilities including sub-stations, energy centre and the adjoining South East London Combined Heat and Power (SELCHP) plant (to the extent to which they lie within the Planning Application Boundary) and an ENVAC waste storage and handling system (including DHN and ENVAC connections to p
	<ul> <li>On 18 December 2015, minor material amendments (Section 73) (ref. DC/13/085143) were granted for the reconfiguration of buildings at Plots known as Timber Wharf, Stockholm 1 &amp; 2 and Senegal Way 1 &amp; 2 and the redistribution of land uses between these Plots, within the overall approved development by floorspace area and land use. Amendments were also granted to the massing and heights of these buildings.</li> </ul>
Summary	<ul><li>4.18. The NPPF has a clear presumption in favour of sustainable development and local planning authorities</li><li>should take account of this when determining planning applications.</li></ul>
	<ul><li>4.19. It is important that the approach taken to affordable housing and scheme viability does not compromise the ability to deliver the development on the Site.</li></ul>

# 5. PROPOSED SCHEME

Scheme influence	The application Site forms part of the Surrey Canal Triangle, which was allocated for development the Council Core Strategy (2011). In February 2020, the Surrey Canal Triangle Supplementary Plan Document was published, which sets out guidance on the comprehensive redevelopment of the Triangle, including the expansion of the existing Millwall Football Stadium.
The Scheme	5.2. The Applicant has submitted a hybrid planning application, the description of development of which as follows:
	FULL planning application for Phase 1 comprising the demolition of existing buildings at Orion Busi Centre and construction of residential dwellings together with auditorium, meeting rooms, offices, restaurant/ café floorspace (Sui generis and Class E) within a podium, with associated vehicular an cycle parking, public realm, amenity space, landscaping, and infrastructure; and OUTLINE planning application for demolition of existing buildings (with the exception of Guild Hous and part of Rollins House which are to be retained) and construction of up to 400,000sqm floorspac comprising residential floorspace (Class C3), business floorspace, leisure floorspace, retail, food and drink floorspace and non-residential institution floorspace (Class E), learning and non-residential institutions (F1), pubs and takeaways (sui generis) together with associated basements, vehicular of cycle parking, public realm, amenity space, landscaping, highway works and infrastructure (scale, layout, landscaping, access and appearance reserved).
	5.3. The proposed development consists of c.3,500 residential units including a 35% affordable housing provision, Class E business, leisure, retail, food and drink, and non-residential institution floorspace Class F1 learning and non-residential institutions, and Sui Generis uses such as auditorium, pubs ar takeaways alongside open space and public realm.
	5.4. The proposals are to be delivered across five phases and are set out below as described within the Applicant's Planning Statement.
	Phase 1 (full planning permission):
	Class C3: Dwellinghouses: 600 units.
	<ul> <li>Class E: Commercial, business, service: 530sqm.</li> <li>Sui Generis: Auditorium with other floorspace: 3,785 sqm; and</li> </ul>
	<ul> <li>Car Park, plant and storage at basement and podium: up to 7,353 sqm.</li> </ul>
	Phases 2-5 (outline planning permission):
	<ul> <li>Class E: Commercial, business, service and indoor sport: up to 52,000 sqm.</li> <li>Sui Generis: Public house, wine bar or drinking establishment/drinking establishments with expanded food provision/hot food takeaways: up to 5,000 sqm.</li> <li>Class C3: Dwellinghouses: c. 2,900 units; and</li> <li>Class F1: Learning and non-residential institutions: up to 5,000 sqm.</li> </ul>
Accommodation Schedule	A breakdown of the proposed residential accommodation is provided in the table as shown in Appendix 4. These areas are those proposed in the accommodation breakdown document submitt alongside the planning application and are the ones we have adopted in our appraisal.
Car parking	5.6. Car parking is to be provided on site comprising 470 spaces equating to 13.5% as a percentage of total units.

Phase 1 Private Unt Mix	Size sf (sm)	Units (no)	Total Area sf (sm)
Studio	457 (42.5)	28	12,809 (1,190)
Studio	466 (43.3)	14	6,525 (606)
Studio	474 (44.0)	14	6,631 (616)
1 Bed Flat	544 (50.5)	60	32,615 (3,030)
1 Bed Flat	560 (52.0)	32	17,911 (1,664)
1 Bed Flat	564 (52.4)	30	16,921 (1,572)
2 Bed Flat (WC)	761 (70.7)	46	35,006 (3,252)
2 Bed Flat	753 (70.0)	32	24,111 (2,240)
2 Bed Flat	757 (70.3)	46	34,808 (3,234)
2 Bed Flat	760 (70.6)	30	22,798 (2,118)
3 Bed Flat (WC)	1,090 (101.3)	10	10,904 (1,013)
3 Bed Flat	931 (86.5)	14	13,035 (1,211)
3 Bed Flat	941 (87.4)	14	13,171 (1,224)
3 Bed Flat	1,089 (101.2)	10	10,893 (1,012)
3 Bed Flat	1,100 (102.2)	10	11,001 (1,022)
3 Bed Flat	1,112 (103.3)	10	11,119 (1,033)
	Total	400	280,258 (26,037)

### Table 2a: Phase 1 Private Residential Unit Summary

#### Table 2b: Phase 1 Affordable Housing Unit Summary

Phase 1 Affordable Unit Mix	Size sf (sm)	Units (no)	Total Area sf (sm)
1 Bed Flat	544 (50.5)	44	23,917 (2,222)
1 Bed Flat	560 (52.0)	22	12,314 (1,144)
1 Bed Flat	564 (52.4)	23	12,973 (1,205)
2 Bed Flat (WC)	761 (70.7)	23	17,503 (1,626)
2 Bed Flat	753 (70.0)	22	16,576 (1,540)
2 Bed Flat	757 (70.3)	23	17,404 (1,617)
2 Bed Flat	760 (70.6)	23	17,478 (1,624)
3 Bed Flat (WC)	1,090 (101.3)	5	5,452 (507)
3 Bed Flat	1,089 (101.2)	5	5,447 (506)
3 Bed Flat	1,100 (102.2)	5	5,500 (511)
3 Bed Flat	1,112 (103.3)	5	5,560 (517)
	Total	200	140,124 (13,018)
Total Phase 1		600	420,382 (39,055)

### Table 3: Phases 2-5 Units Summary

Outline Phases Unit Mix					
Phase 2	Studio	1 Bed Flat	2 Bed Flat	3 Bed Flat	Total No. Units
Private	53	111	173	27	364
Affordable	0	40	109	50	199
Phase 2 Sub-total	53	151	282	77	563
Phase 3					
Private	46	97	152	24	319
Affordable	0	35	96	44	175
Phase 3 Sub-total	46	132	248	68	494
Phase 4					
Private	79	167	259	41	546
Affordable	0	60	164	75	299
Phase 4 Sub-total	79	227	423	116	854
Phase 5					
Private	95	201	312	49	657
Affordable	0	72	197	90	359
Phase 5 Sub-total	95	273	509	139	1,016
P1-5 Total					
Private	273	576	896	141	1,886
Affordable	0	207	566	259	1,032
Total	273	783	1,462	400	2,918

# 6. GROSS DEVELOPMENT VALUE

Residential Market Value	6.1.	As highlighted earlier, The Advisor's approach has been to value the residential units on a Build for Sale basis notwithstanding that the Applicant has stated they intend to deliver Phase 1 of the scheme for Build to Rent. From our discussions with the Council, we understand that the scheme has been valued in this way as it is not proposed that it will be pursuant to Policy H11 which would otherwise have allowed the Applicant's affordable housing offer to be entirely DMR. Recognising this position, we have agreed with the Advisor's approach of using the Built to Sale valuation methodology.
	6.2.	The Applicant has adopted a base private residential value of £762 psf which has been proposed having regard to achieved and asking prices for comparable new build schemes in the vicinity of the Site.
	6.3.	As part of the due diligence process, we have reviewed the comparable evidence set out in the Applicant's FVA report to ensure the values adopted provide an accurate estimation as to what we would expect the Scheme to achieve. The proposed capital value per unit type based on an average of £762 psf are as follows:

### Table 4: Summary of Capital Values per Unit Size

Unit type	Average Price	Av. Size Sf (Sm)	£/sf (Sm)
Studio	£360k	457 (42.5)	£787 (£8,471)
Studio	£365k	466 (43.3)	£783 (£8,428)
Studio	£367.5k	474 (44.0)	£777 (£8,363)
1 Bed (2P)	£442.5k	544 (50.5)	£814 (£8,762)
1 Bed (2P)	£450k	560 (52.0)	£804 (£8,654)
1 Bed (2P)	£450k	564 (52.4)	£798 (£8,589)
2 Bed (3P) WC	£570k	761 (70.7)	£749 (£8,062)
2 Bed (4P)	£610k	753 (70.0)	£810 (£8,718)
2 Bed (4P)	£610k	757 (70.3)	£806 (£8,676)
2 Bed (4P)	£610k	760 (70.6)	£802 (£8,632)
3 Bed (4P) WC	£650k	1090 (101.3)	£596 (£6,415)
3 Bed (5P)	£660k	931 (86.5)	£709 (£7,632)
3 Bed (5P)	£660k	941 (87.4)	£702 (£7,556)
3 Bed (6P)	£725k	1089 (101.2)	£666 (£7,168)
3 Bed (6P)	£725k	1100 (102.2)	£659 (£7,093)
3 Bed (6P)	£725k	1112 (103.3)	£652 (£7,018)

Height premium

6.4.

The £762 psf is a base figure which applies to the lower floor units. The proposed development will however include towers, some of which reach over 30 storeys and as such the Advisor has applied a staggered premium onto this base figure as shown in the table below.

### Table 5: Residential Floor Percentage Change

%	
0%	
2.5%	
5.0%	
7.5%	
10.0%	
12.5%	
	0%           2.5%           5.0%           7.5%           10.0%

	6.5. We are of the view that this is a reasonable approach to take in order to reflect the height premium attached to the proposed units. We note there is research for residential units in central London that shows height premium can be around 1.5% increase per successive floor, in buildings where the view of the skyline is exceptional (Żelazowski, 2015). We however consider the Applicant's approach to height premium to be reasonable given the location of the Scheme and its' set-back from the River Thames.
Placemaking premium	6.6. The proposed development will be built out in five different phases and the Applicant has applied a premium to reflect the increase in sales value per phase generated from the 'sense of place' created by earlier phases. This increase is shown in the table below:

#### Table 6: Residential Phase Percentage Change

Phase	%	Av. £/Sf (£/sm)
Phase 1	0%	£803 (£8,643)
Phase 2	2.5%	£843 (£9,074)
Phase 3	5.0%	£883 (£9,505)
Phase 4	7.5%	£923 (£9,935)
Phase 5	10.0%	£963 (£10,366)

6.7.	In our experience, we consider that schemes of the scale proposed could command a premium over existing local prices, and therefore a "regeneration" or "placemaking premium" is potentially warranted. For the proposed Scheme we note that it will provide a large amount of community uses and amenities in the area. It will also benefit from the new East London Line Extension due to be delivered during the proposed development's construction.
6.8.	Savills Research Paper 'Spotlight: The Value of Placemaking' where in their hypothetical model, a 50% increase in infrastructure spending leads to a 20% increase in sales values and a 50% increase in sales rates per annum, in turn leading to a 25% increase in residual land values.
6.9.	There is further research such as the RICS Guidance Note 'Placemaking and Value' (1st edition, February 2016) which analyses considers five case study examples and considers place-making premiums are between 5% and 50%.

	6.10.	While we have accepted the placemaking premiums on the private residential sales, we note the Advisor has also applied these to the affordable housing products. We would not apply these premiums to the intermediate or social rented products, as these relate to incomes and not market value; for this reason, we have accepted a placemaking premiums for the shared ownership units as these are a proportion of market value. We have however tested the sensitivity of including placemaking premiums to affordable housing products within Section 12 to determine the impact this has upon scheme viability.
Sales Analysis	6.11.	We have had regard to Appendix D 'Market Evidence of Gross Development Values' of the Applicant's FVA report which outlines a number of comparable schemes which have been used to determine the base sales value figure shown above. We have also conducted our own comparable transaction research to assess the validity of their assumptions and base figure.
	6.12.	We note that LPAWA indicated tests in private values of between £650-£850 psf (psm) which indicated that at the upper end of this range the allocation was potentially viable with circa 5% affordable housing.
	6.13.	Our full sales value analysis based on rate psf and rate per unit can be found in Appendix 5. We provide a summary and analysis of our key comparable below.

### Table 7: Comparable schemes average values

Comparable Schemes	Av. £/sf (£/sm)
Deptford Landings	£696 (£6,960)
Deptford Foundry (Anthology)	£688 (£7,406)
Bond House, Goodwood Road	£663 (£7,136)
Hydro, Surrey Quays	£731 (£7,868)
Atar House, 179 Ilderton Road	£616 (£6,631)
Bermondsey Works, Rotherhithe	£580 (£6,243)
Average	£662 (£7,126)

Deptford Landings, (SE8 3QS)	6.14.	The Advisor considered the most comparable scheme to be Deptford Landings (Timberyard). GE also consider this to be the most comparable scheme currently based on location, scale, and scheme type.
	6.15.	Deptford Landings is a Lendlease development to the east of the subject Site, approximately 0.75 miles away. It is located between Lower Pepys Park and Deptford Park on a 4.5 ha site (11.6 acres) with the roads surrounding the site including Oxestalls Road, Grove Street, Dragoon Road and Evelyn Street.
	6.16.	It is somewhat similar in terms of location however it is significantly closer to the River Thames which will impact upon sales values, especially on the units with riverside aspect. The location is however further from a train station, the closest currently being Surrey Quays approximately 0.7 miles northwest, whereas the proposed development has South Bermondsey Station adjacent and the new London Overground East London Line Extension Station due to be built at the southeastern corner of the site.

6.17. The development consists of different phases totaling 1,132 new homes along with other mixed uses across the site. The comparable evidence presented by the Advisor only represents Plot 2 (part of the first phase) which consists of 203 units of which 143 are private. Once the first phase is complete it will consist of 580 units (461 private) in a range of one-, two-, three- & four-bedroom apartments and four-bedroom townhouses.	
6.18. The scheme situation in Q1 2021 is as follows according to Molior:	
Cedarwood Square (Plot 2) containing the first 143 private units is sold out and	
<ul> <li>compete.</li> <li>Plots 1 and 3 have 318 more private units permitted in detail under the original parent</li> </ul>	
consent but have yet to start. Design amendments are expected.	
• Phases 2 (Plot 4) and 3A (Plot 6), which have 440 units in total, including 406 privates,	
<ul> <li>and each have their own reserved matters consents.</li> <li>Proposals for Plot 5 are currently out for consultation and include 400 units in three</li> </ul>	
buildings, plus a 22 storey/380 room student block.	
6.19. The scheme offers flexible studio space, a range of shops and cafés and an incubator hub that will give smaller, independent businesses the chance to prosper and grow.	
6.20. Construction commenced in 2017 and completed in Q1 2020 for Plot 2, with the rest of the development yet to start construction. The scheme launched in February 2016 and the 143 private units are now fully sold out. Some of the transactions are considered too historic to be relied upon for the purpose of this review and therefore we have only included those that took place post Q1 2018 according to Land Insight.	
Even though this scheme is still in the early stages of development with only one plot developed out of six, it provides a strong comparable to the subject Scheme. The quantum of the scheme although smaller than the proposed Scheme is sizeable, with a similarly phased approach to delivery. Further we understand this development ranges from 11-28 storeys which is very comparable to the Proposed Scheme albeit the plot for which we have obtained evidence is 11 storeys.	
6.22. In terms of unit sizes, evidence from the comparable scheme brochure highlights that the proposed Scheme has smaller sized units with one-bedroom units on average circa 35 sq. ft smaller, two- bedroom apartments on average circa 50 sq. ft smaller and three-bedroom apartments on average circa 20 sq. ft smaller. We would therefore expect the proposed Scheme to achieve a higher rate psion this basis given value premium typically generated by smaller units	
6.23. Shown below are the average sales price psf for the private residential units in the comparable scheme, based off 93-unit transactions to date:	

### Table 8: Deptford Landings Average Sales Price

Avera	Av. £psf (£psm)		
1	2	3	
£736 (£7,922)	£694 (£7,470)	£605 (£6,512)	£696 (£7,492)

6.24. The base figure shown in the Applicant's FVA of £762 psf is therefore reasonable in our opinion when comparing to Deptford Landings and other comparable schemes, however we should note that this is towards the top end of what evidence would suggest.

	6.25. Having regard to the above and the further comparable evidence analysed in Appendix 5, we are of the opinion that £762 average psf value is towards the top end of the comparable evidence range before the storey and phase adjustments. However, the majority of the comparable schemes assessed lack the scale and amenities that the proposed development will benefit from. We therefore consider the Advisors values to be reasonable in this context.
	6.26. We would however raise that during our review of the sales rates applied to the residential floorspace, that there is a difference in approach between P1 detail and P2-5 outline phases. Our cost consultant, V&S, have raised that the NIA of P1 excludes Winter Gardens but P2-5 includes them. As the £ psf sales rates have been applied to the residential NIA across all phases, we therefore consider that this results in an inflated value for the outline units. It is noted that subsequent phases may provide external balconies as opposed to winter gardens. We have therefore relied upon the proposed areas provided by the Applicant for the purposes of valuation.
Sales Rates	6.27. The Applicant has proposed an off-plan sales rate of 40%, with 6 units per month sold upon practical completion of each phase.
	6.28. GE have reviewed the sales rates of the comparable schemes used in determining the sales values with further analysis included in Appendix 5. It would appear that schemes in this area are selling well, with a large proportion of units selling off-plan (Molior). Hydro, Surrey Quays was sold completely off-plan, whilst Bermondsey Works, Rotherhithe New Road were sold out just 6 months after completion and Deptford Landings had a high proportion sold before construction completed.
	<ul> <li>As a result of the high off-plan sales evidence it would suggest there is strong demand for new build residential units within the area and therefore we consequently consider the Applicant's proposed 40% off-plan rate and 6-unit sales per month to be reasonable.</li> </ul>
Affordable Housing	6.30. The assumed housing tenure mix comprises of 60% Social Rent (SR), 20% Discounted Market Rent (DMR) and 20% London Shared Ownership (LSO).
	<ul> <li>6.31. The proposed tenure mix is not in line with the Council policy of 70% Social Rent and 30%</li> <li>Intermediate. However, The Advisor confirmed that this tenure mix has previously been discussed with the Council and will be required, to ensure the viability and deliverability of the scheme.</li> </ul>
	6.32. We note however that the proposed tenure mix does meet the GLA requirements, as set out in the Affordable Housing and Viability SPG of:
	• 30% low-cost rent (social or affordable rent).
	<ul> <li>30% intermediate products, with LLR or LSO being the default tenures assumed in this</li> </ul>
	category.
	• 40% to be determined by the LPA taking account of the relevant Local Plan Policy.
	6.33. The following assumptions have been made by the Advisor:
	<ul> <li>Social Rent to be delivered as London Affordable Rent (LAR).</li> </ul>
	<ul> <li>DMR to be rented at a range of between £1,290 - £1,595 per month.</li> </ul>
	<ul> <li>LSO to be delivered as the intermediate product.</li> </ul>
	<ul> <li>Increases in value have been assumed by phase, in line with the placemaking premium</li> </ul>
	applied to the private sales values.
	6.34. Overall, The Advisor has applied a blended affordable housing rate of £299 psf for Phase 1 (based or current day). This comprises of £197psf for LAR, £442psf for DMR and £456psf for LSO.
	6.35. Our view of each of the above value calculations is set out in the below sections.
London Affordable Rent	6.36. In our view, LAR is an accepted affordable product to assume for the social affordable rented element of this scheme.

	<ul><li>6.37. LAR represents the rental cap for social rent. The starting point for LAR is the benchmark rent levels set in 2021-22 which were set by the GLA. Once let, LAR will be subject to rent setting guidance issued by the Social Housing Regulator.</li></ul>
	6.38. The rental levels assumed by the Advisor reflect the 2020-21 GLA benchmarks. These have therefore been updated to reflect the 2021-22 levels in our calculations.
	6.39. The values that have been calculated have been done so on an investment method approach, whereby the net annual rental income has been capitalised by an appropriate yield. The assumptions that have been applied are set out as follows:
	<ul> <li>Weekly Rent levels have been set in line with the 2021-22 published London Affordable Rents (exclusive of Service Charges).</li> <li>An annual net rent for each unit has been calculated, based on Management and Maintenance Costs of 22% being deducted from the Net rent.</li> <li>Annual rent capitalised at 4.5% initial yield.</li> </ul>
	6.40. The value calculated equates to £197 psf which is in line with that assumed by the Advisor. This value has therefore been applied in the GE appraisal.
	6.41. It should be noted however that the placemaking premium applied by the Advisor has been removed in the GE appraisal. The appraisal has been undertaken on a current day basis and the value of these units will be restricted in line with affordability requirements and government guidance on rent levels, throughout the duration of the development. This has resulted in a significant reduction in the GDV level of LAR.
Discounted Market/ Intermediate Rent	6.42. The Advisor states that they have had regard to the London Plan 2021 guidance which requires a rent of no higher than 80% of market rent and for the rent to be affordable to households that earn less that £60,00 per annum. The rent chargeable per annum has been calculated using an income threshold analysis against the market rent for each unit type.
	6.43. The DMRs range between £1,290 - £1,595 per month depending on the number of bedrooms and an equivalent yield of 4% has been applied to the capital value.
	6.44. Firstly, as this scheme has been modelled as Build to Sale, we will refer to these units as Intermediate Rent (IR) rather than DMR, which is typically the rent classification under a Build to Rent scheme. We understand from our due diligence with the Council that LB Lewisham do not recognise DMR as an affordable product in the borough and therefore even though the scheme proposes BtR in the first phase, traditional affordable housing products have been accepted as opposed to DMR for the affordable housing provision. This negates the need for any covenants to be included in the S106 agreement in respect of DMR.
	<ul> <li>According to our calculations, whilst the rents charged at the lower end of range (£1,290 per month) meet the GLA requirement cap of £60k per annum, those above c. £1,400 per month and up to the higher end of the range (£1,595 per month) would exceed the affordability cap.</li> </ul>
	6.46. In the absence of further justification on the affordability of these units, we have modelled the rents based on London Living Rent levels (LLR), as set out in GLA SPG, paragraph 4.23.
	6.47. We also note paragraph 4.25 of the SPG where the LPA and developer identify a specific local need, a wider mix of discounted market rent products may be provided. If not delivered as London Living Rent, then the LPA must ensure that the discounted market rent units fully meet the London Plan definition of intermediate housing and are affordable to those eligible for intermediate rented housing in London. In our view as a proportion of the units are being delivered at affordability levels above the £60k per annum cap, they are not meeting the requirements of the SPG.
	6.48. As a result, we have modelled the intermediate rented element of the scheme as London Living Rent, as set out in the followings section.

London Living Rent	6.49. LLR is an Intermediate product, which anticipates that tenants will use their sub-market rent level to save towards the purchase of this or another equivalent property on a shared ownership basis. Rent levels have been published for each ward in London, based on data for average local incomes, the principle being to charge a rent at the level of a third of average gross household income.
	6.50. Our assessment assumes of a rental product, at LLR levels, into perpetuity.
	<ul> <li>Intermediate rents set using the GLA 2021-22 intermediate rent levels.</li> <li>On cost deduction of 7%.</li> </ul>
	<ul> <li>Management and maintenance deductions of 22% from the net rent.</li> <li>Annual net rent capitalised at a rate of 4-4.5% net initial yield, to demonstrate a value range that reflects the potential risk with this product over a longer term, phased scheme.</li> </ul>
	6.51. Based on the above assumptions, a value range of c. £267-£302 psf has been calculated. The higher end of the range has been adopted in the GE appraisal in this instance.
	6.52. It should be noted however that the placemaking premium applied by the Advisor has been removed from the GE appraisal the appraisal has been undertaken on a present-day basis and the value of these units will be restricted in line with affordability requirements and government guidance on rent levels, throughout the duration of the development. The adoption of LLRs, the removal of the placemaking premium and the phased increases in rents, has resulted in a significant reduction in the GDV level of LLR.
London Shared Ownership	<ul> <li>6.53. LSO is an intermediate home ownership product. It enables a home buyer to purchase a share of between 10 – 75% of the value of a property and pay a regulated rent on the remaining, unsold share. Initial rents on the unsold equity of the properties can be no more than 2.75% of the value of the unsold equity at the point of initial sale</li> </ul>
	6.54. LSO properties are available to households with a total annual gross income of up to £90,000, as per the GLA income affordability requirements. Some boroughs apply specific lower income thresholds or other income restrictions. RPs should only apply these restrictions for the first three months of marketing, after which the London plan maximum household income should apply. Generally, LSO is not appropriate where unrestricted market values of the home exceed £600,000.
	6.55. The capital values that have been calculated on the sum of the market value of the initial sale (tranche), plus the value of the net rent charged on the unsold equity, assessed based on yield.
	<ul> <li>An average psf value of £883 assumed for the Intermediate units. A 10% deduction was applied to the average sales value to accommodate differences in the specification with the private units.</li> </ul>
	<ul> <li>The affordability levels were calculated in line with GLA policy, assuming affordability for a range of incomes below the upper income limit, which is currently at £90,000 per annum.</li> </ul>
	• The percentage rent on the unsold equity element has been varied for each unit type to keep in line with the affordability level.
	<ul> <li>It is assumed that the annual incomes spent on housing costs do not exceed 40% of net household income per annum.</li> </ul>
	<ul> <li>The annual net rent for the unsold proportion of the property has been capitalised at a 4.5% initial yield.</li> </ul>
	6.56. Based on the above assumptions, a value of c.£455 psf was calculated. We therefore consider the value adopted by the Advisor to be reasonable and have adopted this in the GE appraisal.
	6.57. As discussed above, a placemaking premium has been applied to the private sales values in line with the different phases throughout the duration of the development. We agree that these premiums will also apply to LSO units and have therefore adopted these in the GE appraisal.

Area wide affordable values	6.58. Generally, it appears that the affordable and intermediate values that have been adopted by GE are broadly in line with the conclusions set out in the LPVA (2019). LAR was valued at £189 psf compared to the GE assessment of £197 psf based on current day rents. We consider this to be reasonable given LARs have increased on an annual basis by CPI plus 1% since 2019, therefore accounting for the differences.
	Similarly, a value of £225psf was attributed to LLR in the 2019 study, compared to a range of £267 - £302 psf adopted by GE at the current day. It should be noted however that the LLR rate calculated in the 2019 review was for a Ward at the lower end of the rental level range in comparison to the rest of the borough. In addition, the LLR levels in the ward that the scheme is located have also increased since 2019, by c. 6% contributing further to the higher values adopted by GE.
	Finally, the Shared Ownership values in the LPVA equated to c. £383 psf, compared to the £455psf adopted by GE. However, the original rate was based on a private sale value range of c. £583 - £765 psf, equating to 50-60% of market value. In comparison, the GE adopted rate is based on higher sales values overall equating to an average of £762 psf and c.60% market value. The Shared Ownership are largely linked to the private sales values, therefore accounting for the higher value compared to the 2019 study.
Car parking	6.59. Within their appraisal the Advisor has included 470 car parking spaces across the 5 phases with a sale value of £30,000 applied to each of these spaces totaling c.£14m.
	6.60. We are currently working on several large multi-phased residential-led developments in outer London and are aware of transactional evidence of comparable car parking spaces being sold for between £20,000-£30,000 each.
	6.61. Confidentially one such example is a regeneration scheme in east London of a former industrial site where the Developer has informed us achieved car parking sales are ranging between £20,000 and £30,000 per space.
	6.62. We consider the Advisors assumptions for this element of the Scheme to be reasonable and have maintained this value within our appraisal
Ground Rents	6.63. The Advisor has not included any ground rent income within their appraisal and there is no mention of ground rent within the Advisor's report.
	6.64. We presume the Advisor has excluded ground rent income on the basis of the governments proposed upcoming leasehold reform.
	6.65. We note that The Minister for Housing, Communities and Local Government provided the following statement on 21st December 2017:
	The Government will introduce legislation so that, in the future, ground rents on newly established leases of houses and flats are set at a peppercorn (zero financial value)".
	6.66. Further direction of travel was also provided in the Queen's Speech on 14th October 2019 with reference to a foreshadowed bill on Leasehold and Commonhold Reform and the Government's commitment to "restrict ground rents in newly established leases of houses and flats to a peppercorn value" (Section 4.8, Queens Speech October 2019). Also of note was the Government's commitment to legislate in this area "as soon as Parliamentary time allows" (Leasehold and Commonhold Reform Research Paper August 2019).
	6.67. On January 7th, 2021, Housing Secretary Robert Jenrick announced what appear to be the biggest reforms to English property law for 40 years
	6.68. Within this statement the Government has reiterated their commitment to restricting ground rents to zero for new leases. Further, they have stated:
	"Legislation will be brought forward in the upcoming session of Parliament, to set future ground rents to zero" [MHCLG 7th January 2021]."

Residential GDV Summary	6.73. We set out a summary of the total Proposed Development Residential GDV below:
	6.72. In the interest of prudence, we have considered a scenario in which ground rent income would be achievable. This is shown in Section 12 of this report.
	6.71. Should material changes arise to ground rent legislation following the above announcement, we will need to revisit our appraisal assumptions with reference to the appropriateness of including ground rent income.
	6.70. We consider the Advisor's assumption that no ground rent income will be derivable from Scheme is reasonable, given the Government's' position on amending ground round legislation on leasehold property so that rents may be set at a nominal level in the future.
	<ul> <li>6.69. The Government have now confirmed all new-build houses will be sold on a freehold basis and ground rents on new flats will be removed, this is in line with the Leasehold Reform (Ground Rent) Bill guidance as of 11 June 2021.</li> </ul>

## Table 9: Summary of Proposed Development Residential GDV

Туре	Advisor Residential GDV	GE Residential GDV
Private Residential	£1.6bn	Accepted
Affordable Residential	£322.3m	£256.2m
Car Parking	£14.1m	Accepted
Ground Rent	n/a	(see sensitivity)
Total	£1.861bn	£1.81bn

Non- Residential	6.74.	The proposed non-residential floorspace and associated value for each stage, as proposed by the Advisor, is summarised within the table below (areas included at Appendix 4 of our report).
Revenue		

## Table 10: Summary of Proposed Non-Residential Values

Phase 1	GIA sf (sm)	Rent £/sf (£/sm) /Net Yield	Advisors Adopted Value
Use Class E	5,344 (496)	£30 (£323)/6%	£137.7k
Auditorium	39,348 (3,656)	n/a	£10.7m
Phase 2			
Retail	6,329 (588)	£30 (£323)/ 6%	£189.9k
Employment	54,974 (5,107)	£30 (£323)/ 6%	£2.4m
Phase 3			
Retail	3,864 (359)	£30 (£323)/ 6%	£115.9k
Community	36,533 (3,394)	£20 (£215)/ 5.5%	£730.7k
Community	124,807 (11,595)	n/a	£18.7m
Phase 4			
Retail	61,645 (5,727)	£30 (£323)/ 6%	£1.8m
Community	9,225 (857)	£20 (£215)/ 5.5%	£184.5k
Phase 5			
Employment	64,518 (5,994)	£30 (£323)/ 6%	£1.9m
Total	406,587 (37,773)	-	£37m

Rent free	6.75.	A standard assumption for each of the non-residential uses has been applied which allows a rent- free period of 12 months.
NIA/GIA	6.76.	We note that for the non-residential uses in the outline phases (P2-5) the GIA has been adopted to apply rental values to whereas in the detailed Phase 1 the NIA is adopted. We consider that this approach could be inflating the value that could be attributed to these non-residential uses as, for certain uses , the NIA would be used to apply rental values to. We have therefore discussed this with the Council and Applicant and it has been agreed that this is to be resolved at detailed application stage, where the specific uses and associated valuation methodology have been confirmed.
Growth	6.77.	We notice that unlike the residential sales values which have been increased over the five phases, the commercial elements have not been subject to this same adjustment by the Advisor. We recognise the sense of place created by the latter phases which may lead to growth in non-residential values over time, but this is hard to quantify. Equally, due to supply and demand we also recognise that it may in fact have the opposite effect should demand be found not to be present resulting in an oversupply of non-residential floorspace as the scheme progresses, meaning the earlier phases would achieve the highest values under this circumstance.
Retail	6.78.	In respect of retail space, the Planning Statement states that the retail floorspace will be let/ occupied under the following parameters:
		<ul> <li>No more than 2,000 sqm of retail or service floor space across the Proposed Development will be used for the sale of comparison goods.</li> <li>Retail units on the site, other than for the sale of convenience goods, will not exceed 250 sqm (GEA).</li> <li>Retail units for the sale of convenience goods shall not exceed 1,000 sqm (GEA); and</li> <li>The total amount of Class E (a, b, and c) floorspace and hot food takeaways, pubs, wine bars and drinking establishments and pubs with expanded food provision will not exceed 6,700 sqm.</li> </ul>
	6.79.	We have considered the Advisor's retail rental transactions as set out within Appendix D of their FVA report and have conducted our own further comparable research. Within their evidence base we note a mix of ancillary and supermarket space with the adopted value representing a blended rate. Given that only the parameters of the occupation of the retail space are provided at this stage due to the latter phases not being detailed, and are instead in outline form, we consider a high-level blended approach reasonable.
	6.80.	We have conducted our own further retail comparable analysis and consider the Advisor's proposed rental values (£30 psf) to be higher than recent lettings in the local area. We do not consider this to be unreasonable however given the proposed retail space is likely to be of a better quality than what is currently available in the local market.
	6.81.	In respect of the investment yield, we would note that the Advisor has not provided evidence to support their adopted yield of 6%. We have therefore conducted our own research into investment yields which suggest yields for retail space achieve between 5.10% and 8.40%. Given the quality of the space which will form part of an established development, particularly by the latter phases where benefits of placemaking will potentially be realised, we consider the Advisor's blended yield of 6% for the retail units is reasonable, as for example a supermarket would command a yield of below 6% and ancillary space of above 6% (not factoring weightings for areas).
Workspace	6.82.	A significant amount of employment space is included within the proposed Scheme, specifically within Phase 2 and Phase 5.
	6.83.	The Advisor has clarified that the employment space will be a mix of office/ creative and light industrial use, with office/ creative space delivered in the earlier phase and light industrial space in latte phase.

	6.84.	The Advisor has adopted a rental value of £30 psf for these elements of the Scheme which is the same rental value adopted for the retail space.
	6.85.	We would highlight that South Bermondsey is not an established office location and therefore comparable lettings, particularly sizeable ones, are limited. We have therefore widened our scope for rental evidence to include surrounding areas such as Greenwich.
	6.86.	Based on these comparable lettings we consider £30 psf for office use in the proposed Scheme to be towards the higher end of the expected range, when factoring the quantum of space proposed.
	6.87.	This is however partly balanced by the industrial values achievable in the area. Having consulted with our Industrial Team we consider the potential light industrial values achievable here to be strong.
	6.88.	Therefore, when considered in totality we consider the blended employment rental value of £30 psf to be reasonable, albeit at the upper end of the expected range.
	6.89.	The Advisor has adopted a yield of 6% for the employment space which is the same assumption as the retail space. Again, the Advisor has not provided any comparable evidence for this.
	6.90.	We have therefore undertaken our own analysis into investment sales of office and light industrial space in the area. Investment evidence for office space is very limited. There is more available evidence for light industrial space with several transactions achieving a c.5% yield and under.
	6.91.	Based on this and our knowledge of the outer London office and light industrial markets, we consider a blended yield of 6% is reasonable.
Community	6.92.	The proposed community provision is to be delivered with Phases 3 and 4 of the proposed development
	6.93.	The Planning Statement states that the community space (Class F.1) is to include any use not including residential use for:
		• The provision of education.
		• The display of works of art (other than for sale or hire).
		• A museum.
		• A public library or reading room.
		• A public hall or exhibition hall
		Public worship or religious instruction; or
		• As a law court.
	6.94.	The Design and Access Statement includes illustrative drawings of Phase 3 showing a youth centre which encompasses its own sports hall and creche.
	6.95.	The community provision within Phase 4 comprises a medical centre, despite the Planning Statement excluding this from the community provision. We therefore sought clarity from the Advisor as to whether medical and creche uses have been included within the community values as they do not fall under it in planning use class terms. The Advisor has confirmed that for the purposes of valuing these uses that they do fall within the community parameters.
	6.96.	As the community use encompasses a broad range of potential uses occupying the space, we have considered the value as a blended community use value.
	6.97.	We have had input from the GE Specialist Team in respect of the community values who have advised that nursery and medical uses are the main income producing community uses and that a rent of £25-30 could be achievable for these types of uses in new build developments. For other community uses they have advised that lower rents are expected, ranging from £10-15 psf in the area. Given that the community floorspace may also encompass other uses under Use Class F1, and

		that these specified uses are for illustration only at this stage, it is necessary to apply a blended rate. As this is the case, we have accepted the Advisor's applied rent level of £20 psf which sits between the two types of rent that we have been advised could be achieved for the proposed uses.
	6.98.	In respect of the yield, we have moved out the Advisor's yield of 5.5% to 6% as we would not expect this to be below the commercial elements of the scheme which have yields of 6%.
Auditorium	6.99.	The Advisor has assumed that the market value of the Auditorium is equivalent to its construction cost, totaling £10.73m. The auditorium is proposed to comprise 800 seats and measure some 40,000 sq ft. We understand from the Advisor that Hillsong Church were initially intending on occupying the space however we are advised that they have since moved elsewhere from their previous unit on Stockholm Road within the development site.
	6.100.	We have discussed the matter with our Specialist Leisure Team. They consider it unlikely that a facility of this type would be built speculatively without a pre-let in place to an anchor type tenant, meaning it would potentially be challenging post construction to find a tenant for this building. It is likely that the space would be non-profit making and possibly loss-making.
	6.101.	The £10.73m cost is an allocation of the podium space shell and core cost plan covering the area of the auditorium, café and sui generis rehearsal rooms. As stated in the V&S report, the Applicant's cost plan includes 'auditorium construction including acoustic bearings, twin walls, transfer structures, steelwork etc.' These are all related to the specific function. It does not, however, include for fitting out of operator specific fit-out requirements including the internal space, partitions, finishes, fixtures, fittings and services. Again, as per the V&S report 'The podium excludes operator-specific & fit-out requirements'. Generally, we would consider it reasonable for any future operator to cover their own costs of fit out.
	6.102.	Further to this, the BCIS benchmark data for theatres (along with concert halls and cinemas) shows a median of £3,747psm and upper quartile of £4,279psm which include operator fit-out. In comparison, the cost plan allowance for the auditorium equates to £2,443psm which is significantly lower than the BCIS benchmark. Separating out the shell, the cost plan allowance may look robust but we consider it reasonable for the proposed scope; operator fit out would likely add a further c.£10m.
	6.103.	We have sought further clarification on this matter from the Advisor and Council. As fit-out costs have not been included here, it was agreed that they are to be excluded from subsequent reviews in order to be consistent. The Council advised that should the Auditorium not be occupied and a change of use consequently sought by the Applicant, this could not be dealt with through an amendment to the current application and would require a new application.
	6.104.	Due to the lack of comparable evidence in the market upon which to base a value, we have agreed with the Advisor in this instance that any future occupier would pay to cover the construction costs of the Auditorium, and have therefore applied the same amount.
Leisure Centre	6.105.	The Advisor has based the leisure centre's market value on a significantly lower capital value to the associated construction cost at £18.7m compared to costs of £42.5m as they state most leisure centres operate at a loss.
	6.106.	We note that the Delivery Strategy states that the sports facilities in Phase 3 are to be made available to local people and local schools in Lewisham and Southwark at a subsidised rate.
	6.107.	The Planning Statement states the intention is that this phase will accommodate a sports facility (including but not limited to basketball facilities; indoor five-a-side pitches; a leisure centre with swimming pool and day spa; dance studios; gymnasium, facilities for table tennis, boxing, and weightlifting; and a climbing wall).
	6.108.	We have been provided with advice from the GE Specialist Leisure Team on the values which could be attributed to the proposed leisure facility. The have advised that it is possible that a management

		contract would be entered into by an operator as opposed to taking on the rental liability of such a large space.
	6.109.	Of the proposed uses listed above, the ones which occupy smaller floorspaces including dance studio, gym, boxing as opposed to larger spaces such as basketball court, leisure centre and five-a-side pitches, we would reference back to health/fitness style values where a rent of £12.50-15psf would be reasonable.
	6.110.	When looking at larger space arena or sports hall, we consider that the values that could be attributed to the space would be lower given the reduced utilisation of the space due to the fact there is a lower earning potential as less people will use the space at any one time. Furthermore, evidence available for health and fitness and other sports related uses is built up of space of no more than c.15,000 sq ft where applying the market rent to larger sites would inflate the value. For these reasons, we would expect that only 40-50% of the main space rate could be achieved for the larger space uses. On this basis, we would assume that a rent of $\pm 6-7.50$ psf on these spaces would be reasonable.
	6.111.	To come to a blended rate for the leisure uses, we have assumed that 50% of the proposed leisure floorspace (GIA) would be occupied by these larger space uses (sports hall, basketball court etc as displayed within Figure 4 above) and have therefore applied a blended rent of £10psf across the leisure floorspace.
	6.112.	We have adopted a yield of 8% for the leisure use which produces a total value of £14.5m against the Advisor's value of c.£18.7m.
	6.113.	As we have reduced the value associated with the leisure provision, we recognise that this consequently creates a gap between the value and its build costs, however we would attribute this to leisure centres often being part of the social benefit it provides the wider development. Furthermore, the GE Leisure Team have advised that it is not uncommon for leisure centres to be built at a loss as they are community assets. We would note however that building the leisure centre at a loss reduces the level of income generating floorspace at the scheme, directly impacting viability and consequent level of affordable housing able to be supported by the development.
	6.114.	We would also advise that we consider the rates we have applied to be reasonable should an operator take the space, however we question how realistic it would be for one tenant to rent the entirety of the space and would advise the Council to consider this in discussions with the Advisor as with the auditorium
Existing Income	6.115.	As the scheme is coming forward in five phases, the income from the existing accommodation has been included as an income stream in the Advisor's development appraisal.
	6.116.	Our review of this approach shows that the Advisor has taken income the existing accommodation from Phases 2-5 in Phase 1, Phases 3-5 in Phase 2 and so on. This reflects each phase coming forward in turn and we therefore agree with this approach.
	6.117.	We have made an adjustment to the existing use income in Phase 4 which had been incorrectly calculated by the Advisor, where Phase 5's pre-commencement start date had been used as the end of income instead of its construction start date, as was the approach for the other phases. This meant a year's worth of income from Phase 5 had been omitted; we have recalculated the income which has increased from c.£1.3m to c.£1.8m.
	6.118.	In determining the level of income for each building, the market rent as adopted within the EUV has been applied with a proportion of this representing the expected income. For each phase, a difference of 5% is deducted from the percentage of market rent applied which we would agree with as further in the future the income becomes less certain, coupled with the fact that as the comes forward for development there are likely to be shorter leases with lower rents achieved.
	6.119.	The Advisor has provided further justification on the approach to the level of income stating that, based on experience, as redevelopment becomes more certain and occupation more short-term, tenants will not pay full rental value on a development lease. Therefore, to maintain a positive

		rental stream and remove the liability associated with empty rates a developer will accept a lower rental income to lease the space. Despite the demand for industrial accommodation concessionary rents are necessary to reflect the short-term availability of accommodation, particularly for larger units, which often require capital expenditure by a tenant.
	6.120.	We would agree with the Advisor's approach and recognise that market rents are unlikely to be achieved the closer the units are to being redeveloped and following the adjustment of the Phase 4 income as previously mentioned, we have adopted the Advisor's income values.
GDV Summary	6.121.	We set out a summary of the total Proposed Development GDV overleaf:

## Table 11: Summary of Proposed Development Residential and Non-Residential GDV

Туре	Advisor GDV	GE GDV
Private Residential	£1.6bn	Accepted
Affordable Residential	£311.4m	£256.2m
Car Parking	£14.1m	Accepted
Ground Rent	n/a	(see sensitivity)
Retail	£36.1m	Accepted
Employment	£56.4m	Accepted
Community	£15.8m	Accepted
Leisure/ Auditorium	£29.4m	Accepted
Existing Use Income	£17.3m	£17.8m
Total GDV	£2.03bn	£1.97bn

## 7. COSTS AND PROGRAME

Construction Costs	7.1. The Advisor has provided a cost plan from RPS dated March 2021 prepared for the Applicant. The cost plan total amounts to £1.3bn (including a 5% contingency allowance).
	7.2.GE are not cost consultants and have therefore requested the support of a qualified quantity surveyor – Veale and Sanders (V&S) - to assess the costs proposed by RPS.
	7.3. V&S's report is attached at Appendix 6 and covers the following areas:
	<ul> <li>Reviewing overall scope / content / areas / mix etc.</li> <li>Comparing overall pricing with benchmark data from BCIS and historic projects; and</li> <li>Identification of abnormal costs/potential cost savings.</li> </ul>
	7.4. V&S have identified several anomalies in the details estimate for Phase 1 however the overall rate compares reasonably with similar schemes and therefore this has been accepted.
	7.5. In respect of the latter, outline phases, V&S also consider this to be reasonable however they note a significant quantum of residential ancillary accommodation at podium level has been omitted. This matter has been discussed with the Council and Advisor and it has been agreed that any future review mechanism and detailed assessment at reserved matters stage will need to have regard to this, either through its exclusion (as has been the case here) or other. We understand that the GLA will require a full FVA review on further stages and therefore it is to be considered at a later date.
BCIS	7.6. The applicant has not provided build costs based upon BCIS published data and has instead relied upon a detailed cost plan. This is considered more accurate and appropriate than relying on generic data in this instance, however, V&S have provided commentary in relation to BCIS.
Contingency	7.7. A contingency of 5% of construction costs has been allowed for which V&S have accepted. This is included within the total construction costs and is therefore not included as a separate line within the Advisor's appraisal. We note that within the LPVA (2019) a 5% contingency has also been adopted as standard and therefore the applied contingency is consistent with the Council's assessment.
	7.8. Although the scheme is of a large scale and timeframe, we note that there are minimal proposals which pose a risk to the level of contingency such as significant basements etc, and therefore we have accepted this contingency allowance.
	7.9. We have adopted the figures proposed by V&S for the purposes of our appraisal.
Preliminaries	7.10. In their cost report, RPS have made an allowance of 16% for preliminaries and 5.5% for overheads and profit.
	7.11. V&S consider that the allowance for overheads and profits giving a compounded uplift of 21.5% to be like comparable schemes and therefore appropriate to be included as part of the costs.
Total Build Costs	V&S conclude in their report a total build cost in line with the Advisor of c.£1.3b. 7.12.
Professional Fees	7.13. The Advisor has allowed for professional fees of 8% of the total construction cost to conform with standard viability assumptions.
	7.14. GE note the Professional fees generally ranged between 8%-15% depending on the complexity of the project. Generally, 10% appears to be accepted as a standard assumption across London schemes viability tested and was applied in the LPVA (2019). However, GE consider that 8% is a reasonable assumption having regard to the specifics if this scheme. Although it sits towards the lower end of the expected range, for a scheme of this size we would expect beneficial economies

	of scale and the total expenditure amount must be considered along with the percentage allowance.
Marketing, Letting and disposal fees	The Advisor states in the FVA that they have allowed for the following fees associated with the sale of the Scheme:

## Table 12: Summary of Residential Marketing and Disposal Fees

Cost	Advisor	GE
Marketing	£2k per private unit (£4.6m)	1% (£15.5m)
Sales Agent	Private & non-residential: 1.5% (£25.4m) Affordable: 0.5% (£1.6m)	Private & non-residential: 1% (£16.8m) Affordable: Accepted (£1.3m)
Legals	Private & non-residential: £600 per unit (£1.4m) Affordable: £250k	Private & non-residential: Accepted (£1.4m) Affordable: 0.25% (£640.4k)
Marketing Agents	7.16. that the LPVA (2019) allows for 3% mar scheme's size we consider that there w therefore adopted the lower level of 19	apply between 1-2% as a standard assumption. We note keting fees (inclusive of agents fees). However, due to the ill be benefits in terms of economies of scale and have 6 in our appraisal. een applied on a mix of percentage rates on sales and set
Legals	7.18. For legal fees, we would normally allow economies of scale which will be benef also recognise that were a rate applied development programme given the pla artificially inflate the legal fees. We have	for up to 0.5% on sales rates, however we recognise the itted from due to the number of units coming forward; we to the sales values that this would increase during the cemaking premiums applied to the units which would re therefore accepted the Advisor's legal fee in this instance. ave applied a rate of 0.25% on sales values in line with
Land Assembly costs	7.19. from our internal CPO specialist team of assembly. Although they broadly agree assembly, they are of the view that no these have been included within the EL spoken to the Advisor on this matter w land within their EUV, and that costs as under these land assembly costs instea EUV, we have therefore removed the m assembly costs without our appraisal. In terms of other costs, £500,000 has b	In land assembly fees. We have been provided with advice on the costs attributed by the Advisor in respect of land with the costs and payments associated with land costs should be attributed to the values of each property as JV and would therefore be duplicated. We have therefore ho have advised that they have not included third party sociated with the value of these properties are included d. As we have included third party ownership within our harket value associated with these properties from the land een included which we assume is associated with making the
	7.20. order to gain CPO powers (and for a pu of £300,000 for two Upper Tribunal He will be gained and there will be a maxir will consequently have to be dealt with reasonable for the scale of the scheme	blic inquiry if necessary). The costs also include an allowance arings, which is based upon the assumption that CPO powers num of two disagreements on compensation matters which by third party. The GE CPO team consider these figures to be and we have therefore adopted them in the GE appraisal.
	a) Re-investment costs (professional)	hodology, the GE CPO team have reviewed the detailed cost I have made the following observations. ional fees): we assume these relate to agent/legal fees a relocation property, but in the circumstance where this is

	an investor, these relate to the acquisition costs of a new interest in an alternative property.
	<ul> <li>b) Reinvestment costs (professional fees and stamp duty): these equate to c.6.2% of value which is considered reasonable.</li> </ul>
	<ul> <li>c) Double overheads: these costs relate to occupiers leasing a new premises before such date that you leave the current premises, resulting in double costs (eg rates, utilities, rent) which otherwise would not have been incurred. These allow for the recovery of once set of these costs. In this case, the Advisor has applied these to tenants only (not investors) which we would agree with.</li> <li>d) Partial/full extinguishment of goodwill: these types of costs would only be associated with relocation and the Advisor has not applied these to investors, which we would agree with.</li> <li>e) Personal time/project management: we would expect any costs associated with time to be dealt with through professional representation which is claimable on transparent rates. Where these costs are linked to the time of a business owner, they can be more subjective. We have therefore adopted these in the GE appraisal however would recommend the council ensure professional representation of parties to avoid costs exceeding this allowance.</li> </ul>
	7.22. Once discounting the market value (and associated stamp duty) from the land assembly costs, the total costs equate to £7,051,000, which we have adopted in the GE appraisal.
Land Acquisition fees	7.23. Other acquisition costs applied by the Advisor in their appraisal include agent's fees at 1% and legal fees at 0.5%. We consider that both the agent and legal fees are reasonable, so have also adopted these in our appraisal.
	7.24. We note that the Advisor has applied Stamp Duty to the purchase price at and effective rate of 5%, equating to £3,878,109. We have calculated stamp duty on our residual land value using the appropriate thresholds for commercial property in the UK (0% on £0-£150,000, 2% on £150,000-£250,000, and 5% on £250,000+) which provides a figure of c. £559,159, an effective rate of 4.89%.
	7.25. We are of the view however that as the site is being redeveloped, there could be an opportunity for the Applicant to claim an element of Stamp Duty back, which would increase the viability of the scheme. We suggest that this is considered in the Section 106 negotiations with the Applicant, ensuring that the Council can access any additional funds should they become available, under a review mechanism.
Finance costs	7.26. The Advisor has included a finance rate of 6.5% within their appraisal. GE considers this rate to be appropriate and in line with the market and other FVA reviews that have been undertaken in London. Further evidence on the approach and reasoning behind the 6.5% finance rate has been included within Appendix 7.
	7.27. We recognise that the LPVA (2019) applied a finance rate of 6%. We consider this to be at the lower end of potential finance arrangements and not that the LPVA rate does not account for market movement since publication; such as those affected by Covid19 which have increased risk and conservative approaches to lending by financial providers.
	7.28. The Advisor has also included a credit rate of 1% within the appraisal which we do not consider to be industry standard. We have therefore removed the credit rate from our appraisal.

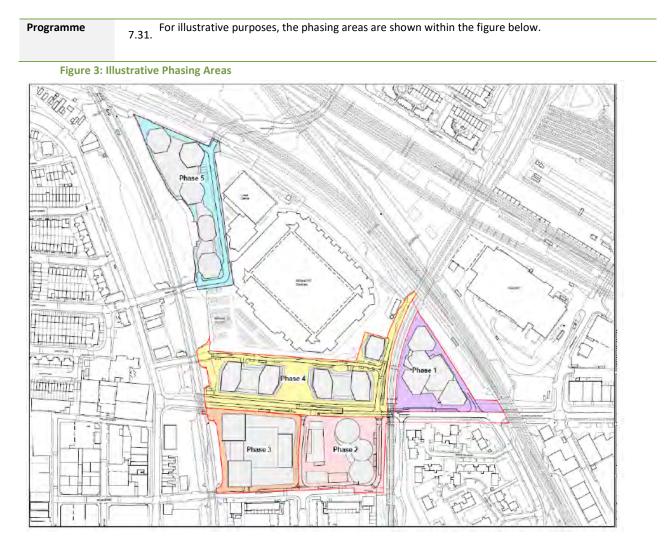
## Table 13: Summary of Finance Rates

Description	Advisor	GE
Debit rate	6.5%	Accepted
Credit Rate	1%	0%

Planning obligations	See section 8 – planning obligations - total anticipated cost equates to c. £59m. 7.29.
Programme	7.30. The Advisor has allowed for a total programme of 260 months (21.6 years) for the full Scheme including the five phases, which are outlined below.

#### **Table 15: Development Programme**

	Adviso	r			
Phase 1	Start	Practical Completion	Months	Off plan	Units
Pre-con	D	Neur	9		Private: 400
Construction	— Dec — 2021	Nov 2024	36		— Aff: 200 — Total: 600
Sales	- 2021	2021	40	40%	- Total. 000
Sub Total			87		
Phase 2					
Pre-con			12		Private: 364
Construction	— July — 2024	June 2027	36		Aff: 199 — Total: 563
Sales	2024	2027	36	40%	Total: 563
Sub Total			84		
Phase 3					
Pre-con	I	luly June 2026 2029	12		Private: 319
Construction	-		36		Aff: 175 Total: 494
Sales	2020		32	40%	10tal: 494
Sub Total			80		
Phase 4					
Pre-con			12		Private: 546
Construction	— July — 2029	June 2033	48		Aff: 299 Total: 845
Sales	2025	2000	55	40%	10tal. 645
Sub Total			115		
Phase 5					
Pre-con		July June 2032 2037	12		Private: 657
Construction			54		Aff: 359
Sales	2032		66	40%	— Total: 1,016
Sub Total			132		
Total			260		2,918



Programme	7.32. Based on other schemes that we have reviewed of a similar size and scale, we deem the timescales adopted by the Advisor to be reasonable, however, we note these are likely to vary over the duration of the development.
	7.33. We have conducted a review of the cashflow of the Advisor's development appraisal to ensure that costs and revenue are timed correctly. While interrogating these timings we have found the following anomalies and have included the relevant adjustments:
	<ul> <li>Legal fees were a lump sum at the start of sales' periods which we have updated so that private fees to mirror GDV and affordable fees mirror affordable revenue, in line with respective sales.</li> </ul>
	<ul> <li>Commercial profit added for Phase 5 which had not been included although there is employment space proposed; and</li> <li>Private residential profit to include car parking.</li> </ul>

Summary of costs 7.34. We confirm that most inputs into the Advisor's appraisal have been reasonably justified. Where GE have disagreed with the costs, we have clearly set out the differences with supporting and reasonable justification. Where inputs are agreed, this has also been clearly stated.

#### Table 16: Summary of Scheme Cost Assumptions

Cost	Advisor	GE
Build cost	£1.3b	Accepted
Contingency	5%	Accepted
Professional fees	8%	Accepted
Purchasers' costs	6.75% Stamp duty eff. 5%	Accepted Stamp duty eff. 5%
Land assembly cost	£15.7m	£7.1m
Marketing	£2k per private unit	1%
Sales	Private & non-resi: 1.5% Affordable: 0.5%	1% Accepted
Legals	Private & non-resi: £600 per unit Affordable: £250k	Accepted
		0.25%
Finance	Debit: 6.5%	Accepted
	Credit: 1%	0%
S106/CIL	£59m	Accepted
Programme (Total)	260 months	Accepted

## 8. BENCHMARK LAND VALUE (BLV)

Basis	NPG expects that viability is determine regarding a Benchmark Land Value (BLV) which reflects the
00313	8.1. Are expected that viability is determine regarding a benchmark tand viate (btv) which reflects the aggregate of the site's EUV (component 1) and a premium for incentivising the landowner to release the land for development (component 2), or an alternative use value ('AUV'), having regard to policy. Therefore, in accordance with NPG, this section looks to establish the BLV for this Site.
	<ul> <li>8.2. As set out below there are two primary elements to consider when considering Benchmark Land Value (BLV):</li> <li>Existing Use Value (EUV) plus a premium; and or</li> </ul>
	Alternative Use Value (AUV).
Existing Use	8.3. In this instance the Site was formally industrial albeit that the Site was allocated for redevelopment (leisure/retail/residential) in the Core Strategy (June 2011).
Area wide EUV/BLV	8.4. The Council's LPVA (2019) justifies their proposed development delivery over the plan period, which indicated a BLV for the Surrey Canal Triangle, based upon MHCLG's 'Land Value Estimates for Policy Appraisal; May 2017 Values'. This study indicated that the value of industrial land for southeast London is circa £4 million per hectare in 2017. The LPVA (2019) applied a premium of 20% to industrial land value for the Site, which at a size of 6.4ha, suggests a BLV of circa £50.7m (2019 value).
	8.5. The plan viability study did not appear to consider other uses within the site such as HMOs, Office and private residential which the subject Site includes; indicating for the study they applied a broad assumption of likely industrial land values across the site allocation as opposed to site specific assessments which GE have included as part of the EUV assessment.
	8.6. We are not aware of any indices relating specifically to industrial land values however we would highlight the extremely strong growth in industrial property values over the last couple of years, which would translate into higher industrial land values. This growth is largely allied to structural changes in the retail market and changing consumer habits. London industrial capital growth data from MSCI shows an average monthly growth in industrial capital values of 1.1% between May 2017 and June 2021 which would suggest a significant uplift on MHCLG's 2017 figures is plausible. Furthermore, we note the LPVA has considered an increased BLV of £60.8m for the Surrey Canal Triangle, having regard to growth over the plan period.
Existing Use Value (EUV) (Component 1)	8.7. NPG indicates that EUV is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value.
	8.8. Buildings which are being retained have not been included within the Advisor's EUV, nor in the appraisal as they effectively have a net zero impact on viability.
	8.9. The EUV comprises several uses across the Site's existing accommodation including industrial, residential and houses in multiple occupation ('HMO'). The Advisor's adopted values for these uses are summarised within the table below.

## Table 17: Summary of Advisor's EUV

Scheme element	Existing Use	Market Rent £/sf (£/sm)/ Yield	Applied value
Orion Business Centre, Surrey Canal Road	Light industrial	£20 (£215) / 4.25%	£12m
Excelsior Works Industrial Estate, Surrey Canal Road	Industrial	£15-16.50 (£161-£178)/ 5.5%	£6.9m
Bridge House, Rollins Street	House in Multiple Occupation	£650-£953 (£6,997-£10,258)/ 8	£770k
61 Rollins Street	Office	£16.50 (£178)/ 5.5%	£240k
Guild House (retained)	Artist Studios / office	£30 (£323)/ 6.5%	Included within Excelsior Works
Rollins House (part retained)	Residential	£953-1,625 (£10,258 -£17,491), 7% & 6.17%	/£3.2m
Ilderton Wharf, Rollins Street	Warehouse / office	£14-£16.50 (£151-£178)/ 5%	£9.7m
Units 1-3 Stockholm Road	Industrial	£14 (£151)/ 4.74%	£22m
Enterprise Industrial Estate, Bolina Road	Light industrial	£20 (£215)/ 4.25%	£11.5m
Bolina Industrial Estate, Bolina Road	Industrial	£20 (£215)/ 4.25%	£6.2m
Total			£72.6m

Applicant's EUV	8.10. The Advisor has adopted an EUV of £72,620,000 which has been determined by capitalising the income generating capacity of the existing accommodation. GE note that the Advisor's EUV figure only includes properties within the Applicant's ownership, and does not include third party land.
GE review of EUV	<ul> <li>8.11. GE have undertaken an external site inspection however due to the ongoing global pandemic</li> <li>'Covid-19' we have followed government guidelines and not inspected properties internally. We therefore also rely upon desktop information in respect of the existing condition of the Site, namely that provided within the Advisor's report.</li> </ul>
	<ul><li>8.12. We comment on each of the existing use values below, and please refer to our supporting Appendix</li><li>9 which sets out further EUV assessment.</li></ul>
Office	8.13. Office accommodation is situated within 61 Rollins Street. Where we would agree with the proposed rates for the market rent, we have applied a void period to reflect the market which has slightly reduced the overall value from the Advisor's by c.8%.
Industrial	8.14. We have had input from the GE Industrial valuation team to provide specialist knowledge on the industrial market in this area and to review the Advisor's adopted values.
	8.15. They have not internally inspected the various buildings but would comment that the units are dated but in reasonable condition, commensurate with their use of industrial/ distribution/ manufacturing purposes. There is a relative lack of industrial space across Zones 1 and 2 due to development for alternative uses and, as a result, generally even poor-quality space leases at a premium.
Orion	8.16. The Orion Business Centre comprises 21 small light industrial units built in the 1980's arranged as two terraces. They are of concrete frame construction with brick infill walls and profile steel clad roofing.

Entermine	<ul> <li>8.17. We have reviewed the valuation and agree with the Advisor's view on rent at £20.00 psf. They have adopted a yield of 4.25%. Given the age and unexpired term we consider a yield of 4.50% to be appropriate. We have also factored in a void period at each lease expiry to reflect a marketing period and letting incentives totalling 1.5 years. After the deduction of purchasers' costs, this results in a valuation of £11,010,000 against the Advisor's valuation of £11,990,000 which represent a reduction of approximately 8.00% against the Advisor. It should be noted that the valuation at £11,010,000 still represents a net initial yield of 2.88% and a reversionary yield of 4.77% (against 2.58% and 4.27% for the Advisor valuation). Given evidence in the wider London locality we consider this to be appropriate.</li> <li>8.18. 11 Orion Business Centre is owned by a third party and was therefore not valued by the Advisor. We have valued this unit in line with our assumptions for the rest of the Orion centre which has produced a value of £830,000. This provides a total value for Orion of £11,840,000.</li> </ul>
Enterprise	<ul> <li>Enterprise Industrial Estate comprises seven small light industrial units and an office building built in the 1980's totalling 30,827 sq ft.</li> </ul>
	8.20. We have reviewed the valuation and agree with the Advisor's view on rent at £16.50 psf for the industrial units and £30.00 psf for the office building. They have adopted a yield of 5.50%. Given the age and unexpired term we consider a yield of 5.50% to be appropriate. We have also factored in a void period at each lease expiry to reflect a marketing period and letting incentives totaling one year. After the deduction of purchasers' costs, this results in a valuation of £6,230,000 against the Advisor's valuation of £6,920,000 which represent a reduction of approximately 10%.
llderton	8.21. Ilderton Wharf comprises a large warehouse of steel frame construction with profile steel cladding. In addition, there is a large yard used for storage, with two smaller warehouse units known as the Saw Mill, and an Art Kiosk.
	8.22. We have reviewed the valuation and agree with the Advisor's view on rent at £16.50 psf for the industrial accommodation and £4.50 psf for the open storage land. They have adopted a yield of 5.00%. Given the age and unexpired term, we consider a yield of 5.00% to be appropriate. We have also factored in a void period at each lease expiry to reflect a marketing period and letting incentives totaling 1.25 years. After the deduction of purchasers' costs, this results in a valuation of £9,255,000 against the Advisor's valuation of £9,690,000 which represents a reduction of approximately 4.50%.
	8.23. It should be noted that the valuation at £9,255,000 still represents a net initial yield of 3.32% and a reversionary yield of 5.36% (against 3.19% and 5.05% for the Advisor's valuation). Given evidence in the wider London locality we consider this to be appropriate.
Stockholm	8.24. The Stockholm Road comprises three units. Unit 1 is a Waste Transfer Station which is currently vacant.
	8.25. We have reviewed the valuation and agree with the Advisor's view on rent at £14.00 psf for the industrial accommodation. They have adopted a yield of 4.75%. Given the age and unexpired term we consider a yield of 5.00% to be appropriate.
	8.26. Unit 2 is currently in use as a sports unit with a passing rent of £156,234 to December 2035 where the Advisor has adopted a rent of £14psf with a yield of 4.75%. Given the unit is currently occupied, unlike Units 1 and 3, we have accepted this yield. We have also factored in a void period at each lease expiry to reflect a marketing period and letting incentives totaling 1.25 years.
	<ul> <li>8.27. Unit 3 was previously in use as a church however research into the planning permission for this use shows that the lawful use reverts to industrial following cessation of the previous church occupiers. We have therefore valued this unit in line with Unit 1 with £14.00psf rent and a yield of 5.00%.</li> </ul>
	8.28. We have also factored in a void period at each lease expiry to reflect a marketing period and letting incentives totaling 1.25 years. After the deduction of purchasers' costs, this results in a valuation of £20,470,000 against the Advisor's valuation of £22,040,000 which represent a reduction of approximately 7.10%.

	<ul> <li>8.29. It should be noted that the valuation at £20,470,000 still represents a yield of 5.64% (against 5.23% for the Advisor's valuation). Given evidence in the wider London locality we consider this to be appropriate.</li> </ul>
Enterprise 2	8.30. The remainder of the Enterprise Industrial Estate comprises 22 units (some have been combined) constructed in the 1980's.
	8.31. We have reviewed the valuation and agree with the advisors view on rent at £20.00 psf for the industrial accommodation and £4.50 psf for the open storage land. They have adopted a yield of 4.50%. Given the age and unexpired term we consider a yield of 4.50% to be appropriate. We have also factored in a void period at each lease expiry to reflect a marketing period and letting incentives totaling 1.25 years. After the deduction of purchasers' costs, this results in a valuation of £10,250,000 against the advisor's valuation of £11,520,000 which represent a reduction of approximately 11.00% against the advisors.
	8.32. It should be noted that the valuation at £10,250,000 still represents a net initial yield of 3.25% and a reversionary yield of 4.77% (against 2.90% and 4.26% for the Advisor's valuation). Given evidence in the wider London locality we consider this to be appropriate.
Excelsior	8.33. The Excelsior Industrial Estate was not valued as part of the EUV by the Advisor. It comprises six industrial units which GE have valued at £1,930,000 on a capital value basis as opposed to using the investment method as our understanding is that these properties are owner occupied.
Bolina	8.34. The Bolina Industrial Estate is adjacent the Enterprise Industrial Estate. It comprises 14 units (one combined) on a gated industrial estate.
	8.35. We have reviewed the valuation and agree with the Advisor's view on rent at £20.00 psf for the industrial. They have adopted a yield of 4.50%. Given the age and unexpired term we consider a yield of 4.50% to be appropriate. We have also factored in a void period at each lease expiry to reflect a marketing period and letting incentives totaling 1.25 years. After the deduction of purchasers' costs, this results in a valuation of £5,555,000 against the Advisor's valuation of £6,240,000 which represents a reduction of approximately 11.00% against the Advisor's.
	8.36. It should be noted that the valuation at £5,555,000 still represents a net initial yield of 2.95% and a reversionary yield of 4.77% (against 2.64% and 4.27% for the Advisor's valuation). Given evidence in the wider London locality we consider this to be appropriate.
	8.37. Bolina Road comprises seven industrial units which the Advisor did not include in their EUV assessment as it is third party land. We have valued it in line with the assumptions used for the remainder of the Bolina Estate which produces a value of £3,715,000. This results in a total value for Bolina of £8,635,000.
Residential	8.38. The residential units within the application Site are contained within Rollins House and Bridge House and comprise dwelling houses within Rollins House, and HMOs within Bridge House.
Bridge House	8.39. The Advisor has based their assumptions on HMO transactional evidence. A summary of their comparable evidence is included below.

## Table 18: Summary of Advisor's HMO Evidence

Address	Sale Date	Price	Yield	Rent	Location
178 Whippendall Rd	Sept 18	£400,000	8%	£445	0.7 miles from Watford Underground Station ('US')
The Ridgeway, Acton	Oct 2018	£600,000	8%	£800	0.2 miles from Acton Town US

49 Cobbold Road, Willesden	Feb 2019	£406,500	8.27%	£466	0.5 miles from Dollis Hill US
20 Clarendon Rise, Lewisham	Nov 2019	£568,000	7.39%	£583	Lewisham
49 Kingsgate Road, Kilburn	Dec 2020	£928,000	8.04%	£885	0.4 miles from Kilburn High Road Station

8.40.	178 Whippendall Road is a six-bedroom HMO with an average monthly rent per room of £445 which
	was sold in auction in September 2018, and we therefore consider this to be a dated transaction
	and have applied less weighting to this comparable.
0.41	The Ridgeway is a five-bedroom HMO with an average monthly rent per room of £800. We consider
8.41.	this to be in a superior location to the subject Site which, together with its dated transaction date,
	means we have applied limited weighting to.
0.42	49 Cobbold Road is a six-bedroom HMO yielding a monthly rent per person of £466. We consider
8.42.	this to be a highly comparable transaction.
8.43.	20 Clarendon Rise comprises six self-contained apartments and therefore suggests the rental value
0.10.	achieved for studio bedsits as opposed to the HMO rooms with shared facilities. However, the site
	was sold with the benefit of planning permission for its conversion into three flats and we therefore
	consider the site would have sold with considerable hope value for development. We have
	consequently discounted this from being a comparable transaction.
0.44	49 Kingsgate Road is a seven bed HMO comprising six bedsits with shared facilities and one studio
8.44.	bedsit. We therefore consider the recorded rental value of £885 may be skewed given the fact that
	no breakdown of the monthly rental value between the studio and bedsits is provided.
8.45.	From the Advisor's comparable evidence assessed above, they have applied the following values:
0.45.	

## Table 19: HMO Proposed Values

НМО Туре	Rent	Yield
Bedsit	£650	8%
Studio	£953	8%

Further evidence	8.46. We note the lack of HMO transactional evidence within the vicinity of the Site and therefore would agree with the Advisor's approach to expand their search area to other areas in London. We have
	found further evidence which is summarised within the table below.

## Table 20: Further HMO Evidence

Address	Sale Date	Price	Rent	Yield	Location
56 Cranbrook park, Wood Green	May 18	£705,000	£922	8.85%	0.2 miles from Wood Green station
36 Frederick Place, Plumstead	June 20	£525,000	£684	9.39%	0.5 miles from Woolwich Arsenal station

	9 Fairlop Road, eytonstone	Feb 20	£1,035,000	£713	8.26%	0.2 miles from Leytonstone station	
	8.47.	a more dated t value differenc contains studio premium assoc comparable tra	ransaction from te between studio bedsits. In comp ciated with studio ansactional evide	2018, we w o bedsits, a parison with o bedsits as nce.	ould also note nd bedsits with n the other trar this is the high	bedsits. Although we recognise that that it gives a better indication of the shared facilities, as the property sole isactions, it is evident that there is a est rental value reported within the age monthly rent per room of £684	•
	8.48.						
	8.49.	79 Fairlop Road	d is a ten-bedroo	m HMO wit	h an average n	nonthly rent of £713 per room.	
	8.50.					sts that the Advisor's applied yield of e have accepted the Advisor's yield.	8%
	8.51.	Cranbrook Roa difference in va a monthly valu	d which compris alue between be e per room of £9	es all studic dsits and st 22 which is	bedsits and th udios, where o slightly lower	ost comparable transaction is at 56 erefore enables us to understand the ther transactions do not. This represe than the Advisor's proposed rate of £ ve accepted the rate in this instance	ented
	8.52.	The proposed i	rental values for	the bedsits	with shared fa	cilities are broadly in line with the effore agreed with their rental	
Rollins I	House 8.53.	difference in q have applied. V	uality between th	ne two bloc able to insp	ks which has be	12 and Units C&D. The Advisor notes een reflected in the associated values nally and have therefore relied upon t	they
	8.54.		valuation approad apital value with			has been to capitalise rental values a ctions.	nd
	8.55.	report) we wo	uld agree with th	e evidence	provided and i	ed upon (Appendix C1 of the Advisor's n respect of the different conditions itions presented.	s FVA
	8.56.	The evidence p		room flats	within the vicin	ity to be between £220,000 - £355,00	00,
	8.57.	From this evide	ence the Advisor	has adopte	d the following	values for Rollins House:	

## Table 21: Advisor's Proposed Rollins House Values

Rollins House	Туре	Rent	Yield	Value
Flats 1-12				
	Studio	£953	7%	£175,000
	2 Bed	£1,430	7%	£280,000
	3 Bed	£1,625	7%	£310,000

Unit C				
	1 Bed	£1,170	6.17%	£240,000
	3 Bed	£1,820	6.17%	£335,000
Unit D				
	2 Bed	£1,430	6.17%	£285,000
	2 Bed	£1,430	6.17%	£28

Further	8.58.	Although we would agree with the Advisor's comparable evidence provided, we would note that no
evidence	0.50.	evidence has been submitted for either studio or three-bedroom units despite there being units
		onsite of this size.
	0.50	We have therefore conducted further comparable research to determine whether the rates applied
	8.59.	to the studio and three bed units are in line with market evidence.
	0.00	Please refer to Appendix 9 for a full breakdown of our further comparable evidence. In summary,
	8.60.	the evidence suggests studio apartments to yield between £195,000 - £220,000, and that three
		bedroom units between £340,000 - £443,000.
	8.61.	We note the difference between Flats 1-12 and Units C&D with the latter being applied higher
	8.61.	values by the Advisor, and the former having values at the lower end of the comparable evidence.
		Relying on the Advisor's judgement of the difference in quality of the two blocks this justifies the
		differences in values applied.
	0.00	We would agree that the proposed values are broadly in line with comparable evidence and have
	8.62.	therefore accepted the proposed values for Rollins House.
GE EUV	0.60	Based upon GE's assessment of the adjusted existing use comparables above, we are of the opinion
Summary	8.63.	that the EUV of the Site is £72.5m. This provides a similar figure to that of the Advisor, however it
		should be noted that 11 Orion, Excelsior and Bolina Road are additions included within GE's EUV
		which are not included within the Advisor's as they are third party land. The main driver in value
		change has been the addition of void periods within all valuations which is standard market practice
		to include at the end of the term certain to reflect a marketing period and letting incentives (such as
		rent-free periods). We set out the summary of changes in the table below.

#### Table 22: Summary of EUV Review

Existing Accommodation	Advisor's Value	GE Value	Difference £	Difference %
Orion	£12m	£11.8m	-£980k	-1.25%
Enterprise	£6.9m	£6.2m	-£690k	-9.97%
Ilderton	£9.7m	£9.3m	-£435k	-4.49%
Stockholm	£22m	£20.5m	-£1.6m	-7.12%
Enterprise 2	£11.5m	£10.3m	-£1.3m	-11.02%
Excelsior	£0	£1.7m	£1.7m	n/a
Bolina	£6.2m	£8.6m	£2.4m	38.38%
Bridge House	£770k	£770k	£0	0.00%
61 Rollins Street	£240k	£220k	-£20k	-8.33%

Total	£72.6m	£72.6m	£5,000	-0.01%
Rollins House (Units C&D)	£860k	£860k	£0	0.00%
Rollins House (Flats 1-12)	£2.4m	£2.4m	£0	0.00%

	8.64. Our valuation represents the aggregate of the values of the individual units/ buildings and does not reflect any premium value based upon the assumption that a number of these could be sold
AUV	<ul> <li>together in prudent lots. In this case we would expect the reported EUV to decrease.</li> <li>8.65. For viability assessments, Alternative Use Value (AUV) refers to the value of land for uses other than its existing use. AUV of the land may be informative in establishing benchmark land value. When applying alternative uses to establishing benchmark land value such AUVs should be limited to those uses which would fully comply with up-to-date development plan policies, including any policy requirements for contributions towards affordable housing at the relevant levels set out in the plan. Where it is assumed that an existing use can refurbished or redeveloped this will also be considered as an AUV when establishing BLV.</li> </ul>
	8.66. The Advisor has not provided an AUV for the Site, primarily given the nature of the allocation of the site for the proposed development in the Core Strategy (June 2011). However, GE has sought specialist advice from our Industrial valuation team who have confirmed that a 'light touch' refurbishment of the industrial units would be a reasonable option for the landowner in having regard to the value of the Site. Furthermore, the Council have confirmed that a light-touch refurbishment of the industrial units would not trigger the need for planning permission and as such meet planning policy requirements.
	8.67. Assuming a light touch refurbishment of the industrial units at a capex of £20psf (we have confirmed with the council that light touch refurbishment, excluding any changes to cladding or roofing can be achieved under the restraints of existing planning consents, thereby not requiring further planning permission to facilitate), the AUV creates an additional c.£13m value to the EUV (inclusive of capex).
	<ul> <li>8.68. This additional AUV value is created by an uplift on the EUV ERV's of between £3.50 psf and £5 psf and a reduction in yield of 25 bps. An additional void period of 6 months was included when compared against the EUV to account for the time to complete the refurbishment works.</li> </ul>
	<ul> <li>For the remaining elements of the EUV, including the residential, HMO and office space we have not attributed any increase in value as we are not aware of their current condition and therefore cannot make assumptions on refurbishment costs and any associated value uplifts.</li> </ul>
AUV Summary	GE estimate that an AUV of the Site would be in the order of <b>£85.87m</b> . 8.70.
Premium	8.71. NPG indicates that the premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to fully comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).
	<ul> <li>8.72. The NPG at paragraph 16 states that establishing a reasonable premium will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration.</li> </ul>
	8.73. The Advisor has applied a premium of 30% on their EUV within their report. However, for a premium to be applied, it must be demonstrated that a reasonable landowner would expect a premium having regard to planning policy and the advisors did not appear to have provide evidence to support their conclusions in the FVA.

Advisor's Premium	8.74. GE therefore requested for evidence to be submitted to support the proposed 30% premium, and the Advisor has provided evidence in the form of the following two recent transactions:
Unit A 34/36 Verney Road	8.75. A property measuring 9,806 sq. ft on a site of 0.372 acres sold for £4,600,000 in May 2020. The purchase price equates to £469psf / £12.36m per acre / 3.25% NIY. The property does not have planning permission for an alternative use but sits within an area promoted for mixed-use development. The property is comparable to the Stockholm Road accommodation which has been valued at £252psf on an EUV basis. The sale price at £469psf reflects an 86% premium on EUV.
36/40 Verney Road	<ul> <li>A property measuring 9,696 sq. ft on a site of 0.396 acres sold for £4,750,000 in March 2021. The purchase price equates to £490psf / £12m per acre / 1.5% NIY. The property does not have planning permission for an alternative use but sits within an area promoted for mixed-use development The property is comparable to the Stockholm Road accommodation which has been valued at £252psf on an EUV basis. The sale price at £490psf reflects an 94% premium on EUV.</li> </ul>
Advisor's Premium	<ul> <li>8.77. We consider that as both sites are significantly smaller scale than the application Site of 16 acres that these premiums would be skewed if applied to the Site unadjusted. Therefore, we do not consider proposed 30% premium over the proposed EUV is supported by the Advisor's submitted evidence.</li> </ul>
GE Premium	8.78. In assessing the EUV and AUV of the Site, GE have concluded that an AUV exceeds the estimated EUV and therefore reflects the minimum value a landowner will seek for the sale of their land for redevelopment. Paragraph 17 of the NPG indicates if evidence of AUV is being considered the premium to the landowner must not be double counted. To this effect a premium should not be added to the AUV as this demonstrates an alternative expected value for the site. However, as the AUV is greater than EUV, the difference can be calculated, and this represents the reasonable premium over EUV.
Premium Summary	<ul> <li>8.79. Based upon GE's assessment of AUV of the industrial and office elements, when applied to the Site as a whole, it estimates that the premium over EUV would be in the order of 19%. We note that LPVA indicates a premium of 20% of existing use.</li> </ul>
Residual	8.80. The proposed Scheme represents the site allocation uses for the proposed site in the Core Strategy (June 2011). Furthermore, whilst the proposed scheme is under review, establishing BLV based upon the allocation will create circularity in assumptions. The Applicant proposes that the scheme is unable to support plan policy compliant contributions and has adopted an EUV+ approach to establishing BLV. Under these circumstances there is no apparent benefit to undertaking the exercise of establishing a plan policy compliant residual appraisal to support the determination of BLV.
Cross Check	8.81. GE have considered BLV having regard to the Local Plan Area wide assessment at £3m per acre. GE has undertaken a detailed valuation of the Existing Use Value of the Site and had regard to any additional value which could be ascertained through refurbishment of elements of the site. Establishment of EUV+ indicates a value per acres of circa £5.4m. Industrial land values across London range from £3m to £6m per acre, without the consideration of re-development for alternative uses. Therefore, a value of £5.4m per acre appears reasonably within this range when having regard to site specific factors.
BLV abnormals	8.82. NPG indicates that BLV should reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees. In establishing BLV, GE have had regard to the Existing Use of the property which has regard to the current state of the Site and AUV in the form of a light touch refurbishment to the industrial units. Under these circumstances there is no need for adjustment fo abnormal costs which will be required for re-development as the Existing Use Value and AUV would remain unaffected.
BLV Summary	8.83. In arriving at the BLV, we have had regard to the methodology and approach in determining BLV set out in this Section. We have also had regard to the NPPF, NPG, Affordable Housing and Viability SPG

the RICS GN and mandatory requirements of the RICS Practice Statement in respect of reporting and conduct. We summarise our establishment of the Site's BLV below.

#### Table 23: BLV Bases Results Summary

Basis	Advisor's Value	Advisor's Value Per acre	GE Value	GE Value Per Acre
EUV	£72.62m	£4.6m	£72.62m	£4.1m
AUV	-		£85.76m	£5.1m
Premium	£20m (30%)	£1.25m	£13.26m (19%)	£0.9m
BLV	£92.62m	£5.85	£85.9m	£5.1m

	8.84.	We have arrived at an opinion of BLV at which a reasonable landowner would be willing to sell for development by:
		- Applying a reasonable valuation judgement.
		<ul> <li>Informed by the relevant available facts.</li> </ul>
		<ul> <li>Regard to the obligations and considerations related to the Site.</li> </ul>
		- With a realistic understanding of the local area and the operation of the market.
		<ul> <li>Reflect all policy requirements.</li> </ul>
		<ul> <li>Delivering a reasonable return to the landowner.</li> </ul>
		<ul> <li>Having regard to the specifics of the site and use.</li> </ul>
		Our opinion assumes the Site is free of any encumbrances, or restrictions on title which would adversely affect the value.
Applied BLV	8.85.	Taking all the above into account, we have adopted a BLV for viability testing in planning of:
		£85,880,000
		(Eighty Five Million Eight Hundred and Eighty Thousand Pounds)
	8.86.	It is reasonable to conclude that the landowner will not be willing to sell their land for a deficit in
	0.00.	comparison with other options, including mothballing or change of use. Therefore, we maintain that
		the site may transact at a value more than our determined BLV.
GLA	8.87.	It is worth noting that from our discussions with the GLA, we understand that they do not consider
	0.07.	the Site would benefit from a premium based upon an alternative use value of refurbished industrial
		use as the site holds an allocation for development. Therefore, we understand that the BLV the GLA
		are likely to use when assessing the scheme is the EUV (+ nil premium), equating to £72.6m. On this
		basis, we have considered sensitivities which exclude the premium from the BLV.

## 9. RETURN TO THE DEVELOPER

Determ	_	
Return	9.1.	A significant factor in undertaking viability assessments for development purposes is the level of return which a developer might reasonably require from undertaking the development and in turn on what basis the Scheme could be funded and financed. This will depend on several factors
		including the size of the development, the perceived risks involved, the degree of competition
		between funding and finance institutions for the Scheme, the state of the market in terms of
		demand for and lot size of the completed development and the anticipated timescales for development and for receiving a return.
	9.2.	Development profit is usually necessary to attain investment to implement and deliver any given
		project. The level of profit is essentially the reward to the developer for the time, expertise and risk
		involved in carrying out the process of development.
	9.3.	The NPG (paragraph 018 (Ref 10-018-20120724)) indicates that for the purpose of plan making an assumption of 15-20% of Gross Development Value (GDV) may be considered a suitable return to
		developers in order to establish the viability of plan polices. This is not a direct guidance for Scheme
		specific applications and that specific development returns need to account for type, scale, and risk
		profile of the planned development. Furthermore, it is recognised that lower returns are considered
		more appropriate for affordable housing where risk to receipt of income are lower and alternative
		figures may also be appropriate for other types of development.
	9.4.	In the case of public sector investment, it is usually accepted that a lower development return can
	9.4.	be anticipated so long as appropriate risk contingency allowances are made which can be reflected
		in a return.
	9.5.	In terms of being satisfied of Scheme viability, it is usual for any project proposal to be accompanied
	5.01	by a cashflow model – a residual appraisal or a Discounted Cash Flow (DCF) appraisal that shows
		both the expenditure and receipts and the time frame across which these will take place. In
		development the appraisals will inform investors with a projected viability, Internal Rate of Return
		(IRR) or Net Present Value (NPV). The rate of return (the target profit or Discount Rate) that the
		investor will apply to their investment in the project, and thereby informing the Scheme's viability, will depend to a great extent on the way in which the landowner agrees with the assumptions
		within the appraisal.
	9.6.	It is, however, more common for standard development opportunities to be considered on a return
	5.0.	on gross revenue (GDV) basis as indicated in both the NPG (2018) and the GLA SPG. GE note the GLA
		SPG indicates both targets can be considered and/or cross referenced. NPG (2018) indicates that
		potential risk to development is accounted for in the assumed return for developers and it is
		regarded as the role the developers, not plan makers or decision makers, to mitigate these risks, not
		for obligations to maintain them.
	9.7.	Determination of an appropriate target rate of return can depend on several factors, but it is prodicated on the risk associated with developing out the proposed Site. The more risk involved, the
		predicated on the risk associated with developing out the proposed Site. The more risk involved, the higher return the developer will require.
Advisor's return		The Advisor has allowed for a profit of 20% on the private residential sales, 15% on the commercial
on GDV	9.8.	sales and 6% on the affordable sales.

## Table 24: Target Rate of Return

Return	Return on GDV
Private Residential	20%
Affordable Residential	6%
Commercial	15%

Advisor's return	<ul> <li>9.9. The Advisor states that the proposed level of return has been influence by:</li> <li>The large quantum of development proposed, where the full developer's profit is not realised until the end of the project.</li> <li>The long-term nature of the project increases the risk of changes in sales values as the scheme is to be delivered across property cycles.</li> <li>The project only delivers an acceptable level of return if escalated price estimates on later phases of development are achieved, reflecting enhanced value as placemaking benefits increase.</li> </ul>
GE return	9.10. GE accepts that the reasons set out above relating specifically to this project and given the length and scale of this development together with the complexity of proposed uses; along with the allowances of value premium included in the appraisal indicate that a profit level of 20% on private residential sales would not be unreasonable for the purposes of testing the assessment of this scheme at the hybrid application stage. This level of return on the private element remains within NPG guidance, having regard to associated risks at the plan stage.
	9.11. The application remains consistent with the risk profile anticipated at the plan stage assessment, given its scale and time horizon, however it is recognised that there has been a general settling on risk returns for standard schemes across London at circa 17-20% on GDV for the private residential elements as indicated in the LPVA. For the reasons set out above, we have accepted 20% as an appropriate return on private residential sales for a development in this location.
Return sensitivity	9.12. We consider the risk profile of this scheme warrants a risk profile above generally applied returns to development assessed across London. In the interest of prudence however, we have also run scenarios in which an 18.5% profit on private residential sales is adopted for the private element of the Scheme. This is shown in Section 12.
	9.13. Given the scale and timeframe of the proposed scheme we have also identified the Internal Rate of Return (IRR) for the scheme which we anticipate should be between 10-14% without growth, and 14-16% with growth allowance. For a scheme of this scale, length and location. This growth modelling is set out within our scenario analysis in Section 12, and suggests that where growth is applied, the scheme is capable of becoming viable over its lifetime.

# **10. PLANNING OBLIGATIONS (NOTIONAL)**

Community Infrastructure Levy	10.1. The Government has introduced a Community Infrastructure Levy "CIL" to be paid by developers to help fund infrastructure required to support the development of its area. CIL is a charge that can be applied by planning authorities on new development to fund required infrastructure within their area. Statutory provision for CIL was introduced in the Planning Act 2008. The ability to charge CIL came into force 6 April 2010 through the Community Infrastructure Levy Regulations 2010.
	10.2. The CIL charge have been calculated according to the amount of net additional floorspace a new development would create. The amount to be paid would be calculated when planning permission is granted and is paid when development starts unless the charging authority adopts a payment policy.
	<ul> <li>Mayoral CIL2 and Borough CIL have been calculated, with allowances made for retained and currently occupied floorspace, as well as social housing relief. The CIL liability has been broken down by the Advisor into the five phases as follows:</li> </ul>
	<ul> <li>Phase 1 - £7.1m</li> <li>Phase 2 - £6.0m</li> <li>Phase 3 - £8.0m</li> <li>Phase 4 - £12.1m</li> <li>Phase 5 - £13.7m</li> </ul>
	Total - £47m
	10.4. The Council have confirmed that the cited figures within the FVA are broadly correct when applied to the Council's CIL Rate Summary 2021 and we have therefore applied these within the GE appraisal.
S106	<ul> <li>A total Section 106 contribution of £12,313,000 has been assumed in the Applicant's appraisal, which is based on an allowance of £3,500 per unit. As mentioned within the Build Costs chapter, the council have advised that they are unable to confirm the exact amount of \$106 contributions which would be required until the consultees have provided responses which at the time of writing this report have not been received. We have therefore adopted the Advisor's level of contribution, which the Council has agreed to, and would advise that under the review mechanism that the confirmed level is updated within the appraisal to ensure any impact on scheme viability is captured.</li> </ul>
Affordable housing	10.6. The London Plan states that Boroughs should seek the maximum reasonable amount of affordable housing when negotiating residential Schemes. In achieving this, Boroughs should consider economic viability together with the individual circumstances of the Site and Scheme. It follows it is necessary for a developer to seek to obtain a planning permission capable of implementation that provides a return reflecting the risks associated with the overall investment. This will determine what is reasonable in respect of affordable housing levels as well as potential planning obligation payments.
	10.7. The proposed development includes an onsite provision of 35% affordable housing on a unit basis, and 39% on a habitable room basis. The current offer does not reflect a policy compliant level of affordable housing, in line with the council's planning policy requirements.
Package	10.8. The council have reviewed the proposed planning obligations and confirmed their acceptance of these figures to us for the purpose of this FVA Review. The financial obligations proposed by the Applicant are summarised in the table below.

## Table 25: Scheme – Planning Obligations Summary

10.9.

Contribution	Return on GDV
CIL	£46.9m
S106	£12.3m
Affordable Housing	35%

Package

On the basis the council have reviewed the proposed planning obligations, and amended where necessary, these figures have been included within the FVA Review appraisal.

## **11. FINANCIAL APPRAISAL REVIEW**

Package	11.1.	GE has been provided with the Advisor's financial appraisal and have made the appropriate adjustments considered within the previous sections to determine the financial appraisal output. This same exercise has been undertaken on the scenarios we have been asked to assess. GE applied the inputs as set out within the previous sections to determine the financial appraisal output. (See <b>Appendix 15)</b> .
	11.2.	GE sets out in the following table a summary of the Advisor's position and GE's position to compare on a like for like basis.

## Table 26: Scheme – Appraisal Summary

Appraisal Output	Advisor	GE
Private Residential GDV	£1.6bn	Accepted
Affordable Residential GDV	£311.4m	£256.2m
Non Residential GDV	£169m	£164m
Total GDV	£2.03bn	£1,97bn
Build Cost	£1.3bn	Accepted
Total Development Cost	£2.02bn	£1.96bn
Return	Private Residential: 20% Commercial: 15% Affordable Residential: 6%	Accepted
Residual	£77.7m	-£8.6m
BLV	£94.4m	£85.9m
Surplus/Deficit	-£16.7m	-£94.5m

Initial Viability	11.3.	The output of our viability assessment indicates that the proposed scheme generates a residual
Conclusion		value which is below that of the BLV and therefore the maximum level of affordable housing that
		can be viably justified appears to be included within the Scheme at the point of the review.
	11.4.	Whilst the proposed scheme currently achieves a residual value below the BLV, it is also recognised
	11.4.	that the primary objective of this application is to regenerate the area and maximise the level of
		affordable housing. Indeed, the LPVA (2019) indicates that the site is not capable of supporting
		policy compliant affordable housing and we therefore consider this to have contributed to the
		scheme's proposal below the policy level and a variation on the policy compliant mix. We
		understand that the Applicant is willing to progress on the basis that the length of the project gives
		the opportunity for the scheme to achieve the BLV over the lifetime of the development. To have
		regard to this assumption we have reviewed the impact of potential growth over the lifetime of the
		scheme in addition to several other scenario and sensitivity tests.
	11.5.	It can be seen in the table above that the most significant difference between the Advisor's
	11.5.	appraisal and GE's, is the affordable residential value, with a difference of c. £55m; this has
		impacted the residual value of the scheme, and indeed is the main driver in this decrease. As
		previously discussed, this is predominantly due to the removal of the placemaking premiums the
		Advisor had applied to the intermediate and social rented units, and the reduction in value to the IR
		units. These differences are looked at in further detail within Section 12, and show that when

	growth is allowed for, the viability of the scheme significantly improves throughout the course of the development.
11.6.	In the next section GE have undertaken several sensitivity tests and scenarios to assess this overall conclusion and the robustness of applied assumptions.

## 12. SENSITIVITY AND SCENARIO ANALYSIS

RICS	12.1.	The RICS requires that all FVAs and subsequent reviews must provide a sensitivity analysis of the results and an accompanying explanation and interpretation of respective calculations on viability, having regard to risks and an appropriate return(s). This is to:
		<ul> <li>Allow the applicant, decision- and plan-maker to consider how changes in inputs to a financial appraisal affect viability, and;</li> </ul>
		<ul> <li>Understand the extent of these results to arrive at an appropriate conclusion on the viability of the application scheme (or of an area-wide assessment).</li> </ul>
		This also forms part of an exercise to 'stand back' and apply a viability judgement to the outcome of a report.
Sensitivity – present day	12.2.	A sensitivity analysis is a simplistic (but widely used) approach for testing viability and the robustness of the Scheme. Uncertainties can be identified in respect of the inputs and their effects can then be looked at in terms of the development return and then the level of planning payment. In short, this is a straightforward deterministic approach from which a judgement needs to be made as to the appropriateness of the outcome. Benchmarks can be used as performance measures. A prudent developer will also consider the sensitivities of a development and assess the risks of the project.
Advisor's sensitivity analysis	12.3.	We note the Advisor has not provided any sensitivity analysis as part of the FVA report.
GE sensitivity testing	12.4.	To assess the robustness of the viability of the proposals, it is necessary to consider the pricing and cost inputs to the financial model. GE have undertaken this, having regard to a return of both 20% and 18.5% on GDV of private residential value. GE also consider the impact of including an allowance for Ground Rents and growth modelling for the lifetime of the development. GE also consider the LBL Housing Team affordable housing assumptions following a meeting with them, including GLA grant funding programme, impact of a plan policy compliant affordable housing mix and placemaking premiums
Value/cost variance	12.5.	GE has looked at a variation of $\pm 2.5\%$ to $\pm 5\%$ to both the private residential sales values and commercial rental values, together with construction costs while keeping the BLV the same. The impact on the residual value for each profit level (18.5% and 20%) are presented in the following tables. Where the residual meets or exceeds the BLV, these are shaded in green, and where they do not are shaded in red.

## Table 27: Scheme – Impact of variance in Sales Values and Costs upon Residual Land Value at 18.5% Profit

18.5% Return on Private Residential		Sales Rate/ ft2					
		-5%	-2.5%	0%	+2.5%	+5%	
Construction Rate/ ft2	-5%	£36.8m	£82m	£126.2m	£167.8m	£206.8m	
	-2.5%	-£20.7m	£25.6m	£70.8m	£115.9m	£158.4m	
	0%	-£80.9m	-£32.4m	£14.5m	£59.7m	£104.9m	
	+2.5%	-£145.3m	-£93.2m	-£44.2m	£3.3m	£48.6m	
	+5%	-£215.6m	-£158.6m	-£105.7m	-£56.1m	-£8.3m	

20% Return on Private Residential		Sales Rate/ ft2					
		-5%	-2.5%	0%	+2.5%	+5%	
•	-5%	£14.9m	£59.7m	£103.5m	£144.5m	£183m	
Construction	-2.5%	-£43.4m	£3.3m	£48.1m	£92.7m	£134.6m	
Rate/ ft2	0%	-£103.6m	-£55.6m	-£8.6m	£36.5m	£81.3m	
-	+2.5%	-£168m	-£116.4m	-£67.8m	-£20.7m	£25m	
-	+5%	-£238.3m	-£181.2m	-£129.3m	-£80.2m	-£32.8m	

Table 28: Scheme – Impact of variance in Sales Values and Costs upon Residual Land Value at 20% Profit

	12.6.	This sensitivity analysis on costs and scheme values at a profit return of 20% on private residential sales, shows that small movements have a significant impact on the outcome of the residual land value and consequent deficit/ surplus against the BLV. This is particularly seen with construction costs where a 2.5% movement in values is c.£45m whereas a 2.5% movement in costs is c.£59m, demonstrating that the scheme is more sensitive to changes in cost than it is in values. Were costs reduced by 5% the scheme would be viable, or costs reducing by 2.5% and values increasing by just over 2.5% the scheme would become viable. As such, the level of variance is within a realistic scale, particularly given the long-term nature of the scheme, which could result in a viable scheme over the time of the development.
	12.7.	It also shows that there is significant risk in the scheme, with a 5% increase in costs potentially adding c.£121m in cost to scheme, implying that it would not be unreasonable to reflect the higher profit return to reflect this risk.
	12.8.	At a lower profit return (18.5% on private residential sales) the sensitivity analysis would not immediately indicate that the scheme could deliver more affordable housing. It does show however that a decrease in costs of between 2.5% and 5% could make the scheme viable, with sales values held. However, as GE have previously discussed with the council, as risk is reduced whilst the scheme gets underway and costs/ values are established, it may be reasonable to reflect a lower return at later stages of viability assessment – but not at this stage.
	12.9.	Under the GLA benchmark of c.£72.5m, a lower level to the GE benchmark as it does not include a premium, the scheme is still unviable at both profit levels, with an RLV of -£8.6m at 20% return on private sales and £14.5m at 18.5% return. This still results in significant deficits of £81.1m and £58m respectively below the GLA BLV.
Ground Rents	12.10.	Although the Government have confirmed all new-build houses will be sold on a freehold basis and ground rents on new flats will be removed, we have conducted a scenario analysis to the GE base appraisals. This is in order to understand the impact the inclusion of ground rents would have on the residual land value, and consequent viability of the scheme, should the Government decide to reverse this decision by the time the proposed scheme's units are sold.
	12.9	For the purposes of this test, ground rents have been included for the private residential units at a rate of £450 per unit, capitalised at a yield of 4.5%. This equates to a ground rent income of £10,000 per residential unit. The results are detailed in the table below:

Table 29: Impact of Ground Rent on RLV

Return or Residenti		Residual Land Value		Surplus/ Deficit to BLV (incl. ground rent)			
		Excluding Ground Rent	Including Ground Rent				
20% Profi (12.5% IR		-£8.6m	£22.6m	-£63.3m	•		
18.5% Pro (9.2% IRR		£14.5m	£45.6m	-£40.3m	-		
	12.10		els. At 18.5% profit level the	included within the appraisal, a eRLV is c.£40m below the BLV			
Growth Model	12.11	Given the large deficits generation appropriate to model a grow	-	ne scenarios we have tested, w se appraisal.	ve consider it		
	12.12	The scheme is long-term and delivered over multiple phases meaning there is likely to be growth in value during the scheme's lifecycle. This growth is market driven and independent of the placemaking premium adopted by the Advisor.					
	12.13	supported by forecasted inf to the private residential va be the most likely to experi 5% per annum and consider	lation on building costs pro- lues (and car parking) only, ence positive market driver r this a reasonable assumpt and over the past 5 years h	tandard inflation rate of 2%, w oduced by the BCIS. We have a , as we consider this element of n growth. We have adopted a g tion for the purpose of this tes as ranged between 0-12.5% (C evious year (ONS data).	pplied growth of the scheme to growth rate of t, given that the		
	12.14	acknowledge there is not a 17.5% on GDV. However, th to developers on longer ter therefore consider it approp	direct correlation between ne IRR has a much more imp m schemes such as this, an priate to run IRR scenarios ncluded, we would expect a	be in the region of 10-12%. Al this and profit return, this refl portant role in assessing an ap d where growth is accounted f to understand the impact upon a scheme of this scale in Londo	lects a c.16- propriate return for; we n scheme		
	12.15	when compared against the in both growth and inflatior appears capable of being vi	e base appraisal (shown bel n appears to be within reas able and deliverable in its li	es values, the scheme's RLV ex ow with IRR of 12.5%). This lev onable tolerance and therefore ifetime. This level of variance v progress with delivery of such a	vel of variance e the scheme would be		

Table 30: Impact of growth on Private Sales value and Cost to Residual Land Value

Return (IRR)	Growth Rate (Private Sale & Car Parking)	Inflation (Build Cost)	Residual Land Value	Surplus/ Deficit to BLV
12.5%	0%	0%	-£8.6m	-£94.5m
16%	5%	2%	£86.7m	£0.8m

	12.16	The table shows that where 5% growth is included, the RLV exceeds the BLV by c.£1m, and therefore although the scheme is unviable on a present day basis, over the scheme's lifetime, it has the potential to become viable, having regard to this growth modelling assessment.
	12.17	This modelling shows that although there is not currently opportunity for any further affordable housing provision, growth of over c.4.8% per annum could result in a surplus to the BLV and therefore indicate opportunity for increased provision. A review mechanism would address the potential for any uplift in values over the lifetime of the development to support further affordable housing provision.
LBL Housing Team Assumptions	12.18	<ul> <li>Following discussions with the Council's Housing Team, we have also run scenarios in line with their suggested assumptions for the scheme, which include: <ul> <li>Applying the Advisor's proposed placemaking premiums to the IR units;</li> <li>Policy compliant mix (70:30 London Affordable Rent and London Shared Ownership); and</li> <li>Applying GLA Grant Funding to affordable units started under the current programme (ending in 2023).</li> </ul> </li> </ul>
	12.19	The housing team consider it reasonable to use the placemaking premium for the Shared Ownership and IR, as in their view these products' values relate to market and rental values that will be uprated over the life of the scheme. On LAR, this would however run counter to our and the GLA's desire to not inflate rents in line with market increases. GE had included the placemaking premium to the LSO units but not the LAR or IR and therefore in this scenario we have included the premium for the IR units.
	12.20	The proposed development offers an affordable housing mix of 60% LAR, 20% IR and 20% LSO. However, the council policy compliant affordable housing mix comprises a 70:30 LAR and LSO mix, and therefore the proposed mix is not compliant with planning policy. We have therefore included a policy compliant mix in this scenario to test the impact this would have upon scheme viability.
	12.21	The scenario also includes receipt of funding from the GLA's Grant Programme (2016-2021, extended to 2023). This has enabled us to understand the impact that grant funding could have on the scheme's deliverability and potential level of affordable housing, and whether this could be increased above the Applicant's 35% offer.
	12.22	On the advice of the Council, we have applied £100k per unit on LAR units and £28k on LSO units which is available under the current programme. It should be noted that the current programme only offers provision of funding until 2023 and therefore this grant has only been applied to units within Phase 1 of the scheme, as the second phase does not commence until November 2024. It is difficult to model grant for the latter stages at this time as the funding priorities under the 2021-26 currently are not relevant for this scheme.

#### Table 31: Impact of LBL Housing Team Assumptions on RLV

Return on Private Residential	Residual Land Value			
	Base Appraisal	Housing Team Assumptions	Surplus/ Deficit to BLV	
20% Profit level (12.5% IRR)	-£8.6m	£30m	-£55.9m	•
18.5% Profit level (9.2% IRR)	£14.5m	£53m	-£32.9m	
12.23	levels remain at a deficit aga	inst the BLV; however, the m above the proposed mix	d and policy complaint mixes, policy compliant mix is less in 's RLV. This would indicate tha mix.	npactful on
12.24	differences in tenure and aff compliant split is more valua	ordable housing products a ble in Phase 1 and the latte acts within the proposed te	able viability position here due assumed in each scenario. The er phases due to the composit enures and the longer-term im	policy ion of the
12.25	Overall, the policy compliant including GLA grant funding compared to £274 psf on the IR (at the GE lower adopted premium on the private sale	tenure mix of 70% social r on Phase 1, equates to a sl basis of the Applicant's pr rent levels) and 20% LSO. V s values that inform the IR gher proportion of LSO uni	rent (as LAR) and 30% Interme ightly higher blended value of roposed mix of 60% social rent We have also included a place and LSO in this scenario. As th ts (30%) with an assumed plac	£299 psf, t (as LAR), 20 making e policy
12.26	placemaking premiums to th also run a sensitivity to our b premium to the IR units and alone has on scheme viability	e IR, has a significant impa base appraisal, making char addition of GLA grant fund y. At 20% profit level, this p sal; and, at 18.5% profit lev	entage and mix, together with ct on the viability of the schen nges only the inclusion of the p ling to Phase 1, to understand provides an RLV of c.£25m, an rel, this provides an RLV of c.£4	ne. We have placemaking the impact t increase of

#### 13. CONCLUDING STATEMENT – OUTSTANDING INFORMATION AND NEXT STEPS

13.1	Gerald Eve LLP ('GE') has been instructed by the Council to undertake a Financial Viability Assessment Review ('FVAR') with associated information in connection with the proposed redevelopment the Site in New Bermondsey, forming part of the Surrey Canal Road Triangle. The FVA has been produced by Newsteer on behalf of Renewal, the Applicant.
13.2	GE's instructions are to undertake an assessment of the FVA in accordance with the RICS Financial Viability in Planning mandatory guidance (2019) to verify whether the Scheme reflects the maximum reasonable level of affordable housing contribution, to assist in determination of the planning application against adopted planning policies and guidance. Under paragraph 58 of the NPPF, the weight of this report in considering the proposed development is to be determined by the decision maker.
13.3	In accordance with NPG (2019), in arriving at an opinion of a reasonable BLV, GE has applied a valuation judgement; informed by the relevant available facts, a realistic understanding of the local area and of the operation of the market. GE have made appropriate adjustments to the Advisor's BLV to reflect the market and have applied an adjusted BLV of c.£85.9m for the purposes of assessing viability in planning.
13.4	The outcome of this assessment would appear to indicate the maximum level of affordable housing in the 'Proposed Scheme' on a present-day basis has been included, having regard to viability due sensitivity indicating required variance in assumptions to reach a positive outcome.
13.5	Following conversations with the GLA, we have also considered the scheme against an EUV with nil premium. Whilst this results in a lower benchmark, it does not change our conclusion that the Applicant is proposing the maximum level of affordable housing provision the scheme can offer.
13.6	The construction costs have been provided by RPS on behalf of the Applicant as part of the FVA. Veale and Sanders ('V&S') have undertaken an independent review as part of this report. V&S consider the costs stated within the cost plan for the Scheme of £1.29bn to be reasonable, and which we have therefore adopted within our appraisal. However, it is raised by V&S that there are significant residential ancillary areas in P2 which have not been included within the cost plan. We have asked the Advisor to remedy this however they have advised that the ancillary space is not needed at podium level and that it will therefore be designed out. However, we consider that we should appraise the scheme as proposed and therefore consider that the c.25,000sqm (which would equate to c.£90m in build costs) should be addressed. Having discussed this with the Applicant and Council, a proposed and agreed resolution is to consider this area under future review mechanisms or detailed stage, to ensure any costs associated with it are captured.
13.7	In respect of the proposed leisure centre floorspace, we have previously queried the intended operation with the Advisor however they advised that no operator has been confirmed. We are highlighting the risk for building a leisure centre of this scale as the market for this size of product is limited, with the only comparable being the Copper Box which benefits from its Olympic legacy. We understand following discussions with the council that they would not take on this centre and they recognised long term maintenance costs. We therefore consider that finding an operator to take this level of space, and consequently provide revenue, would be challenging.
13.8	Furthermore, we consider the leisure centre could be a burden to Phase 3 as it is built at loss and creates a barrier to the opportunity for additional affordable housing; the Advisor has adopted a value of £18.7m and allowed £42.5m in costs to build, meaning a loss of £23.8m which could otherwise have contributed towards affordable housing. Alternatively, a revenue generating use could have been located in all or part of this space, thereby increasing the viability of the scheme.

Finally, this report shows that the proposed development is unviable on a present-day basis, with 13.9 one of the main drivers of the difference in land values between the Advisor and GE being the reduction in affordable housing values (of c.£55m). However, scenario testing of various factors including growth, demonstrates the scheme has the potential of becoming viable during the lifetime of the development. The level of variance in assumptions to achieve a viable outcome appear to be within a reasonable tolerance range and therefore the scheme appears capable of being viable and deliverable throughout its lifetime when growth is included and the scheme considered on an IRR basis as opposed to profit on GDV as is used on present-day appraisals. We consider, in this instance, the level of variance would be sufficient to enable a developer to be comfortable to progress with delivery of such a long-term development. In order to capture any uplift in value, thereby providing opportunity for an increase affordable 13.10 housing officer, we would recommend an upwards-only review mechanism is included in the S106 Agreement associated with the granting of any permission for the proposed development. This will provide the greatest opportunity to resolve any differences between proposals on a current day

basis and any value additionality experienced throughout the scheme's development.

#### Appendices

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Appendix 1 - RICS Professional Statement - Financial Viability in Planning: Conducting and Reporting, May 2019 1st Ed





RICS professional standards and guidance, England

# Financial viability in planning: conduct and reporting

1st edition, May 2019



### rics.org/guidance

# Financial viability in planning: conduct and reporting

**RICS** professional statement

1st edition, May 2019



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# RICS professional standards and guidance

### **RICS professional statement**

#### **Definition and scope**

RICS professional statements set out the requirements of practice for RICS members and for firms that are regulated by RICS. A professional statement is a professional or personal standard for the purposes of *RICS Rules of Conduct*.

#### Mandatory vs good practice provisions

Sections within professional statements that use the word 'must' set mandatory professional, behavioural, competence and/or technical requirements, from which members must not depart.

Sections within professional statements that use the word 'should' constitute areas of good practice. RICS recognises that there may be exceptional circumstances in which it is appropriate for a member to depart from these provisions – in such situations RICS may require the member to justify their decisions and actions.

#### Application of these provisions in legal or disciplinary proceedings

In regulatory or disciplinary proceedings, RICS will take into account relevant professional statements in deciding whether a member acted professionally, appropriately and with reasonable competence. It is also likely that during any legal proceedings a judge, adjudicator or equivalent will take RICS professional requirements into account.

RICS recognises that there may be legislative requirements or regional, national or international standards that have precedence over an RICS professional statement.

#### Document status defined

The following table shows the categories of RICS professional content and their definitions.

#### **Publications status**

Type of document	Definition
RICS Rules of Conduct for Members and RICS Rules of Conduct for Firms	These Rules set out the standards of professional conduct and practice expected of members and firms registered for regulation by RICS.
International standard	High-level standard developed in collaboration with other relevant bodies.
RICS professional statement (PS)	Mandatory requirements for RICS members and RICS-regulated firms.
RICS guidance note (GN)	A document that provides users with recommendations or an approach for accepted good practice as followed by competent and conscientious practitioners.
RICS code of practice (CoP)	A document developed in collaboration with other professional bodies and stakeholders that will have the status of a professional statement or guidance note.
RICS jurisdiction guide (JG)	This provides relevant local market information associated with an RICS international standard or RICS professional statement. This will include local legislation, associations and professional bodies as well as any other useful information that will help a user understand the local requirements connected with the standard or statement. This is not guidance or best practice material, but rather information to support adoption and implementation of the standard or statement locally.

# Chair's statement

In 2012 RICS published its guidance note *Financial viability in planning* (1st edition), which provided advice on applying the government's planning policy on viability, introduced through the National Planning Policy Framework (NPPF) 2012.

The 2012 guidance note has been widely referred to in financial viability assessment (FVA) submissions, section 106 agreements, supplementary planning guidance (SPG), planning appeals and High Court decisions as a document that sets out accepted good practice for RICS members.

The emergence in 2014 of the national Planning Practice Guidance provided more detail about the application of the NPPF. In July 2018 a revised NPPF and Planning Practice Guidance (PPG) were issued. The NPPF was further updated in February 2019 and the PPG updated in May 2019. This followed the earlier decision in *Parkhurst Road Ltd v Secretary of State for Communities and Local Government & Anor* [2018] EWHC 991.

This professional statement has therefore been informed by the NPPF, PPG and a High Court decision, as well as practitioner experience. It aims to:

- provide consistency regarding the application of policy and guidance and
- assist the practitioner in individual cases.

Where planning obligations and other costs are introduced during the planning process, ascertaining the viability of a development involves a number of valuation judgements in both the inputs and outcomes of an appraisal of a scheme. In arriving at these judgements, it is a question of whether they are rational, realistic and reasonable in the circumstances. Parties may of course reasonably disagree. The 2012 guidance note encouraged practitioners to seek to resolve these differences of opinion, where possible, in the context of viability being a matter of evidence, valuation and exercising judgement.

The PPG 2019 also emphasises the need for:

- evidence-based judgement
- collaboration
- transparency and
- a consistent, standardised approach.

All these themes were central to preparing this professional statement, which sets out mandatory requirements that inform the practitioner on what must be included within reports and how the process must be conducted. This is to demonstrate how a reasonable, objective and impartial outcome, without interference, should be arrived at, and so support the statutory planning decision process.

Given that planning applications involve a statutory process that is subject to public scrutiny, the requirements in this professional statement are important in providing public confidence in a process that is inevitably complex, but nevertheless must inform the planning decision-maker.

Since the publication of the NPPF 2018 and PPG 2018 (as updated in 2019) RICS has also been reviewing its 2012 guidance note to align it with the changed emphasis in current government policy; a second edition is forthcoming.

I would like to thank all those who contributed to this professional statement with their comments and suggestions and, in particular, my fellow members of the working group.

#### Simon Radford

#### Chair, RICS working group

# Glossary

Benchmark land value (BLV)	A term defined in the Planning Practice Guidance (PPG) and undertaken by a suitably qualified practitioner (see PPG paragraphs 013 (reference ID: 10-013-20190509); 014 (reference ID: 10-014-20190509); 015 (reference ID: 10-015-20190509); 016 (reference ID: 10-016- 20190509); and 017 (reference ID: 10-017-20190509)). See also Suitably qualified practitioner.
Decision-maker	The local/regional (where applicable) planning authority, or an inspector(s) as appointed by the secretary of state.
Existing use value (EUV)	The <i>RICS Valuation – Global Standards 2017</i> (the 'Red Book') UK national supplement (2018) UK VPGA 6.1 states that: 'Existing use value (EUV) is to be used only for valuing property that is owner-occupied by an entity for inclusion in financial statements.' Using EUV in other circumstances is technically a departure from the Red Book (albeit an acceptable one in the context of the PPG). Where reference to EUV falls within 'authoritative requirements', for the purposes of the Red Book PS 1 section 4.2 and PS 1 section 6.3, it is not to be regarded as legislative or even regulatory in character, but nevertheless is a clear government policy requirement/convention (with accompanying guidance). Therefore, it would not need to be formally declared as a departure provided the valuation purpose (financial viability in planning) is made clear, as other parts of PS 1 require.
Financial viability assessment (FVA)	See Viability assessment.
Local planning authority (LPA)	This includes both local and regional (where applicable) planning authorities, including metropolitan cities where a mayor presides in determining, or informing decisions on, planning applications.
National Planning Policy Framework (NPPF)	Published by the government in July 2018 and updated in February 2019. It supersedes the policies in the previous version of the framework published in 2012.

Planning Practice Guidance (PPG)*	The PPG was introduced in paragraph 57 of the NPPF, which states that all viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in PPG as from July 2018. The PPG was updated in May 2019 and can be accessed at <b>www.gov.uk/guidance/viability</b> . The PPG supersedes the previous viability guidance (also known as Planning Practice Guidance), which was operative from 2014 to July 2018 (see <b>www.gov.uk/</b>
	government/collections/planning-practice-guidance).
	* Planning Practice Guidance is also referred to as National Planning Guidance elsewhere.
RICS member(s)	A member of RICS (see also Suitably qualified practitioner).
Section 106 agreement	An agreement (based on section 106 of the <i>Town and</i> <i>Country Planning Act</i> 1990) made between a local authority and an owner/developer, which can be attached to a planning permission concerning planning obligations that make a development acceptable. The section 106 agreement runs with the land to which the planning permission has been granted.
Stand back	Following a detailed component review of the inputs into an FVA and running the appraisal, to stand back is to consider the output(s) objectively, and with the benefit of experience, given the complexity of the proposed scheme. This may often be assisted by reviewing the sensitivity analysis.
Subpractitioners	All parties who may contribute to the carrying out or reviewing of the financial viability of a scheme.

Suitably qualified practitioner	A term identified in the PPG, paragraph 020 (reference ID: 10-020-20180724):
	'In order to improve clarity and accountability it is an expectation that any viability assessment is prepared with professional integrity by a suitably qualified practitioner and presented in accordance with this National Planning Guidance. Practitioners should ensure that the findings of a viability assessment are presented clearly.'
	An RICS member would be considered a 'suitably qualified practitioner' to give an objective, impartial and reasonable viability judgement if they:
	<ul> <li>are experienced in undertaking valuations of development land and/or advising on financial viability of development</li> </ul>
	<ul> <li>understand the application of inputs into the residual appraisal model from other professional disciplines and</li> </ul>
	<ul> <li>have appropriate and up-to-date knowledge of the planning system.</li> </ul>
Viability assessment	This means:
Viability assessment	<ul><li>This means:</li><li>an assessment originated on behalf of an applicant</li></ul>
Viability assessment	
Viability assessment	<ul> <li>an assessment originated on behalf of an applicant</li> <li>an assessment produced by a reviewer (either on</li> </ul>
Viability assessment	<ul> <li>an assessment originated on behalf of an applicant</li> <li>an assessment produced by a reviewer (either on behalf of an LPA or by themselves)</li> <li>an area-wide viability assessment (and representations made in respect of an area-wide viability evidence base before and during an</li> </ul>

# 1 Introduction

# 1.1 Updating

In addition to this professional statement, RICS is producing a second edition of the guidance note *Financial viability in planning* (1st edition published in 2012), to reflect the changes in the NPPF 2018, as updated in February 2019, and PPG 2018, as updated in May 2019.

### 1.2 Overview

This professional statement sets out mandatory requirements on conduct and reporting in relation to FVAs for planning in England, whether for area-wide or scheme-specific purposes. It recognises the importance of impartiality, objectivity and transparency when reporting on such matters. It also aims to support and complement the government's reforms to the planning process announced in July 2018 and subsequent updates, which include an overhaul of the NPPF and PPG on viability and related matters.

The new policy and practice advice prioritises the assessment of viability at the planmaking stage and identifies EUV as the starting point for assessing the uplift in value required to incentivise the release of land.

This professional statement does not reference individual appeal cases. This is because the issues relating to them are often specific to each case, which makes an objective analysis difficult and subject to caveats. Neither does this professional statement deal with specific local planning policy (see section 3). The assessment of viability **must** be carried out having proper regard to all material facts and circumstances, whether for area-wide or scheme-specific assessments.

The RICS member carrying out the FVA **must** be a suitably qualified practitioner. A list of defined terms can be found in the *Glossary*.

# 1.3 Background

This professional statement has been written against the background of the High Court decision in *Parkhurst Road Ltd v Secretary of State for Communities and Local Government & Anor* [2018] EWHC 991, which highlighted the need to deal with problems encountered in practice.

While this professional statement focuses on reporting and process requirements, more explicit detail on development viability in planning and providing greater clarity on reporting will be dealt with in the forthcoming second edition of the RICS guidance note *Financial viability in planning*.

# **1.4** Application

The primary policy and guidance on assessing viability in a planning context is provided in the NPPF 2019 and the PPG 2019. These have sought to change the emphasis on how viability should be approached in the planning system and the weight that should be given to viability assessments at the plan-making and development management stages.

# 2 Reporting and process requirements

The requirements in sections 2.1 to 2.14 set out what **must** be included in all FVAs (scheme-specific and area-wide) and how they **must** be carried out. This concerns all FVAs, whether they are:

- on behalf of, or by, the applicant
- in respect of a review or otherwise of a submitted FVA or
- on behalf of, or by, the decision- or plan-maker.

The following requirements are mandatory in all cases.

# 2.1 Objectivity, impartiality and reasonableness statement

A collaborative approach involving the LPA, business community, developers, landowners and other interested parties will improve understanding of the viability and deliverability for everyone involved in the process. The report **must** include a statement that, when carrying out FVAs and reviews, RICS members have acted:

- with objectivity
- impartially
- without interference and
- with reference to all appropriate available sources of information.

This applies both to those acting on behalf of applicants as well as those acting on behalf of the decision-makers.

A similar statement **must** appear in area-wide studies and submissions. RICS members **must** also comply with the requirements of PS 2 *Ethics, competency, objectivity and disclosures* in the Red Book in connection with valuation reports.

# 2.2 Confirmation of instructions and absence of conflicts of interest

Terms of engagement **must** be set out clearly and should be included in all reports. The RICS professional statement *Conflicts of interest* (1st edition, 2017) applies, but with the additional requirement that RICS members acting on behalf of all those involved **must** confirm that no conflict or risk of conflict of interest exists (see *Conflicts of interest* paragraph 1.1). The professional statement allows 'informed consent' management, which, subject to the circumstances, can be both pragmatic and appropriate. This should take the form of a declaration statement.

Where either applicants or decision-makers specify requests of RICS members, either at the start or during the viability process, these **must** be explicitly set out in respective reports. This includes additional requests for testing the viability of the proposed scheme or counterfactual scenarios. RICS members **must**, at all times, satisfy themselves that these requests do not contradict the mandatory requirements of this professional statement.

# 2.3 A no contingent fee statement

A statement **must** be provided confirming that, in preparing a report, no performancerelated or contingent fees have been agreed.

# 2.4 Transparency of information

Transparency and fairness are key to the effective operation of the planning process. The PPG (paragraph 021, reference ID 10-021-20190509) states that:

'Any viability assessment should be prepared on the basis that it will be made publicly available other than in exceptional circumstances.'

Although certain information may need to remain confidential, FVAs should in general be based around market- rather than client-specific information.

Where information may compromise delivery of the proposed application scheme or infringe other statutory and regulatory requirements, these exceptions **must** be discussed and agreed with the LPA and documented early in the process. Commercially sensitive information can be presented in aggregate form following these discussions. Any sensitive personal information should not be made public.

# 2.5 Confirmation where the RICS member is acting on area-wide and scheme-specific FVAs

Before accepting instructions, if RICS members are advising either the applicant or the LPA on a planning application and have previously provided advice, or where they are providing ongoing advice in area-wide FVAs to help formulate policy, this **must** be declared.

In these circumstances respective parties **must** also ensure that no conflicts of interest arise, particularly where advice in connection with policy is concurrent with carrying out or reviewing the financial viability of a specific scheme. When reporting, RICS members **must** declare whether they have advised an LPA that is considering the planning application that is subject to an FVA. This applies to individuals as well as the firm/ company advising either the applicant or LPA, and includes subpractitioners. It applies both before accepting instructions and subsequently when reporting. Refer to the RICS professional statement *Conflicts of interest* to ensure that you follow the correct process in all cases.

# 2.6 Justification of evidence and differences of opinion

All inputs into an appraisal **must** be reasonably justified. Where a reviewer disagrees with a submitted report and/or with elements in it, differences **must** be clearly set out with supporting and reasonable justification. Where inputs are agreed, this **must** also be clearly stated. Where possible, practitioners should always try to resolve differences of opinion.

### 2.7 Benchmark land value and supporting evidence

Stakeholders are often presented with a variety of valuation figures that are not always easy to understand. In particular they will wish to reconcile figures included in FVAs with figures reported in the market. In the interest of transparency, when providing benchmark land value in accordance with the PPG for an FVA, RICS members **must** report the:

- current use value CUV, referred to as EUV or first component in the PPG (see paragraph 015 reference ID: 10-015-20190509). This equivalent use of terms i.e. that CUV and EUV are often interchangeable is dealt with in paragraph 150.1 of IVS 104 Bases of Value (2017)
- **premium** second component as set out in the PPG (see paragraph 016 reference ID: 10-016-20190509)
- **market evidence** as adjusted in accordance with the PPG (see PPG paragraph 016 reference ID: 10-016-20190509)
- all supporting considerations, assumptions and justifications adopted including valuation reports, where available (see PPG paragraphs 014 reference ID: 10-014-20190509; 015 reference ID: 10-015-20190509; and 016 reference ID: 10-016-20190509)
- **alternative use value** as appropriate (market value on the special assumption of a specified alternative use; see PPG paragraph 017 reference ID: 10-017-20190509). It will not be appropriate to report an alternative use value where it does not exist.

A statement **must** be included in the FVA or review of the applicant's FVA or area-wide FVA that explains how market evidence and other supporting information has been analysed and, as appropriate, adjusted to reflect existing or emerging planning policy and other relevant considerations. If a market value report has recently been prepared, this should be stated with the:

- reason for the report
- assumptions adopted and
- reported valuation.

The onus is on RICS members to enquire about all of the above.

In addition, the price paid for the land (or the price expected to be paid through an option or conditional agreement), should be reported as appropriate (see PPG paragraph 016 reference ID: 10-016-20190509) to improve transparency. Price paid is not allowable evidence for the assessment of BLV and cannot be used to justify failing to comply with policy.

### 2.8 FVA origination, reviews and negotiations

During the viability process there **must** be a clear distinction between preparing and reviewing a viability report and subsequent negotiations. The negotiations, which take place later and separately, commonly relate to section 106 agreements. This distinction is to retain the objectivity and impartiality of the origination and review of an FVA and to clarify where respective parties, or their practitioners, are seeking to resolve differences of opinion by comparison with subsequent negotiations.

# 2.9 Sensitivity analysis (all reports)

All FVAs and subsequent reviews **must** provide a sensitivity analysis of the results and an accompanying explanation and interpretation of respective calculations on viability, having regard to risks and an appropriate return(s). This is to:

- allow the applicant, decision- and plan-maker to consider how changes in inputs to a financial appraisal affect viability and
- understand the extent of these results to arrive at an appropriate conclusion on the viability of the application scheme (or of an area-wide assessment).

This also forms part of an exercise to 'stand back' and apply a viability judgement to the outcome of a report.

### 2.10 Engagement

At all stages of the viability process, RICS members **must** advocate reasonable, transparent and appropriate engagement between the parties, having regard to the circumstances of each case. This **must** be agreed and documented between the parties.

# 2.11 Non-technical summaries (all reports)

For applicants, subsequent reviews and plan-making, FVAs **must** be accompanied by non-technical summaries of the report so that non-specialists can better understand them. The summary **must** include key figures and issues that support the conclusions drawn from the assessment and also be consistent with the PPG (see paragraph 021 reference ID: 10-021-20190509).

# 2.12 Author(s) sign-off (all reports)

Reports on behalf of both applicants and the authority **must** be formally signed off and dated by the individuals who have carried out the exercises. Their respective qualifications should also be included.

The authors of FVAs and subsequent reviews **must** come to a reasonable judgement on viability on the basis of objectivity, impartiality and without interference, taking into account all inputs, including those supplied by other contributors. For more on inputs by other specialists in relation to valuation work, see PS 2 of the Red Book.

# 2.13 Inputs to reports supplied by other contributors

All contributions to reports relating to assessments of viability, on behalf of both the applicants and authorities, **must** comply with these mandatory requirements. Determining the competency of subcontractors is the responsibility of the RICS member or RICS-regulated firm.

### **2.14** Timeframes for carrying out assessments

RICS members **must** ensure that they have allowed adequate time to produce (and review) FVAs proportionate to the scale of the project, area-wide assessment and specific instruction. They **must** set out clear timeframes for completing work. If the timeframes need to be extended, the reasons **must** be clearly stated, both at the time and in the subsequent report.

Where RICS members believe that the timeframes have not been reasonable, they **must** state this and give a brief outline of the issues and consequential impacts.

# 3 Legislation, the development plan and professional guidance

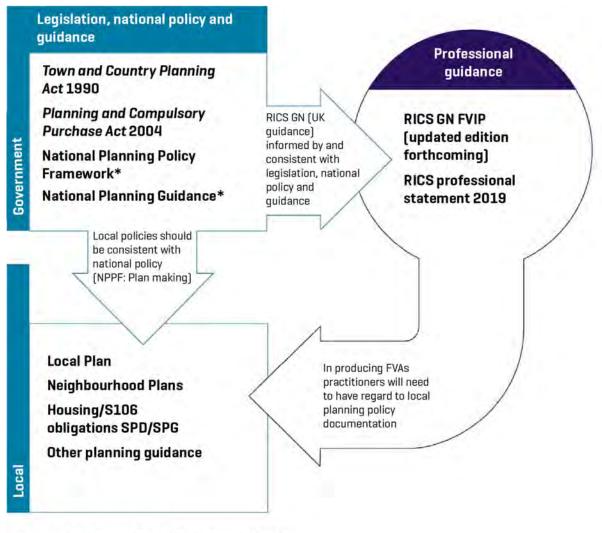
# 3.1 Legislation

The *Town and Country Planning Act* 1990 and the *Planning and Compulsory Purchase Act* 2004 are the governing pieces of legislation that regulate development and set out the planning application process in England and Wales.

Policy principles relating to viability assessments are set out in the NPPF and are informed by the PPG. These two documents are the primary sources of guidance when carrying out FVAs. It is the RICS member's responsibility to have regard to all further relevant legislation, government policy and government guidance issued after the publication of this professional statement.

In England the plan-led system operates under the principle that the decisions on planning applications should be made in accordance with the adopted development plan, unless there are other material considerations that may indicate otherwise. In adopting and implementing the plan, national planning policies are a material consideration. Additionally, the government may produce national planning guidance on how the national policy is to be applied. It also is a material consideration in plan-making and decision-making.

In certain circumstances government policies and guidance may need further elaboration to enable practitioners to consistently apply local planning policy in compliance with national planning policy and associated guidance. RICS professional standards and guidance fall into this category. They expand on how government policy and practice advice may be consistently implemented in the context to which it applies (see Figure 1). This PS should be applied reflecting changes to government policies and guidance.



\* subject to periodic additions/amendments

#### Figure 1: Legislation, policy and guidance

### **3.2 RICS professional guidance and information**

The forthcoming second edition of the RICS guidance note *Financial viability in planning* (1st edition published 2012) will reflect the 2019 PPG and other related government guidance. Until this second edition is available, refer to section 1.4 of this professional statement.

# 3.3 Additional guidance

In addition to points of general relevance in judgments from the courts, consideration may also be given to outcomes expressed in decisions from the secretary of state and planning appeals. In considering these cases, it is important to ensure an understanding of the relevance and suitability of the assumptions adopted when applying them to an FVA. Where the adopted principles and assumptions are considered to have wider application, practitioners should ensure they understand the context of the original decision.

Inputs into the viability appraisal should be objective and reasonable, having regard to the specific scheme being tested at the time of the assessment as well as comparable evidence. As a project progresses, inputs inevitably change. For example, when pricing residential units, the asking price at the time of marketing may differ, sometimes significantly, from those in the original FVA. This is because:

- time has passed since the original assessment
- agents will always seek to get the best price when marketing and
- costs may change through inflation or other causes.

When developers take on a development, they understand there are risks they have to bear in mind following the grant of planning permission.

# 4 Duty of care and due diligence

When carrying out or reviewing FVAs, members **must** be:

- reasonable
- transparent and
- fair and objective.

Objective means not being influenced by personal feelings, sentiment or by others in considering and representing facts (see section 2.1).

RICS members **must** act impartially. They should not be influenced by whether their role is to originate or to review the FVA. Neither should they bow to commercial or political pressures.

RICS members **must** comply with the principles of professional and ethical standards. These include:

- a duty of care that is particularly pertinent given the public interest and reliance that third parties may have on the content of the information provided and
- disclosure of any circumstances where the RICS member or the RICS-regulated firm will gain from the appointment beyond a normal fee or commission.

All RICS members acting on behalf of parties **must** confirm that no conflicts of interest exist. Figure 2 shows the relevant potential conflicts of interest.



#### Figure 2: Conflicts of interest and duty of care

Establishing that there are no conflicts of interest includes providing statements from practitioners stating what other advice has been provided to the parties as appropriate and relevant in the circumstances. This may take the form of a declaration statement. Always refer to the RICS professional statement *Conflicts of interest* for the mandatory requirements and accompanying guidance. This relates both to identifying and managing conflicts of interest and to maintaining confidentiality of information.

Acting with a reasonable standard of care contributes significantly to informed decisionmaking. RICS members should provide as much good-quality information as they can, whether submitting this on behalf of an applicant or responding on behalf of an LPA. This ensures that information is used to agree or to resolve any differences of opinion.

RICS members, whether on behalf of the applicant or LPA, **must** act as objective and impartial specialists to a professional standard when advising and providing information that can be relied on. In addition, they may be required to rely on highly specialist or technical inputs. This may include planning, legal and financial advice as well as technical development advice, such as build-cost estimates, ground condition surveys, engineering advice, etc. This information can help all parties involved to reach well-informed decisions quickly and without duplicating effort.

The onus is on the RICS members primarily responsible for the FVA, due diligence review or area-wide assessment to ensure that the information provided is balanced, reasonable and reflects an appropriate level of judgement in the circumstances. In practice, this requires all those inputting into the FVA to confirm that they have met those requirements in much the same way as if they were providing expert evidence. Where the originator of the FVA and the reviewer have different views, this should be supported; both should supply appropriate evidence or explanations of why they interpreted the evidence differently and reached an alternative opinion.

RICS members **must** also consider whether the advice they are giving represents the most effective and efficient way to deliver a reasonable development performance proportionate to the scheme being tested. This is sometimes referred to as 'value engineering' and involves quantity surveyors, agents and other professionals. LPAs and their advisers need to be confident that the FVA fully reflects the way the development would actually be carried out. If this is not the case, it should be stated and explained.

RICS members **must** include a statement that these matters have been given full consideration in the FVA. Corresponding statements **must**, where appropriate, be included in other professional and specialist inputs to the FVA.

When carrying out a due diligence review of an FVA on behalf of the LPA, RICS members **must** provide an assurance that the review has been carried out in accordance with this section.

Dependent on the terms of instruction from the LPA, which should be explicitly set out in any review or area-wide assessment, RICS members may be asked to provide additional advice on a range of aspects of viability assessment, such as counterfactual testing and alternative options for delivering the development proposed in the application. While this advice may not be intended for discussion with the applicant, the RICS member's role should be the same as if it were. The principles of due diligence set out in this section **must** be applied.

Case law has recognised that values and costs are not precise figures but may fall within a tolerance. Valuation and costing inputs would therefore not normally be at a level at either end of a possible range but **must** reflect a practitioner's professional viability judgement, having regard to such matters as the risks of development. The same consideration should be applied to resultant outputs to reach a rational, reasonable and realistic conclusion. Sensitivity analyses (see section 2.9) help set such conclusions in their proper context and allow for adjustments to inputs within a possible range.

# 5 Transparency of information

The NPPF states that LPAs should publish a list of their information requirements for applications. These should be proportionate to the nature and scale of development proposals and should only request supporting information that is relevant and necessary to the application in question.

There is further guidance in the PPG. This identifies one of the key principles of FVAs as being a collaborative approach to improve understanding of viability and deliverability. Where possible there should be a presumption in favour of transparency of evidence. This is particularly important to reassure the wider community that viability testing has been fully assessed and all known facts have been considered.

An FVA should have enough detailed information to meet NPPF and PPG requirements. Sections 5.1 and 5.2 give further advice about providing confidential information.

### 5.1 Confidential information

An FVA is based on market information and is not specific to an applicant's circumstances. The PPG at paragraph 021 (reference ID: 10-021-20190509) states that FVAs will be made publicly available other than in exceptional circumstances. However, inputs may include commercially sensitive information, the public disclosure of which could have commercial consequences for the delivery of the application site.

Inputs that could be commercially sensitive typically relate to:

- current or future negotiations on land assembly (including obtaining vacant possession), option arrangements, third-party rights (e.g. rights of way, visibility, ransom, light, oversailing, etc.), disturbance, relocation, compulsory purchase and land compensation, etc.
- specific business information, such as funding details and marketing agreements and
- intellectual copyright, such as development toolkit and build-cost modelling. This can be kept confidential, but consideration should be given to presenting in a standard industry model.

Commercially sensitive information may need to be treated as confidential in preapplication discussions between the applicant and the LPA. This may relate to either market- and/or scheme-specific information. It may follow that such information could be exempt from disclosure to third parties under the provisions of the *Freedom of Information Act* 2000 or the *Environmental Information Regulations* 2004 (EIR).

### 5.2 Exceptions

The EIR set out exceptions that allow the LPA to refuse to provide requested information. Some exceptions relate to categories of information; for example, unfinished documents and internal communications. Others are based on the harm that would arise from disclosure; for example, if releasing the information would adversely affect intellectual property rights. There is also an exception for personal data if it would be contrary to the *Data Protection Act* 2018.



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Appendix 2 – Key Relevant Planning Policies



#### **Planning Policy and related matters**

#### Introduction

- 1.1 This Appendix contains a brief overview of relevant planning background to the Scheme and Site. A more detailed assessment is contained within the Applicant's Planning Statement, accompanying their planning application.
- 1.2 Whilst this section provides some of the policy context for the application it focuses on particular policies which set the background and need for viability assessments in order to justify the level of planning obligation contributions including affordable housing.
- 1.3 In plan-making and decision-making, viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.

#### National Planning Policy Framework ('NPPF')

- 1.4 The latest NPPF was published in July 2021 and sets out the Government's economic, environmental and social planning policies for England. It summarises in a single document all previous national planning policy advice. Taken together, these policies articulate the Government's latest vision of sustainable development, which should be interpreted and applied locally to meet local aspirations.
- 1.5 The objective of the NPPF is to support the Government's objective of significantly boosting the supply of homes, recognising it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay.
- 1.6 In respect of affordable housing, paragraph 34 of the NPPF aims to ensure Local Plans set out the contributions expected from a development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure. The NPPF makes it clear policies should not undermine the deliverability of the plan.

- 1.7 The NPPF also recognises that development should not be subject to such a scale of obligation and policy burdens that its viability is threatened. This reinforces the need for viability testing in order to allow willing landowners and developers to receive competitive returns which in turn enable the delivery of development.
- 1.8 Paragraph 41 of the plan looks to guide Authorities to address and resolve planning issues, including the including the need to deliver improvements in infrastructure and affordable housing at the pre-application stage.
- 1.9 The NPPF at paragraph 63 indicates that where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless:

a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and

b) the agreed approach contributes to the objective of creating mixed and balanced communities.

- 1.10 The NPPF indicated that provision of affordable housing should not be sought for residential developments that are not 'major developments', other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer). Paragraph 64 also highlights that to support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount.
- 1.11 Paragraph 65 indicates that where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.
- 1.12 Exemptions to this 10% requirement should also be made where the site or proposed development:
  - provides solely for Build to Rent homes;
  - provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);

- is proposed to be developed by people who wish to build or commission their own homes; or
- is exclusively for affordable housing, an entry-level exception site or a rural exception site.
- 1.13 Paragraph 58 of the NPPF states:

'Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. <u>It is up to</u> the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.' – our emphasis.

1.14 Paragraph 58 goes on to indicate that:

'the <u>weight to be given to a viability assessment is a matter for the decision maker</u>, <u>having</u> <u>regard to all the circumstances in the case</u>, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force.' – our emphasis.

1.15 Finally, Paragraph 58 states:

<u>'All viability assessments</u>, including any undertaken at the plan-making stage, <u>should</u> <u>reflect the recommended approach in national planning guidance, including standardised</u> <u>inputs, and should be made publicly available</u>'. – our emphasis.

### Planning Practice Guidance (PPG)

1.16 The PPG provides guidance to support the NPPF and to make it more accessible. The statements below are from the PPG Viability Guidance found on the Governments online planning portal: <u>https://www.gov.uk/guidance/viability</u>.

1.17 The PPG addresses the question of when and how viability should be assessed by the Council in respect of planning applications. The PPG indicates that viability should be tested at the plan stage and therefore it is not anticipated viability assessments will be generally be necessary and it is up to the applicant to justify as to why viability is necessary in a particular instance.

Such circumstances could include, for example:

- where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan;
- where further information on infrastructure or site costs is required;
- where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people);
- where a recession or similar significant economic changes have occurred since the plan was brought into force.

Paragraph: 007 Reference ID: 10-007-20180724

- 1.18 Where a viability assessment is submitted to accompany a planning application the FVA should be based upon and refer back to the viability assessment that informed the plan; and the applicant should provide evidence of what has changed since then.
- 1.19 Any viability assessment should reflect the government's recommended approach to <u>defining key inputs</u> as set out in National Planning Guidance.
- 1.20 It is understood that the weight to be given to a viability assessment will be a matter for the decision maker, having regard to all the circumstances in the case, including:
  - whether the plan and viability evidence underpinning the plan is up to date,
  - any change in site circumstances since the plan was brought into force; and
  - the transparency of assumptions behind evidence submitted as part of the viability assessment.

- 1.21 PPG considers a viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements defined as the gross development value, costs, land value, landowner premium, and developer return.
- 1.22 PPG indicates that any viability assessment should:
  - be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers.
  - follow the government's recommended approach to assessing viability as set out in this National Planning Guidance; and
  - be proportionate, simple, transparent.
- 1.23 The requirements of the key elements are defined in the body of the financial viability report.

### The Greater London Authority Affordable Housing and Viability SPG

- 1.24 The Affordable Housing and Viability SPG ("the AH&V SPG") was adopted in August 2017 and focuses on affordable housing and viability including detailed guidance on viability assessments. The guidance seeks amongst other things to clarify viability appraisals and appropriate land values.
- 1.25 The AH&V SPG focuses on affordable housing and viability. It includes four distinct parts: background and approach; a background to what the Mayor terms "the threshold approach" to viability assessments; detailed guidance on viability assessments; and a specific approach to Build to Rent schemes.
- 1.26 Paragraph 1.3 of Part One of the AH&V SPG states:

*"…the SPG provides guidance to ensure that existing policy is as effective as possible. It does not and cannot introduce new policy."*  1.27 Paragraph 1.13 of Part One of the AH&V SPG states:

"The London Plan is clear that boroughs should take account of supplementary planning guidance when implementing Policies 3.9 (Mixed and balanced communities), 3.11 (Affordable housing targets), and 3.12 (Negotiating affordable housing on individual private residential and mixed use schemes)."

1.28 Paragraph 1.13 of Part One of the AH&V SPG states:

"The London Plan is clear that boroughs should take account of supplementary planning guidance when implementing Policies 3.9 (Mixed and balanced communities), 3.11 (Affordable housing targets), and 3.12 (Negotiating affordable housing on individual private residential and mixed use schemes)."

1.29 Paragraph 2.1 of Part Two of the AH&V SPG states:

"This SPG does not and cannot set a fixed affordable housing requirement."

1.30 Paragraph 2.5, however, states:

"Where the level of affordable housing offered meets the threshold, this should normally be considered the maximum reasonable amount of affordable housing which can be delivered through the planning system (subject to an early review mechanism to help ensure delivery). However, this will only apply where the affordable housing threshold, relevant tenure split and other requirements are met without public subsidy."

- 1.31 The definition of 'threshold', which is 'at least 35%', is what the Mayor therefore 'normally' considers to be the maximum reasonable amount of affordable housing across all schemes that require a viability assessment. Schemes that meet the 'threshold', (defined in detail by the Mayor) will head down the "Fast Track Route", and those schemes not meeting the Mayor's definition of 'threshold' will head down the "Viability Tested Route".
- 1.32 Paragraph 2.18 then goes on to state:

".... it (35%) is not a fixed level of affordable housing, but a threshold at which the approach to viability information changes. This means schemes which cannot deliver the threshold can still gain permission where the lower level of affordable housing is fully justified through site-specific viability assessments."

- 1.33 Part Three of the AH&V SPG deals with guidance on submitting a viability assessment, and what should be contained including justification on: programme; scheme values and costs using market evidence; and developer's profit.
- 1.34 At paragraph 3.43 the AH&V SPG states:

"The 'Existing Use Value plus' (EUV+) approach to determining the benchmark land value is based on the existing use value of a site plus an appropriate site premium...... A premium is usually added to provide the landowner with an additional incentive to release the site, having regard to site circumstances."

1.35 In relation to what the Mayor terms "market value approach", paragraph 3.49 states:

".....Market land transactions used must be fully evidenced and justified as being genuinely comparable and consistent with the methodology applied in the viability assessment....".

- 1.36 Paragraphs 3.53 to 3.66 (and Annex A) of the AH&V SPG provide a detailed and prescriptive approach to review mechanisms within S106 Agreements. If a review mechanism is not included then a scheme will not meet the Mayor's definition of 'threshold approach'.
- 1.37 The SPG shows a preference to an EUV plus method with the plus varying to reflect the specifics of the scheme. The SPG notes that the Market Value and Alternative Use Value should reflect planning policy and in the case of the alternative use, to be deliverable it should fully comply with development plan policies. The SPG also promotes review mechanisms on all schemes, disregarding phasing or length of development programme.

### Local Planning Policy

1.38 At the local level, the London Borough of Lewisham's (LBL) Core Strategy (June 2011) forms part of the development plan for the borough, together with the Site Allocations Local Plan, Lewisham Town Centre Local Plan and the Development Management Local Plan. Together, these set out the Council's vision, objectives and detailed spatial strategy for future development in the borough, along with specific strategic policies and targets, development management policies and site allocations.

### Affordable Housing

- 1.39 Policy CS 1 states that the council will seek the maximum provision of affordable housing, with a strategic target for 50% affordable housing from all sources.
- 1.40 The council will seek that affordable housing tenures are provided such that they work towards a borough target of 70% social rented and 30% intermediate.
- 1.41 The council aims to provide affordable housing equating to approximately 9,082 net new dwellings between 2010/11 and 2025/2026.

### Summary

- 1.42 The NPPF has a clear presumption in favour of sustainable development and local planning authorities should take account of this when determining planning applications.
- 1.43 The NPPF recognises that development should not be subject to such a scale of obligation and policy burdens that its viability is threatened; and in addition, obligations should be flexible to market changes in order to ensure planned development are not stalled. This reinforces the need for viability testing in order to allow willing landowners and developers to receive competitive returns which in turn enable the delivery of development.
- 1.44 Where local planning authorities have identified that affordable housing is needed, they 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.
- 1.45 PPG recognises that the individual circumstances of any scheme should be taken into consideration when assessing viability. Councils are therefore encouraged to be flexible with regards to planning obligations if the applicant is able to demonstrate that such obligations would make a scheme unviable.
- 1.46 In assessing the level of planning obligations, including affordable housing provision, in accordance with the LP, regard must be had to the economics of development and financial viability considerations associated with the scheme proposals and other planning objectives and requirements.

- 1.47 In respect of affordable housing, a key document is the London Plan (2021) where Policy H5 states that the borough, and where relevant the Mayor, should scrutinise the viability information to ascertain the maximum level of affordable housing using the methodology and assumptions set out in the London Plan and the Affordable Housing and Viability SPG.
- 1.48 The AH&V SPG seeks to clarify viability appraisals and appropriate land values. The SPG provides guidance to ensure that existing policy is as effective as possible but it does not and cannot introduce new policy. The London Plan is clear that boroughs should take account of supplementary planning guidance when negotiating affordable housing on individual private residential and mixed-use schemes. The SPG does not and cannot set a fixed affordable housing requirement.
- 1.49 It is important that the approach taken to affordable housing and scheme viability does not compromise the ability to deliver residential development on the Site.



Appendix 3 – Professional Guidance



### Professional Guidance (RICS)

### Introduction

1.1 This section summarises the extracts of the RICS Guidance Note: Financial Viability in Planning ("the RICS GN") and the RICS Professional Statement: Financial Viability in Planning – Conduct and Reporting ("the RICS PS") relevant to undertaking a viability assessment.

### The RICS Guidance Note: Financial Viability in Planning

- 1.2 The RICS GN was published in August 2012. The purpose of the guidance note is to enable all participants in the planning process to have a more objective and transparent basis for understanding and evaluating financial viability in a planning context. It provides practitioners with advice in undertaking and assessing viability appraisals for planning purposes.
- 1.3 The RICS GN defines financial viability for planning purposes; separates the key functions of development, being land delivery and viable development (in accordance, and consistent, with the NPPF); highlights the residual appraisal methodology; defines site value for both scheme specific and area-wide testing in a market rather than hypothetical context; what to include in viability assessments; terminology and suggested protocols; and the uses of financial viability assessments in planning.
- 1.4 The guidance note provides all those involved in financial viability in planning and related matters with an objective methodology framework and set of principles that can be applied for both plan making and development management.
- 1.5 The guidance note is grounded in the statutory and regulatory planning regime that currently operates in the UK. It is consistent with the Localism Act 2011, the NPPF (2019), and the CIL Regulations 2010.
- 1.6 Financial viability for planning purposes is defined as follows: -

"An objective financial viability test of the ability of a development project to meet its costs including the cost of planning obligations, whilst ensuring an appropriate site value for the landowner and a market risk adjusted return to the developer in delivering that project."

- 1.7 This FVA and accompanying analysis have been prepared fully in accordance with the provisions of the RICS GN.
- 1.8 We understand that a second edition of the RICS GN is in the course of preparation in response to recent case law and following the publication of the revised NPPF and PPG. We believe the principles set out in the 2012 RICS GN are still relevant to current viability assessments notwithstanding the revisions to the NPPF and PPG. In applying these principles, we do however take into account these revisions in undertaking our assessment.

# The RICS Professional Statement: Financial Viability in Planning – Conduct and Reporting

- 1.9 In July 2018 a revised NPPF and National Planning Practice Guidance (NPG) were issued. The NPPF was further updated in February 2019 and the NPG updated in May 2019. This followed the earlier decision in Parkhurst Road Ltd v Secretary of State for Communities and Local Government & Anor [2018] EWHC 991. The RICS Professional Statement (May 2019) has therefore been informed by the NPPF, NPG and the High Court decision, as well as practitioner experience.
- 1.10 The Professional Statement sets out mandatory requirements that inform the practitioner on what must be included within financial viability assessments and how the process must be conducted. The rationale for the practice statement reflects that planning applications involve a statutory process that is subject to public scrutiny where often viability assessments are important and need to provide public confidence in a process that is inevitably complex, but nevertheless must inform the planning decision-maker.
- 1.11 The Professional Statement was effective from 1 September 2019 and applies to all Chartered Surveyors and regulated firms of Chartered Surveyors. It applies to both area wide (policy making) and scheme specific assessments (decision making). The Practice Statement is mandatory to originators of viability assessments as well as reviewers and in area with viability assessments.

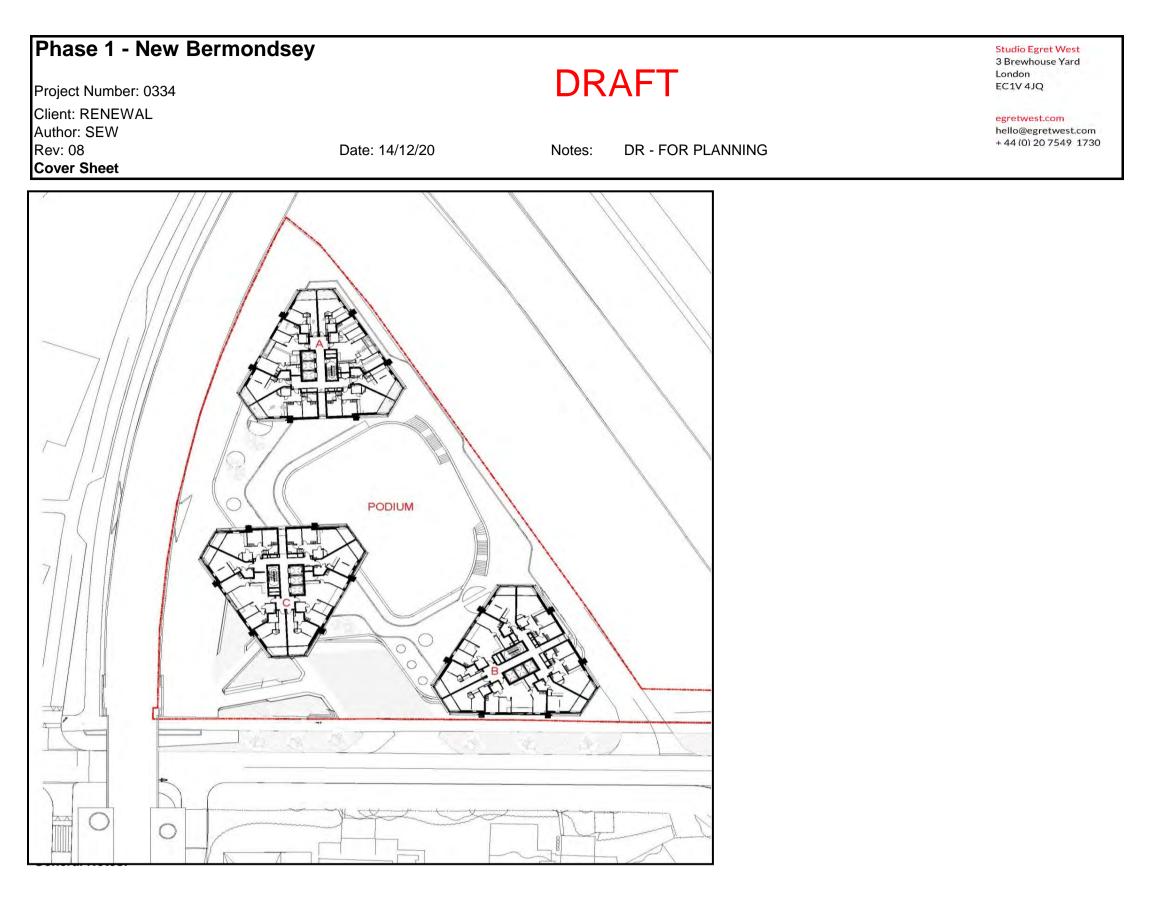
- 1.12 The purpose of the Practice Statement is to demonstrate how a reasonable, objective and impartial outcome, without interference, should be arrived at, and so support the statutory planning decision process. It also aims to support and complement the government's reforms to the planning process announced in July 2018 and subsequent updates, which include an overhaul of the NPPF and NPG on viability and related matters. The new policy and practice advice prioritise the assessment of viability at the plan-making stage and identifies existing use value as the starting point for assessing the uplift in value required to incentivise the release of land.
- 1.13 It should be noted that the practice statement was in effect approved by both the MHCLG and GLA (it was also reviewed by the Law Society, RTPI, Planning Officers Society and other sector representatives).
- 1.14 The practice statement sets out 14 mandatory requirements for all RICS practitioners when undertaking viability assessments:
  - 2.1 Objectivity, impartiality and reasonableness statement
  - 2.2 Confirmation of instructions and absence of conflicts of interest
  - 2.3 A no contingent fee statement
  - 2.4 Transparency of information
  - 2.5 Confirmation where the RICS member is acting on area-wide and scheme-specific FVAs
  - 2.6 Justification of evidence and differences of opinion
  - 2.7 Benchmark land value and supporting evidence
  - 2.8 FVA origination, reviews and negotiation
  - 2.9 Sensitivity analysis (all reports)
  - 2.10 Engagement
  - 2.11 Non-technical summaries (all reports)
  - 2.12 Author(s) sign-off (all reports
  - 2.13 Inputs to reports supplied by other contributors
  - 2.14 Timeframes for carrying out assessments



\*\*

Appendix 4 – Area Schedules





#### **General Notes**

GEA = Gross External Area.

Gross External Area is the area of a building measured externally at each floor level.

GIA = Gross Internal Area.

Gross Internal Area is the area of a building measured to the internal face of the perimeter walls at each floor level.

NIA = Net Internal Area.

Net Internal Area is the usable area within a building measured to the internal face of the perimeter walls at each floor level. Does not

include internal private amenity (winter gardens).

WG NIA = Winter Garden Net Internal Area.

Winter Garden Net Internal Area does not include external balcony areas.

- Areas are measured and calculated generally in accordance with the RICS Property Measurement (1st Edition), comprising of IPMS for Office use and RICS Code of Measuring Practice (6th Ed.) for all uses except offices.

- **o**
- Survey irregularities, design development, construction tolerances, workmanship and design by others may affect the stated areas.
- An allowance of at least +/-5% should be allowed
- All areas have been calculated in metric units, unless otherwise specified.
- Areas in imperial units (if provided) have been calculated using a factor of 10.7639
- GEA are based on 500mm thick external walls where applicable

- All these factors should be considered before making any decisions on the basis of these predictions whether as to project viability, pre-letting, lease agreements or otherwise, and should include due allowance for increases and decreases inherent in the design development and construction processes.

Project Number: 0334 Client: RENEWAL Author: SEW Rev: 08 **Area Summary** 

# DRAFT

DR - FOR PLANNING

### General Notes: Please refer to cover sheet

### Additional Notes

\* Sui Generis Ancillary Uses include studios, offices, circulation, stores, etc.
 \*\* Phase 1 Total NIA column includes WG NIA

Date: 14/12/20

RESIDENTIAL Building USE CLASS USE CLASS E USE CLASS C3 Component Sui Generis PRIVATE RENTAL SECTOR AFFORDABLE CAFÉ AUDITORIUM NIA WG NIA WG NIA GEA GEA GIA GIA GEA GIA NIA GIA NIA GEA NIA (sqm) (sqm) (sqm) (sqm) (sqm) (sqm) (sqm (sqm) (sqm) (sqm) (sqm) (sqm) (sqm) (sqm) Basement -. . ----**529.7 550.6 426.4 2912.3 2816.0 2639** Podium 1951.5 1861.2 1500.9 594.4 568.1 455.1 --Building A Building B 19229.0 18096.0 13018.0 1172.0 ------19230.0 18097.0 13017.0 1192.0 --------Subtotal 19229.0 18096.0 13018.0 1172.0 ----Totals 
 40409.5
 38053.2
 27536.9
 2344.0
 19824.4
 18665.1
 13472.1
 1192.0
 529.7
 550.6
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 2912.3
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 2639

		SE CLAS Sui Generi			ARK, PLAI STORAGE			ARK, PLA STORAGE			RK, PLAI STORAGE			RK, PLAI STORAGE		CAR PAI	RK, PLAN	T AND ST	FORAGE	PHA	SE 1 TO	ΓAL
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-	-	-	-	5135	4879	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5135	4879	0
39.3	872.3	839.6	742.8	-	-	-	58.1	51.1	0.0	1205.5	1112.5	0.0	308.9	283.8	0.0	638.1	607.2	0.0	0.0	9070.8	8690.1	5764.5
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	194.4	19229.0	18096.0	14384.4
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	193.0	19230.0	18097.0	14402.0
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	193.1	19229.0	18096.0	14383.1
39.3	872.3	839.6	742.8	5135.0	4879.0	0.0	58.1	51.1	0.0	1205.5	1112.5	0.0	308.9	283.8	0.0	638.1	607.2	0.0	580.5	71893.8	67858.1	48934.0

Studio Egret West 3 Brewhouse Yard London EC1V 4JQ

<mark>egretwest.com</mark> hello@egretwest.com + 44 (0) 20 7549 1730

Project Number: 0334 Client: RENEWAL Author: SEW Rev: 08 Date: 14/12/20 Residential Accommodation Summary

# DRAFT

Notes: DR - FOR PLANNING

General Notes: Please refer to cover sheet

Phase 1 - Residential	Accor	nmod	datior	n Sum	mary															
				PRIVA	TE REN	NTAL S	ECTOR	2							AFFOR	DABLE	Ξ			
	1B1P	1B2P	1B2P M4(3)	DRAD	2B3P M4(3)	2B4P	3B5P	3B4P M4(3)	3B6P	Total Units	1B1P	11870	1B2P M4(3)	2B3P	2B3P M4(3)	2B4P	3B5P	3B4P M4(3)	3B6P	Te U
Building A	28	61	0	0	15	62	14	5	15	200	0	0	0	0	0	0	0	0	0	
Building B	0	0	0	0	0	0	0	0	0	0	0	89	0	0	15	76	0	5	15	
Buiding C	28	61	0	0	15	62	14	5	15	200	0	0	0	0	0	0	0	0	0	
Total Units	56	122	0	0	30	124	28	10	30	400	0	89	0	0	15	76	0	5	15	
Flat type %age	14%	31%	0%	0%	8%	31%	7%	3%	8%	100%	0%	45%	0%	0%	8%	38%	0%	3%	8%	1
Total Units	56	1:	22		154			68		400	0	8	9		91			20		
Subtotal	14%	31	۱%		39%			17%		100%	0%	45	5%		46%			10%		1

Phase 1 - Habitable Ro	ooms	Sum	marv																		
Building A	28	122	0	0	45	186	56	20	60	517	0	0	0	0	0	0	0	0	0	0	517
Building B	0	0	0	0	0	0	0	0	0	0	0	178	0	0	45	228	0	20	60	531	531
Buiding C	28	122	0	0	45	186	56	20	60	517	0	0	0	0	0	0	0	0	0	0	517
Total Units	56	244	0	0	90	372	112	40	120	1,034	0	178	0	0	45	228	0	20	60	531	1,565

### Housing Tenure Split by Units

Tenure	Homes	%age
Private Rental Sector	400	66.67%
Affordable	200	33.33%
Total	600	100%

### Housing Tenure Split by Habitable Rooms

Tenure	Hab. Rms.	%age
Private Rental Sector	1,034	66.07%
Affordable	531	33.93%
Total	1,565	100%

Studio Egret West 3 Brewhouse Yard London EC1V 4JQ

egretwest.com hello@egretwest.com + 44 (0) 20 7549 1730

Total Units	Total Units
0	200
200	200
0	200
200	600
100%	
200	
100%	
	•

Project Number: 0334 Client: RENEWAL Author: SEW Rev: 08 Residential Accommodation Breakdown

# DRAFT

Date: 14/12/20

DR - FOR PLANNING

General Notes: Please refer to cover sheet

Duilding A			F	RESIDEN	<b>FIAL ARE</b>	A												UNIT BRE		N								
Building A	PRI	ATE REN	ITAL SEC	CTOR		AFFOR	DABLE					PRIV	ATE REN	ITAL SEC	TOR								AFFOR	DABLE				
LEVEL	GEA (sqm)	GIA (sqm)	NIA (sqm)	WG NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	WG NIA (sqm)	1B1P	1B2P	1B2P M4 (3)	2B3P	2B3P M4(3)	2B4P	3B5P	3B4P M4(3)	3B6P	Total	1B1P	1B2P	1B2P M4 (3)	2B3P	2B3P M4(3)	2B4P	3B5P	3B4P M4(3)	3B6P	Total
Level 04	729	686	487	50					4				1	1	2			8										
Level 05	729	686	487	50					4				1	1	2			8										
Level 06	729	686	487	53						4			1	3				8										
Level 07	729	686	487	53						4			1	3				8										
Level 08	553	532	408	-												1	3	4										
Level 09	729	686	487	50					4				1	1	2			8										
Level 10	729	686	487	50					4				1	1	2			8										
Level 11	729	686	487	53						4			1	3				8										
Level 12	729	686	487	53						4			1	3				8										
Level 13	553	532	408	-												1	3	4										
Level 14	729	686	487	50					4				1	1	2			8										
Level 15	729	686	487	50					4				1	1	2			8										
Level 16	729	686	487	53						4			1	3				8										
Level 17	729	686	487	53						4			1	3				8										
Level 18	553	532	408	-												1	3	4										
Level 19	729	686	487	53						4			1	3				8										
Level 20	729	686	487	53						4			1	3				8										
Level 21	729	686	487	53						4			1	3				8										
Level 22	724	678	487	53						4				4				8										
Level 23	553	532	408	-												1	3	4										
Level 24	724	678	487	53						4				4				8										
Level 25	724	678	487	53						4				4				8										
Level 26	724	678	487	53						4				4				8										
Level 27	724	678	487	53						4				4				8										
Level 28	553	532	408	-												1	3	4										
Level 29	724	677	487	50					4					2	2			8										
Level 30	666	613	437	46						3				4				7										
Level 31	519	466	314	34						2				3				5										
Subtotals	<b>19229</b>		13018	1172	0	0	0	0	28	61	0	0	15	62	14	5	15	200	0	0	0	0	0	0	0	0	0	0
Gastotalo	10225	10000		1112			5	~			<b>.</b>								J									
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									<mark>14%</mark>	31	%		39%			17%		100%										
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PRIVER RENUESCION         DEFINITE RENUESCION         DEFINITE RENUESCION           31P         182P         182P         182P         182P         182P         182P         182P         283P         283P <th283p< th="">           4         &lt;</th283p<>									ι	JNIT BRE		J								
IP         IP <thip< th="">         IP         IP         IP<!--</th--><th></th><th></th><th></th><th>PRIV</th><th>ATE REN</th><th>ITAL SEC</th><th>TOR</th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th>AFFOR</th><th>DABLE</th><th></th><th></th><th></th><th></th></thip<>				PRIV	ATE REN	ITAL SEC	TOR								AFFOR	DABLE				
4      1     1     2      8   <	16	IB2P		2B3P		2B4P	3B5P		3B6P	Total	1B1P	1B2P		2B3P		2B4P	3B5P		3B6P	Total
4       1       3       1       3       1       8       1       1       1       1       1       1       1       1       3       1       1       3       1       1       3       1       1       3       1       1       3       1       1       3       1       3       1       3       1       3       1       3       1       3       1       3       1       3       1       3       1       3       1       3       1       1       1       1       1       1       1       1       1       1       1       2       8       1       1       1       1       1       1       1       1       3       4       1					1	1	2													
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28         61         0         0         15         62         14         5         15         200         0																				
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		319	%		39%			17%		100%										

Duilding D			F	RESIDENT		A				
Building B	PRI	ATE REN	ITAL SEC	TOR		AFFOR	DABLE			
LEVEL	GEA	GIA	NIA	WG NIA	GEA	GIA	NIA	WG NIA	1B1P	1B2P
LEVEL	(sqm)	(sqm)	(sqm)	(sqm)	(sqm)	(sqm)	(sqm)	(sqm)	ШР	ID2P
Level 04					729	686	487	53		
Level 05					729	686	487	53		
Level 06					729	686	487	53		
Level 07					729	686	487	53		
Level 08					553	532	408	-		
Level 09					729	686	487	53		
Level 10					729	686	487	53		
Level 11					729	686	487	53		
Level 12					729	686	487	53		
Level 13					553	532	408	-		
Level 14					724	678	487	53		
Level 15					724	678	487	53		
Level 16					724	678	487	53		
Level 17					724	678	487	53		
Level 18					553	532	408	-		
Level 19					724	678	487	53		
Level 20					729	686	487	53		
Level 21					729	686	487	53		
Level 22					729	686	487	53		
Level 23					553	532	408	-		
Level 24					729	686	487	53		
Level 25					729	686	487	53		
Level 26					729	686	487	53		
Level 27					729	686	487	53		
Level 28					553	532	408	-		
Level 29					724	678	487	53		
Level 30					666	613	436	46		
Level 31					520	466	314	33		
Subtotals	0	0	0	0	19230	18097	13017	1192	0	0

31	/0		39 /0			17/0		100%										
								UNIT BRE	AKDOWN	1								
		PRI\	VATE REN	NTAL SEC	TOR								AFFOR	DABLE				
B2P	1B2P M4 (3)	2B3P	2B3P M4(3)	2B4P	3B5P	3B4P M4(3)	3B6P	Total	1B1P	1B2P	1B2P M4 (3)	2B3P	2B3P M4(3)	2B4P	3B5P	3B4P M4(3)	3B6P	Total
										4			1	3				8
										4			1	3				8
										4			1	3				8
										4			1	3				8
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										4				4				8
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									0%	45	%	46%				10%		100%

Puilding C			F	RESIDEN <sup>-</sup>	TIAL ARE	A											ι	JNIT BRE		١								
Building C	PRI	ATE REM	NTAL SEC	TOR		AFFOR	DABLE					PRI	ATE REN	ITAL SEC	TOR								AFFOR	DABLE				
LEVEL	GEA (sqm)	GIA (sqm)	NIA (sqm)	WG NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	WG NIA (sqm)	1B1P	1B2P	1B2P M4 (3)	2B3P	2B3P M4(3)	2B4P	3B5P	3B4P M4(3)	3B6P	Total	1B1P	1B2P	1B2P M4 (3)	2B3P	2B3P M4(3)	2B4P	3B5P	3B4P M4(3)	3B6P	Total
Level 04	729	686	487	50					4				1	1	2			8										
Level 05	729	686	487	50					4				1	1	2			8										
Level 06	729	686	487	53						4			1	3				8										
Level 07	729	686	487	53						4			1	3				8										
Level 08	553	532	408	-												1	3	4										
Level 09	729	686	487	50					4				1	1	2			8										
Level 10	729	686	487	50					4				1	1	2			8										
Level 11	729	686	487	53						4			1	3				8										
Level 12	729	686	487	53						4			1	3				8										
Level 13	553	532	408	-												1	3	4										
Level 14	729	686	487	50					4				1	1	2			8										
Level 15	729	686	487	50					4				1	1	2			8										
Level 16	729	686	487	53						4			1	3				8										
Level 17	729	686	487	53						4			1	3				8										
Level 18	553	532	408	-												1	3	4										
Level 19	729	686	487	53						4			1	3				8										
Level 20	729	686	487	53						4			1	3				8										
Level 21	729	686	487	53						4			1	3				8										
Level 22	724	678	487	53						4				4				8										
Level 23	553	532	408	-												1	3	4										
Level 24	724	678	487	53						4				4				8										
Level 25	724	678	487	53						4				4				8										
Level 26	724	678	487	53						4				4				8										
Level 27	724	678	487	53						4				4				8										
Level 28	553	532	408	-												1	3	4										
Level 29	724	677	487	50					4					2	2			8										
Level 30	666	613	437	46						3				4				7										
Level 31	519	466	314	34						2				3				5										
Subtotals	19229	18096			0	0	0	0	28	61	0	0	15	62	14	5	15	200	0	0	0	0	0	0	0	0	0	
									14%	31%	0%	0%	8%	31%	7%	3%	8%	100%										
									14%         31%         39%         17%         100%																			

			I	RESIDENT		Α				
	PRI	ATE REM	ITAL SEC	TOR		AFFOR	DABLE			
Buildings A, B and C	GEA (sqm)	GIA (sqm)	NIA (sqm)	WG NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	WG NIA (sqm)	1B1P	1B2
Totals	38458	36192	26036	2344	19230	18097	13017	1192	56	122
									1/10/	310

								l	JNIT BRE	AKDOWN	1								
			PRIV	ATE REN	ITAL SEC	TOR				AFFORDABLE									
1B1P	1B2P	1B2P M4 (3)	2B3P	2B3P M4(3)	2B4P	3B5P	3B4P M4(3)	3B6P	Total	1B1P	1B2P	1B2P M4 (3)	2B3P	2B3P M4(3)	2B4P	3B5P	3B4P M4(3)	3B6P	Total
56	122	0	0	30	124	28	10	30	400	0	89	0	0	15	76	0	5	15	200
14%	31%	0%	0%	8%	31%	7%	3%	8%	100%	0%	45%	0%	0%	8%	38%	0%	3%	8%	100%
14%	31	1%		39%			17%		100%	0%	45	5%		46%			10%		100%

Project Number: 0334 Client: RENEWAL Author: SEW Rev: 08 **Podium and Basement Area Breakdown** 

# DRAFT

Date: 14/12/20 DR - FOR PLANNING

### General Notes: Please refer to cover sheet

### Additional Notes

\* Podium residential areas account for lobbies, concierge, etc.

Podium & Basement		R	RESIDENT	ΓIAL ARE	A*		US	SE CLASS	S E		SE CLAS ui Generi			SE CLAS Sui Generi			RK, PLA STORAGE			ARK, PLAI STORAGE		CAR PA	RK, PLAN STORAGE			ARK, PLA STORAGI			ARK, PLA STORAGE			TOTAL	
		ATE REN		AF	FFORDAB	ILE		CAFÉ		Al	JDITORIU	Μ	ANC	ILLARY U	ISES	E	ASEMEN	т	PLANT F	OR RESI	DENTIAL	PLANT F	OR PODI BOH	UM AND	SH	ARED PL/	ANT		ENVAC				
LEVEL	GEA (sqm)	GIA (sqm)	NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)
Basement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5135.0	4879.0	-													5135.0	4879.0	0.0
Level 00	773.4	726.4	527.1	210.2	200.3	144.9	441.0	473.7	359.1	1693.2	1648.3	1505.4	14.4	14.4	11.5	-	-	-	58.1	51.1	-	22.4	19.4	-	111.9	100.0	-	214.0	200.2	-	3538.6	3433.8	2548.0
Level 01	209.9	199.2	154.4	54.4	54.4	38.8	88.7	76.9	67.3	374.1	368.2	334.4	701.8	680.7	609.9	-	-	-	-	-	-	50.8	44.8	-	197.0	183.8	-	210.8	203.5	-	1887.5	1811.5	1204.8
Level 02	212.2	195.0	150.7	54.4	54.4	38.8	-	-	-	845.0	799.5	799.5	156.1	144.5	121.4	-	-	-	-	-	-	1132.3	1048.3	-	-	-	-	213.3	203.5	-	2613.3	2445.2	1110.4
Level 03	756.0	740.6	668.7	275.4	259.0	232.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1031.4	999.6	901.3
Subtotal	1951.5	1861.2	1500.9	594.4	568.1	455.1	529.7	550.6	426.4	2912.3	2816.0	2639.3	872.3	839.6	742.8	5135.0	4879.0	0.0	58.1	51.1	0.0	1205.5	1112.5	0.0	308.9	283.8	0.0	638.1	607.2	0.0	14205.8	13569.1	5764.5

<mark>Studio Egret West</mark> 3 Brewhouse Yard London EC1V 4JQ

<mark>egretwest.com</mark> hello@egretwest.com + 44 (0) 20 7549 1730

#### Project Name: New Bermondsev

Project Number: 0340

Document Title: Illustrative Masterplan Area Schedule (Exc. Phase 1)

Date: 23.11.20

Revision	Issued By	Checked By	Reason for Issue	Date
00	SEW	SEW	Scheme Freeze 1	29.10.19
			Avg Unit Area increased to	
01	SEW	SEW	accommodate M4(3)	
02	SEW	SEW	Updated Massing	29.11.19
			Phasing updated. Massing	
03	SEW	SEW	Updated.	06.12.19
04	SEW	SEW	Scheme Freeze 2	20.12.19
05	SEW	SEW	Non-Residential GIA added	22.01.20
06	SEW	SEW	Flat Mix included	27.01.20
07	SEW	SEW	SEW notes revised	12.02.20
			Affordable percentage updated to	
08	SEW	SEW	35% by hab rooms;	04.08.20
09	SEW	SEW	Use Class Updated	13.10.20
10	SEW	SEW	Building ref. updated	16.10.20
			Residential unit totals amended to	
11	SEW	SEW	rounded numbers	23.11.20

All schedules to be read in conjunction with SEW 'General Notes' below

#### KEYPLAN



#### General Notes:

- This schedule corresponds to the *illustrative scheme* of the masterplan. The figures are indicative only and reflect a different area to the maximum extents parameter scheme. All figures provided are subject to change as per design development and coordination.
  Areas are measured and calculated generally in accordance with the RICS Code of Measuring Practice (6th Ed).
  Survey irregularities, design development, construction tolerances, workmanship and design by others may affect the stated areas.
  An allowance of at least +/-5% should be allowed.
  All areas have been calculated in metric units, unless otherwise specified.
  Parking/Plant and other BOH areas will be developed further at later design stages.
  Detailed basement design will be developed further at later design stages.
  At this stage, allowance for wheelchair accommodation has notbeen considered. This will be developed at a later stage.
  Phase 2 areas exclude the retained building Rollins House.
  Phase 2 areas include the retained building Guild House.
  Leisure and sport use at Phase 3 include c.2000sqm GEA in the basement for the swimming pool.
  Ancillary residential spaces have been accounted within the residential GEA. Ancillary residential spaces include lobbies, core, amenity, secure cycle parking at ground level etc. This is subject to change as per detailed design development.

- ground level etc. This is subject to changes as per detailed design development. All the factors listed above should be considered before making any decisions on the basis of these predictions whether as to project viability, pre-letting, lease agreements or otherwise, and should include due allowance for increases and decreases inherent in the design development and construction processes.

- GEA = Gross External Area GIA = Gross Internal Area (Derived by formula and approximate only) NIA = Net Internal Area (Derived by formula and approximate only) NIA = Net Internal Area (Derived by formula and approximate only) Residential GIA is NIA are approximate and calculated based on a percentage reduction of residential GEA. Residential GIA is calculated as 90% of GEA. Approximate NIA is calculated as 77.5% of GIA. For residential, this excludes residential ancillary space areas.

- Minimum residential unit areas are based on the Technical Housing Design Guide (updated May 2016).



## 0340 New Bermondsey Residential Brief - Tenure and mix assumptions Date: 23.11.20

Note: This is a summary of the residential brief. Refer to Accommodation Schedule for exact numbers and breakdown of the Illustrative Scheme.

	MIN. AREAS	
Unit	Min. Area	
Studio		44.5
1B2P		55.8
2B4P		78.2
3B5P		95.5

<b>RESIDENTIAL BRIEF</b>								
Tenure Mix	%age by Unit							
Туре	%	Sub-Type	% within Type					
Affordable	35.3%	Intermediate	40%					
		Social Rented	60%					
Private	64.7%	Market	50%					
		PRS	50%					

		Social Rented	60%
nte	64.7%	Market	50%
		PRS	50%
rdable L	Jnit Mix		
•	Unit Type	%	Area

Туре	Unit Type	%	Area
Intermediate	1B2P	50%	27.9
	2B4P	50%	39.1
	3B5P	0%	0.0
	Area	100%	67.0
Social Rented	1B	0%	0.0
	2B	58%	45.4
	3B	42%	40.1
	Area	100%	85.5

Private Unit M	1ix			
Туре	Unit	%	Area	
Market	Studio	10%	4.5	
	1B2P	20%	11.2	
	2B4P	55%	43.0	
	3B5P	15%	14.3	
	Avg	100%	72.9	
PRS	Studio	19%	8.5	
	1B2P	41%	22.9	
	2B4P	40%	31.3	
	3B5P	0%	0.0	
	Avg	100%	62.6	

#### AVERAGE UNIT AREA

78.08
67.78
71 42

## Min.areas are as per the Technical Housing Design Guide- Nationally described space standards.

The private amenity area is 5 Sq.m for
1-2 person dwellings with an
additional 1 Sq.m for each additional
occupant, as per Draft London Plan
2019.

The amenity internal walls area is between 0.5 Sq.m to 1.5 Sqm, depending on the size of the unit.

Studio:	39+5+0.5 = 44.5
1B2P:	50+5+0.8 = 55.8
2B4P:	70+7+1.2 = 78.2
3B5P:	86+8+1.5 = 95.5

- Refer to cover page for general notes

## 0340 New Bermondsey Illustrative Masterplan Accommodation Schedule Date: 23.11.20

				C3					Class E			Total Non-Res. Basement			Total across Development						
		Total	Ancillary		Residen	tial			Retail	Emp	loyment	Com	munity	Leisure	/ Sport	Т	otal	Total P	ion-kes.	Basement	(incl. basement)
Phase	Building Reference	GEA (sqm)	GEA (sqm)	GEA (sqm)	GIA (sqm)	NIA (sqm)	Units (No.)	GEA (sqm			GIA (sqm)	GEA (sqm)	GIA (sqm)	GEA (sqm)	GIA (sqm)	GEA (sqm)	GIA (sqm)	GEA (sqm)	GIA (sqm)	GEA (sqm)	GEA (sqm)
Phase 1 (Detailed Application)	P1-A P1-B P1-C P1-P								R	efer to Phas To be is:	e 1 detailed sued separa										
	P2-P P2-A	2,661 29,576	2,661	29.576	26.619	20.629	289	6	54 5	588 2,41	7 2,175					3,070	2,763	3,070	5,527		
Phase 2	P2-B	12,529		12,529	11,276	8,739	122												-		
	P2-C P2-D	10,959 4,512		10,959 4,512	9,864 4,060	7,644 3,147	107 44		-									-	-		
TOTAL	P2-GH(Guild House)	60.237	2.661	57,576	51.819	40.159	- 562	6		5,82						5,827 8.897	5,244 8.007	5,827 8,897	10,488	8,456	77,590
IOTAL		00,237	2,001	576,576	51,017	40,137	502	0		0,24	4 7,417	1		1	1	0,077	8,007	0,077	8,007	8,430	77,590
	P3-A	18.727	1	18,727	16.854	13.062	183		1	1		1	1	1	r	r	r	-	-		
Phase 3	P3-B	18,040		18,040	16,236 12,326	12,583 9,553	176 134											-	-		
	P3-C P3-P	4,188	4,188					3		159		3,771			11,595	17,054	15,349	17,054	15,349		
TOTAL		54,651	4,188	50,463	45,417	35,198	493	3	99 3	359		3,771	3,394	12,884	11,595	17,054	15,349	17,054	15,349	13,108	84,813
	P4-A P4-B	20,352 17,131		20,352	18,316 15,418	14,195 11,949	199 167	-										-	-		
	P4-C	17,172		17,172	15,455	11,978	168												-		
Phase 4	P4-D P4-P1	21,057 5.169	5.169	21,057	18,951	14,687	206	3.1		314	_					3.127	2.814	3.127	2.814		
	P4-P2	4,667			-			3,2		912						3,236	2,912	3,236			
	P4-E	10,594		10,594	9,535	7,389	103											- 952	-		
TOTAL	P4-P3	889 97.032	889	86.306	77,675	60.198	843	6.3	63 5	727		952				952 7.315	857 6.583	7.315		16.398	120,744
																.,,				10,070	120,744
	P5-A	19.041	1.026	18.015	16.214	12.566	176				1	1	1						-		
	P5-B	22,306	1,139	21,167	19,050	14,764	207											-	-		
Phase 5	P5-C P5-D	24,265	1,351 622	22,915	20,623 13.034	15,983 10,102	224 141											-	-		
	P5-E	28,443	1,026	27,417	24,676	19,124	268												-		
TOTAL	P5-P	6,692	3,346	3,346	3,011 96.609	72.538	1.016		_	6,66						6,660 6,660	5,994	6,660	5,994 5,994	12,796	135.308
TOTAL		115,852	6,509	107,343	90,009	72,538	1,010		_	0,00	5,994					0,000	5,994	0,000	3,994	12,796	135,308
Total across outline m	asterplan	327,772	26,083	301,688	271,520	208,094	2,914	7,4	15 6,0	574 14,90	3 13,413	4,723	4,251	12,884	11,595	39,926	35,933	39,926	35,933	50,758	418,456

- Refer to cover page for general notes

#### 0340 New Bermondsey

Outline Masterplan Accommodation Schedule Date: 23.11.20

Phase		Studio	1B	2B	3B Tot	al I Inite
Thuse		otadio	15	20	00 100	
Phase 1						
			Refer to separa	ite schedule		
Phase 2						
	Private	53	111	173	27	36
	Affordable	0	40	109	50	19
	Subtotal	53	151	282	77	56
Phase 3	Private	46	97	152	24	31
	Affordable	-	35	96	44	17
	Subtotal	46	132	248	68	49
Phase 4						
	Private	79	167	259	41	5
			107			
	Affordable	0	60	164	75	2
	Affordable Subtotal		-	164 <b>423</b>	75 116	
Phase 5		0	60			2 84
Phase 5		0	60			
Phase 5	Subtotal	0 79	60 227	423	116	84

#### MASTERPLAN TOTAL (exc. Phase 1)

Private	273	576	896	141	1886
Affordable	0	207	566	259	1032
Total homes	273	783	1462	400	2918
%age by Flat Type	9.36%	26.83%	50.10%	13.71%	100.00%

#### Summary

Private / Affordable Split by Unit

		Masterplan
Private	Affordable	(Excluding Phase 1)
1,886	1032	2,918
64.6%	35.4%	100.0%

Private / Affordable Split by Habitable Rooms

		Masterplan
Private	Affordable	(Excluding Phase 1)
4,677	3148	7,825
59.8%	40.2%	100.0%

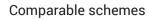
- Refer to cover page for general notes



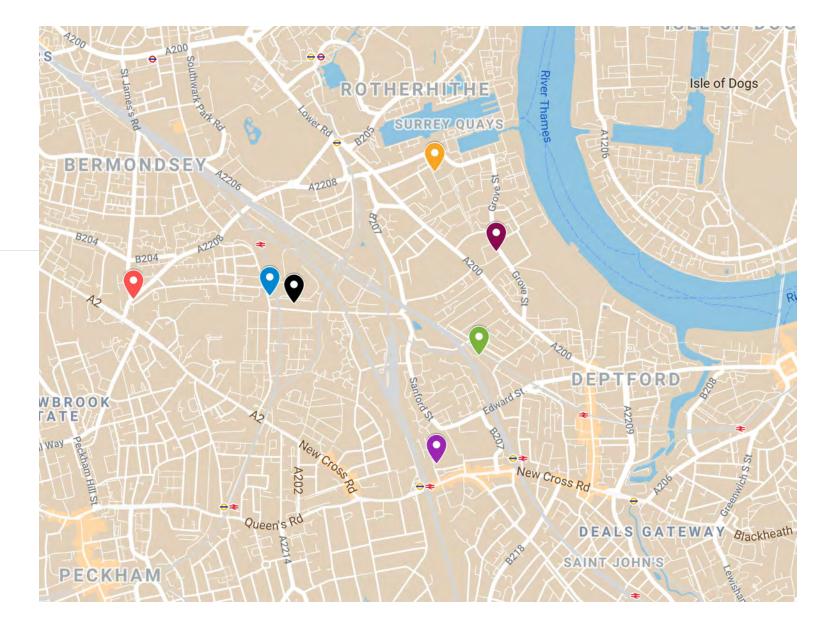
Appendix 5 – GDV Comparable Evidence



# New Bermondsey - Residential sale comparables



- Deptford Landings
   Proposed development
   Deptford Foundry
   Bond House
   Hydro
   Atar House
   Bermondsey Works
- Page 382



### Sales Values Comparable Research

### **Review of the Applicants Methodology**

- 1.1 GE has reviewed the comparable evidence provided in the Applicant's report.
- 1.2 The Scheme proposes residential land use. The Applicant has adopted a base value of £762 per sq. ft which has been proposed having regard to achieved and asking prices for comparable new build schemes in the vicinity of the Site.
- 1.3 As part of the due diligence process, we have reviewed the comparable evidence set out in the Applicant's FVA report to ensure the values adopted provide an accurate estimation as to what we would expect the Scheme to achieve. They have proposed sales value per unit type based on an average of £762 per sq. ft. These equate to the following capital values:

Unit type	Average Area (ft2)	Average Price psf	Average Capital Value
Studio	457	£787	£360,000
Studio	466	£783	£365,000
Studio	474	£777	£367,500
1 Bed (2P)	544	£814	£442,500
1 Bed (2P)	560	£804	£450,000
1 Bed (2P)	564	£798	£450,000
2 Bed (3P) WC	761	£749	£570,000
2 Bed (4P)	753	£810	£610,000
2 Bed (4P)	757	£806	£610,000
2 Bed (4P)	760	£802	£610,000
3 Bed (4P) WC	1090	£596	£650,000
3 Bed (5P)	931	£709	£660.000
3 Bed (5P)	941	£702	£660,000
3 Bed (6P)	1089	£666	£725,000
3 Bed (6P)	1100	£659	£725,000
3 Bed (6P)	1112	£652	£725,000

### Table 1: Summary of Capital Values per Unit Size

1.4

- 1.5 Source: Renewal Group Ltd FVA
- 1.6 The proposed sales values have been determined by the Applicant through the use of comparable evidence, which is set out within the Applicants FVA report. We have commented on the suitability of each comparable relied upon by the Applicant below.

### Deptford Landings, Deptford, London, SE8 3QS

- 1.7 Deptford Landings is a Lendlease development to the east of the subject Site, approximately 0.75 miles east. It is located between Lower Pepys Park and Deptford Park on a 4.5 ha site (11.6 acres) with the roads surrounding the site including Oxestalls Road, Grove Street, Dragoon Road and Evelyn Street. It is somewhat similar in terms of location however it is significantly closer to the River Thames which would have some impact on sales values, especially on the units with riverside views. The location is however further from a train station, the closest currently being Surrey Quays approximately 0.7 miles northwest, whereas the proposed development has South Bermondsey Station adjacent and the new London Overground East London Line Extension Station is due to be built at the south eastern corner of the site.
- 1.8 The development will consist of different phases totalling 1,132 new homes along with other mixed uses across the site. The comparable evidence presented only represents Plot 2 (part of the first phase) which consists of 203 units of which 143 are private. Once the first phase is complete it will consist of 580 units (461 private) in a range of one-, two-, three- & four-bedroom apartments and four-bedroom townhouses.
- 1.9 The scheme situation in March 2021 is as follows according to Molior:
  - Cedarwood Square (Plot 2) containing the first 143 private units is sold out and compete.
  - Plots 1 and 3 have 318 more private units permitted in detail under the original parent consent but have yet to start. Design amendments are expected.
  - Phases 2 (Plot 4) and 3A (Plot 6), which have 440 units in total, including 406 private, and each have their own reserved matters consents.
  - Proposals for Plot 5 are currently out for consultation and include 400 units in three buildings, plus a 22 storey/380 room student block.
- 1.10 The scheme offers flexible studio space, a range of shops and cafés and an incubator hub that will give smaller, independent businesses the chance to prosper and grow.
- 1.11 Construction commenced in 2017 and completed in Q1 2020 for Plot 2, the rest of the development is yet to start construction. The scheme launched in February 2016 and the 143 private units are now fully sold out. Some of the transactions are considered too historic to be relied upon for the purpose of this review and therefore we have only included those that took place post Q1 2018 according to LandInsight.

- 1.12 Even though this scheme is still in the early stages of development with only one plot developed out of six, it provides a strong comparable to the subject scheme. The quantum of the scheme may have been accounted for in the residential sales value of the first phase, with the same sense of place making hoped to be achieved in future phases. The height of the buildings vary, with the first plot rising to a maximum of 11 storeys and as a result, some height premium will have been accounted for.
- 1.13 In terms of unit sizes, evidence from the brochure highlights that the proposed development has smaller sized units with one-bedroom units on average circa 35 sq. ft smaller, twobedroom apartments on average circa 50 sq. ft smaller and three-bedroom apartments on average circa 20 sq. ft smaller.
- 1.14 Shown below are the average sales price per sq. ft for the private residential units in the development, based off 93 unit transactions:

Average Sales Price per sq. ft						
1	2	3	Blended			
£736	£694	£605	£696			

### Table 2: Deptford Landings Average Achieved Prices

1.16 It is important to note that these figures include some evidence from 2018 and therefore we would expect the subject development to achieve a slightly higher figure. The base figure shown in the Applicant's FVA of £762 per sq. ft is therefore reasonable in our opinion, however we should note that this is towards the top end of what this comparable would suggest for the subject development.

### Deptford Foundry (Anthology), Deptford, London, SE14 6BH

1.17 Deptford Foundry is a recent development by Anthology on an old metal foundry site. It comprises 276 private units across eight buildings and one 22-storey tower. These units are made up of a range of one-, two- and three-bedroom apartments. The development also includes 2,794 sq. m of commercial space which Second Floor Studios & Arts rent out affordable studios to emerging artists.

- 1.18 Locationally, this development is slightly closer to Deptford and the River Thames. It is located 0.75 miles to the southeast of the subject development between the convergence of the Overground and southeastern railway lines running through New Cross Station and the Thameslink and southeastern railway lines running through Deptford Station. This is an inferior location to the subject development for transport links with both New Cross Station and Deptford Station circa 0.4 miles away.
- 1.19 The development was built out in broadly one phase according to Molior with construction started in Q1 2017 and completed in Q1 2020. By Q3 2020, 215 units had sold which is believed to be assisted by Help to Buy and the stamp duty holiday. At the end of Q1 2021, only 38 units remain unsold. An off-plan sales rate of 70% was achieved by the development according to Molior.
- 1.20 The unit size is again comparatively slightly larger than those in the proposed development with the remaining one-bedroom apartments at 545 sq. ft, the two-bedroom apartments ranging from 728 sq. ft to 863 sq. ft and the three-bed apartments ranging from 1,022 to 1,145 sq. ft.
- 1.21 Shown below are the average sales price per sq. ft for the private residential units in the development, based off 100 unit transactions:

	Average Sales Price per sq. ft						
	1	2	3	Blended			
Ī	£715	£679	£632	£688			

1.22 The overall scheme is significantly smaller than the subject proposed development however it still represents a good comparable. The scheme is similarly mixed-use and creates a sense of place and therefore this premium will be reflected in the value above, albeit on a smaller scale. Height premium will have been factored into the cobalt tower units which range up to 22-storeys. We would expect this comparable to achieve lower values to those expected in the proposed development.

### Bond House, Goodwood Road, London, SE14 6FE

- 1.23 Bond House is a Crest Nicholson mixed-use development near to New Cross Gate Station. The scheme includes 77 residential apartments, a double height gallery space and artist studios all situated around a landscaped garden. The scheme is split into the Arthouse which rises up to eight-storeys in the tower and the Haberdashery which rises up to five-storeys, all part of the same block.
- 1.24 The location is similar in terms of proximity to transport links and distance from the river. Bond House is 0.85 miles south of the proposed development, situated almost adjacent to New Cross Gate station (Overground and Southern) and 0.3 miles from New Cross Station (Overground and southeastern). These are both currently established stations which is relevant when comparing to the proposed development where currently South Bermondsey (Southern) is the only station close to the site. The Bond House units do not benefit from views of the River Thames whereas the proposed development should at the higher levels.
- 1.25 According to Molior, the scheme commenced construction in Q3 2017 and completed in Q3 2019. It was launched in September 2018 with a pricelist of one-bedroom at £469,950, two-bedrooms at £524,995 and three-bedrooms at £714,950 giving an average of £690 per sq. ft. By the time the scheme completed it had sold 33 units and by the end of Q3 2020 the scheme had fully sold out. It appears that a significant number of sales were through Help to Buy.
- 1.26 The unit sizes are slightly bigger than the proposed development with one-bedroom units an average of circa 75 sq. ft larger, two-bedroom units circa 30 sq. ft larger and three-bedroom units circa 120 sq. ft larger. The larger unit sizes may appeal to a wider audience as the capital value of the units are still fairly typical of what we would expect in this area.
- 1.27 Shown below are the average sales price per sq. ft for the private residential units in the development, based off 69 unit transactions:

Average Sales Price per sq. ft						
1	2	3	Blended			
£678	£668	£521	£663			

### Table 4: Bond House Average Achieved Prices

- 1.28 The scheme is again significantly smaller than the proposed development however it includes the mixed-use element and aimed to promote a creative community through the provision of studios and gallery space. There was a small drop from the average initial asking price of £690 per sq. ft to the £663 per sq. ft achieved across the 69 units. The small size of the drop in price highlights that there was good demand for the scheme, selling out after 12 months of completion.
- 1.29 We note that although the location is similar in terms of proximity to transport links and the River Thames it is a different residential market being significantly closer to Deptford.

### Hydro, Surrey Quays, London, SE8 5DT

- 1.30 Hydro is a Fairview New Homes scheme with 72 residential units and circa 4,000 sq. ft of commercial space. The development rises 8-storeys but does not really benefit from views of Surrey Quays or the River Thames.
- 1.31 The scheme is located very close to Surrey Quays, just 0.15 miles south on Yeoman Street. This is just under 0.4 miles from Surrey Quays Station which is the closest railway station to the site. There is however the alternative method of the Thames Clipper from Greenland Surrey Quays Pier 0.35 miles east of Hydro.
- 1.32 The scheme originally launched in Q1 2019 according to Molior with prices averaging £750 per sq. ft. Construction started in Q4 2017 and completed in Q4 2019, at which point the scheme sold out as well highlighting the strong demand for new build residential units in this area.
- 1.33 The unit sizes are broadly similar with one-bedroom units at 551 sq. ft, two-bedroom units at 779 sq. ft and three-bedroom units at 934 sq. ft. The three-bedroom units are however over 100 sq. ft smaller on average than the proposed development which is relevant when comparing on a per sq. ft basis. We would expect this scheme to therefore produce a slightly higher rate than the proposed development when assessing unit size alone.
- 1.34 Shown below are the average sales price per sq. ft for the private residential units in the development, based off 60 unit transactions:

#### Table 5: Hydro Average Achieved Prices

Average Sales Price per sq. ft					
1	2	3	Blended		
£820	£709	£597	£731		

1.35 The scheme is located in a different market to the proposed development and we therefore have given this comparable less weighting when coming to our conclusions. The Surrey Quay market is closer to the river and the scheme will benefit from the premium of this area. The scheme however does again highlight the strong demand for new residential units in the area with it selling out upon completion with only a small price drop from the initial £750 per sq. ft asking price.

### Peckham Place, Peckham, London, SE15 2EP

1.36 We have chosen not to have rely on comparable evidence from this Notting Hill Genesis scheme which the Applicant's FVA Report refers to, as we feel its location within Peckham means it is not directly comparable to the location of the proposed development.

### The Pomeroy, New Cross, London, SE14 5BL

1.37 We have again chosen not to have reference to this Peabody scheme which the Applicant's FVA Report refers to as we feel as we feel its location within Peckham/New Cross means it is not directly comparable to the location of the proposed development

### 1.38 Additional Comparable Research

1.39 We have conducted additional research into market comparables and have found two further comparable developments we would like to have reference to in our assessment.

### Atar House, 179 Ilderton Road, London, SE16 3LA

1.40 This development consists of 10 residential flats and a circa 1,000 sq. ft office unit in a single lower ground and five-storey building. The residential flats are comprised of one- and two-

bedroom apartments. This is located adjacent to the proposed development on the corner of Ilderton Road and Stockholm Road (which runs into the proposed development).

- 1.41 This scheme was not included in the Applicant's report and it is considerably smaller than the proposed development however locationally it is the best comparable and therefore we have included it in our assessment of sales value.
- 1.42 It appears that the initial development completed in 2017 and launched in April 2017, however an extra storey has been added since. Seven units have sold since June 2018 with four units selling in April 2019 according to LandInsight.
- 1.43 The unit sizes are broadly similar to the proposed development with one-bedroom apartments averaging 538 sq. ft and two-bedroom apartments averaging 770 sq. ft.
- 1.44 Shown below are the average sales price per sq. ft for the private residential units in the development, based off 7 unit transactions:

Average Sales Price per sq. ft					
Bedr					
1	2	Blended			
£643	£518	£616			

### Table 6: Atar House Average Achieved Prices

1.45 The size of this scheme limits it's comparability with the proposed development however it does provide evidence of sales values in the location. We note that no premium will have been added to these figures for place making or height. The location is adjacent to the proposed development however it is at the furthest point from a station (once the London Overground East London Line Extension Station is built) and therefore this will make a marginal difference in value.

### Bermondsey Works, Rotherhithe New Road, London, SE16 3FP

1.46 The Bermondsey Works development comprises 148 residential units and includes a number of amenities such as an in-house private gym, 130m roof garden and 24 hour concierge. The units include two- and three-bedroom dwellings along with penthouses and duplexes. The tallest building in the development reaches 18-storeys.

- 1.47 The scheme is located just off Old Kent Road (A2) and is 0.5 miles west of the proposed development. The closest railway station to the site is South Bermondsey Station which is again 0.5 miles to the east. This is therefore inferior to the proposed development in this regard however the proximity of the A2 does provide superior road transport connections.
- 1.48 According to Molior, the development started construction and launched in Q2 2015. This finished in Q3 2017 and by the end of Q1 2018 the scheme had sold out. Again this highlights the strong demand for new build residential units in the area. We note that only the comparables sold in 2018 are included in the assessment however they are still old comparables and we have factored this in when comparing the schemes.
- 1.49 Shown below are the average sales price per sq. ft for the private residential units in the development, based off 17 unit transactions:

Average Sales Price per sq. ft							
Bedr							
2	3	Blended					
£720	£574	£580					

1.50 Bermondsey Works is again a smaller scheme than the proposed development. There will however be some height premium accounted for in the values above. The units are on average larger than the proposed development as there are no one-bedroom units and so we would already expect the average sales price per sq. ft to be lower. This is combined with the evidence being from 2018 and so we would expect values to have risen. Although the blended average is significantly lower than the proposed development's blended average, we believe this is justified.

### Comparable map

### New Bermondsey - Residential sale comparables

Comparable schemes

- Deptford Landings
- Proposed development
- Deptford Foundry
- Bond House
- Hydro
- Atar House
- Bermondsey Works



### Summary

- 1.51 As discussed, we have placed more weighting on recent sales values as opposed to historic or asking prices and consider the recent transactions at Deptford Landings to be the most useful comparable given the size, location and similar specification of the development.
- 1.52 We do however recognise that this is only the first phase of the Deptford Landings development and this will be important to monitor going forward. The first plot has fully sold out and the majority of the other comparable schemes have also emphasised the strong demand for new build residential units within the market.
- 1.53 The Applicant's sales value schedule shows that they have had reference to sold prices, asking prices and scheme characteristics when comparing the values. This is used to determine their base sales value of the proposed development. Beyond this, the Applicant then applied premiums for both height of unit and phasing which GE agree is a sensible approach when assessing comparables for which the majority do not reflect these premiums.
- 1.54 The Applicant's base sales value of £762 per sq. ft is higher than the comparable evidence assessed however we agree that the proposed development is unique in terms of size, location

and height therefore we believe this sales rate appears reasonable. We note that this is still an optimistic view of what the proposed development could achieve.

### Retail Rental Transactions Comparable Evidence

	Sign Date	Address	Floor	Total SF Leased	Rent PA	Rent psf	Rent Type	Expiry Date	Rent Free
		Borthwick St,							
Page 394	21/12/2020	Greenwich	GRND	2,000	21,600.00	10.80	Achieved	21/12/2021	
	06/12/2020	1 Varcoe Rd, South Bermondsey	GRND	2,850	50,000.00	17.54	Achieved	06/12/2040	
	22/07/2020	234 Trafalgar Rd, East Greenwich	GRND	1,955	36,884.08	18.87	Effective	21/07/2030	2

	Sign Date	Address	Floor	Total SF Leased	Rent PA	Rent psf	Rent	Expiry Date	Rent Free	
	Sign Date		FIOUT	Leased	Kent PA	ρςι	Туре	Expiry Date	rree	
Page 395	19/06/2020	243-247 Greenwich High Rd, Greenwich	GRND,1	8,557	79,999.01	9.35	Effective	08/11/2027	0	)
	05/12/2019	196 Southwark Park Rd, Southwark	BSMT,GRND	778	18,040.91	23.19	Effective	04/12/2034	3	;
	09/05/2019	Yeoman St, Surrey Quays	GRND	4,748	72,065.12	15.18	Effective	07/06/2034	6	;

Sign Date	Address	Floor	Total SF Leased		Rent PA	Rent psf	Rent Type	Expiry Date	Rent Free
01/11/2018	5-21 Blackwall Ln, East Greenwich 194-204 Bermondsey St,	GRND			85,770.40			31/10/2033	12
19/07/2019	Bermondsey	BSMT,GRND		1,150	65,600.23	57.04	Effective	18/07/2034	6

# **Retail Investment Transactions Comparable Evidence**

	Property Address	Building SF	Sale Price	Price Per SF	Sale Date	Sale Status	Net Initial Yield	Reversionary Yield
Page 397	Loampit Vale, Lewisham	4,892	£1,750,000	357.73	12/06/2020	Sold	5.10	
	191-199 Southampton Way, Southwark	11,408	£1,050,000	92.04	01/10/2019	Sold	2.73	9.90
	590-600 Commercial Rd, Limehouse	16,092	£4,333,000	269.26	01/08/2018	Sold	5.75	

	Property Address	Building SF	Sale Price	Price Per SF	Sale Date	Sale Status	Net Initial Yield	Reversionary Yield
	25-30 Landmark Sq, Canary Wharf	4,310	£1,775,000	411.83	24/05/2018	Sold	4.88	4.90
Por 308	133-137 Creek Rd, Greenwich	19,524	£1,300,000	66.58	24/05/2018	Sold	8.40	

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Appendix 6 – Veale & Sanders QS Report





New Bermondsey Lewisham London SE

Report to Gerald Eve - DRAFT

26<sup>th</sup> May 2021

#### INTRODUCTION

Veale & Sanders (V&S) is a firm of Chartered Quantity Surveyors based in Purley, South London and have provided construction cost advice related to financial viability assessments in central London on a number of high profile development proposals.

In November 2020, V&S were approached by Gerald Eve concerning the proposed redevelopment of the New Bermondsey site in the London Borough of Lewisham. The brief was to undertake a review of the scope and pricing of the construction cost plan submitted in support of the development appraisal associated with a hybrid planning application for a residential led mixed use development over multiple phases.

The review would include:

- Reviewing overall scope / content / areas / mix etc
- Comparing overall pricing with benchmark data from BCIS and historic projects
- Identification of abnormal costs/potential cost savings

Following appointment, V&S were provided with copies of the full application documentation including Financial Viability Assessment dated 14 April 2021 prepared by Renewal. Appendix I of this document contained RPS Initial 'Order of Cost' Estimate Nr. 1 Rev A dated Mar-21. V&S were subsequently provided with a more detailed 'Order of Cost' Estimate Nr 4a (18.12.20) for Phase 1.

The proposal is new build construction and no site visit has been undertaken.

An initial briefing meeting was held with representatives of Renewal, Carney Sweeney, Newsteer, Lewisham council and Gerald Eve on 6<sup>th</sup> May.

Following an initial review of the documents, a number of concerns were identified and raised with Newsteer. As a result of this, an amended Financial Viability Assessment was issued dated 18 May 2021 including revised RPS Initial 'Order of Cost' Estimate Nr. 1 Rev B dated May-21. The more detailed 'Order of Cost' Estimate Nr 4a was also updated to revision b dated May 2021.

This report relates to the later documentation but reference has been included to original documentation where appropriate.

### REVIEW OF OVERALL SCOPE/CONTENT/AREAS

#### General

The application covers land north and south of Surrey Canal Road Lewisham adjacent to Millwall FC stadium. The overall site extends to approximately 6.51 hectares and is bound by railway viaducts to the north, east and west, and Rollins Street to the south. Existing uses are mainly industrial in nature and include a number of estates.

The proposed development will be sought through the submission of a Hybrid planning application comprising:

• FULL planning application for Phase 1 comprising the demolition of existing buildings at Orion Business Centre and construction of residential dwellings together with auditorium, meeting rooms, offices, and restaurant/café floorspace (Sui generis and Class E) within a podium, with associated vehicular and cycle parking, public realm, amenity space, landscaping and infrastructure; and

• OUTLINE planning application for demolition of existing buildings (with the exception of Guild House and part of Rollins House which are to be retained) and construction of up to 400,000sqm floorspace comprising residential floorspace (Class C3), business floorspace, leisure floorspace, retail, food and drink floorspace and non-residential institution floorspace (Class E), learning and non-residential institutions (F1), pubs and takeaways (sui generis) together with associated basements, vehicular and cycle parking, public realm, amenity space, landscaping, highway works and infrastructure (scale, layout, landscaping, access and appearance reserved). The proposed mixed use redevelopment includes demolition of redundant facilities, alterations and refurbishment of the existing retail units and commercial space, the construction of 6 new residential blocks, amenity spaces, basement parking, plant and ancillary areas along with associated external landscaping etc.

#### Phase 1

The overall cost plan notes that Phase 1 is based on 'SAH14022021 – Information Pack' which is understood to be the full application documentation. From the architect's (SEW) schedule, the gross internal area totals 67,858.1 m2 and comprises a single level basement (4,879 m2), a four storey podium (8,690.1 m2) and 3 nr twenty eight storey residential towers (totalling 54,289 m2). The RPS estimate Executive Summary states they have used a GIA of 730,424 sq ft which concurs at 67,858 m2. The total is therefore considered accurate for the purposes of estimating and benchmarking.

The more detailed estimate Nr. 4b lists architectural drawings in detail although the revisions are different. The areas, however, are the same and so any differences are assumed to be minor.

Estimate Nr. 4b includes a number of assumptions on scope and specification which appear to be generally reasonable. Particular attention is drawn to the following:

- Allowance for the removal of contamination; b/out obstructions etc. allowance only
- Energy connection and Substation strategy allowance included (scope TBC)
- The podium Excludes Operator specific & fit-out requirements

• Sprinklers to all residential units

There is also a detailed lists of exclusions, again most of which are standard and non-controversial such as professional fees and VAT. Attention is, however, drawn to the following:

- Inflation beyond current day (4Q20)
- No allowance for major service infrastructure upgrade
- Highway works offsite improvements
- Incoming services abnormals over and above normal tolerances
- Comfort cooling

Further comments on specific assumptions and exclusions are included as appropriate in the detailed analysis of construction costs.

The RPS estimate includes 5% contingency (Contractor 2.5% and Client held 2.5%). No further allowance is included in the appraisal.

#### Phase 2-5

Phase 2 – 5 is noted as based on SEW 'Illustrative Masterplan Area Schedule (Exc. Phase 1), Residential Brief – Tenure and mix assumptions, and Illustrative Masterplan Accommodation Schedule' all dated 23/11/2020. This is the same as included in the application documentation. Whilst the SEW area schedule includes GIAs by function for above ground structures (podium and towers) it does not provide the GIA for C3 ancillary areas or for the basement level.

SEW general notes do, however, state that the 'Approximate GIA is calculated as 90% of the GEA.' This would mean overall areas per phase as follows:

- Phase 2 69,831 m2
- Phase 3 76,332 m2
- Phase 4 108,670 m2
- Phase 5 121,777 m2

RPS Executive Summary states that the following GIAs have been used for the estimate:

٠	Phase 2	706,950 sq ft	65,677 m2
٠	Phase 3	733,241 sq ft	68,120 m2
٠	Phase 4	1,067,021 sq ft	99,129 m2

• Phase 5 1,252,783 sq ft 116,386 m2

The difference in areas amounts to a total of 27,298 m2 which is more than 7% and is clearly a cause for concern. RPS revision b estimate clarifies that these areas are above ground ie excluding basements (note that this is not the case for phase 1). According to the SEW schedule, basements for phase 2-5 have a total GEA of 50,878 m2 which at 90% would mean a GIA of 45,970 m2.

From additional analysis by V&S, the root cause of the discrepancy appears to be the Guild House areas in Phase 2 and the Ancillary C3 accommodation at podium level. The matter has been raised with Newsteer and a response is awaited.

#### ANALYSIS OF ANTICIPATED CONSTRUCTION COSTS

#### General

The RPS Initial 'Order of Cost' Estimate Nr 1 rev B' totals  $\pounds$ 1,289,900,000 which is a minor reduction of  $\pounds$ 2,200,000 from rev A. It breaks down into phases as follows:

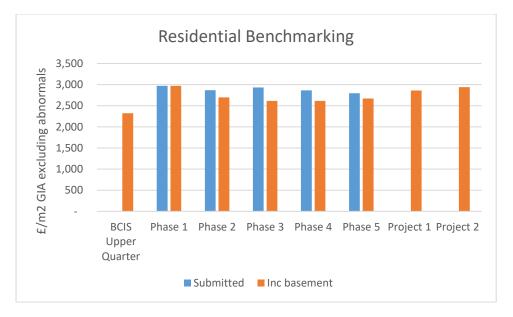
- Phase 1 £214,200,000 £293/ft<sup>2</sup> (-£,3,700,000)
   Phase 2 £203,400,000 £288/ft<sup>2</sup> (+£7,700,000)
   Phase 3 £228,900,000 £312/ft<sup>2</sup> (-£2,600,000)
   Phase 4 £300,500,000 £282/ft<sup>2</sup> (-£2,100,000)
- Phase 5 £342,900,000 £274/ft<sup>2</sup> (-£1,500,000)

Note that other than phase 1, the average rates per square foot are incorrect due to exclusion of basements, Guild House and the residential ancillary areas at podium level. The above costs also include abnormals (site clearance/demolitions etc) and external works which need to be excluded for benchmarking purposes. Omitting these, along with uplifts for preliminaries, OH&P and contingency, and dividing by the assessed GIA (SEW GEA at 90%) the average rates reduce as follows:

- Phase 1 £2,969/m2
- Phase 2 £2,698/m2
- Phase 3 £2,616/m2
- Phase 4 £2,614/m2
- Phase 5 £2,672/m2

The current BCIS published average price (upper quartile) for new residential developments adjusted for the Lewisham location is £2,324/m2 for a 6+ storey block. The RPS rates are therefore rather higher than might be expected. However, there are particular factors, particularly pertaining to the 'tall' buildings which could largely account for this by increasing costs of structures, facades and services along with site logistics (preliminaries) pertaining to the nature and location of the site and proximity of railway infrastructure.

The following chart benchmarks the adjusted RPS rates against BCIS and other V&S historic cost data for similar projects.



Commentary on the main cost drivers identified is included in the following analysis of the principal components

#### Phase 1

The phase 1 total cost of £214,200,000 (rounded) is made up of the following main components:

- Basement £11,875,000
- Podium £8,916,000
- Residential shell £83,423,000
- Residential fit out £52,543,000
- Abnormals £5,900,000
- External works £4,000,000
- Preliminaries £26,672,000
- OH&P £10,637,000
- Contingencies £10,200,000

The detailed estimate Nr. 4b provides further build-up to the totals and was subject to further examination.

The **basement** total equates to an all-in rate of  $\pounds 2,434/m^2$  of the 4,879 m<sup>2</sup> GIA which is broadly in line with expectations. There are, however, a number of apparent anomalies in the build-up:

- The estimate includes both sheet piling and secant walls to the perimeter but there is no reinforced concrete lining wall
- The basement slab allowance is for only 2,650 m2
- There is very little allowance for structural frame and no allowance for the cover slab at ground level
- The fit out rate is £850/m2 which is very high for space largely providing car parking, bicycle storage and plant rooms

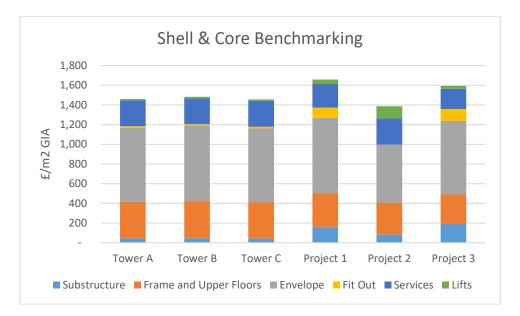
The **podium** total equates to  $\pounds$ 1,436/m2 of the 6,210 m2 GIA and is for shell and core only. The area excludes the residential cores and facilities from ground to level 03. For some reason it is slightly lower than the SEW schedule of 6,261 m2 but the difference is minor and not a concern. The rate is higher than would normally be expected for shell accommodation under residential towers but there are a number of reasons for this:

- It includes an allocation of the substructure costs
- It includes auditorium construction including acoustic bearings, twin walls, transfer structures, steelwork etc

By contrast, there is no allowance for the podium roof (included elsewhere, the façade allowance is fairly modest at  $\pounds$ 750/m2 as is capped off services at  $\pounds$ 35/m2.

The total podium estimate rev b has reduced by £2,891,000 due to the correction of an arithmetical error in the previous allowance for builder's work in connection with services.

The **residential shell** total equates to  $\pounds1,469/m2$  of GIA which is not unreasonable. The RPS area is slightly greater than SEW which compensates for the podium. The elemental build up is also generally reasonable, the key component is the façade which is included at an all-in rate of  $\pounds1,200/m2$  which may be tight given the external structural features and articulation. The following chart compares the costs of the 3 towers with V&S historic data on an elemental basis. Whilst the substructure and fitout costs are low (due to allocation elsewhere) the lift allowances are extremely low as they are priced at only  $\pounds110,000$  each.



The **residential fit out** costs are mainly to the apartments which equate to  $\pounds 1,100/m2$  of NIA including wintergardens. This is perhaps on the high side in comparison with schemes of a similar target sales value. The total also includes landlord areas at  $\pounds 750/m2$  and plant at  $\pounds 1,800/m2$  which are also rather higher than might be expected although the areas they have been applied to appear to be around 50% of what is required including the podium levels.

The **abnormals** allowances include a number of lump sums:

- Site clearance allowance £750,000 generally based upon the overall plot area for the phase at a rate of £50/m2. This is on the robust side for breaking out hardstandings etc but there is no separate allowance for demolishing existing buildings.
- Contamination/breaking out obstructions is included at £1.5m. RPS note that the total allowance equates to around 2% of the total construction cost. It is clearly a significantly higher % of the basement and substructure costs and appears on the conservative side.
- Dewatering is £500,000 which is around £100/m2 of the basement area. Ground water level is understood to be around 4 – 5 m below existing ground level and with basements up to around 10m deep water management will definitely be a requirement.
- Attenuation allowance of £50,000 is considered modest for a development of this size.
- Substations are included at £150,000 each which is not unreasonable.
- £500,000 is included for connections to the energy centre and whilst the strategy is not fully known this is not considered an unreasonable provision for 600 units plus commercial etc.
- Envac waste disposal allowance of £2,000,000 equates to an average of around £3,333 per apartment which is not unreasonable.

The **External works** total allowance of £400,000 (rounded) includes the following:

- Structure to basement and podium roofs £1,620,000
   Hard pavings Ground Floor £963,225 (£28)
- Hard pavings Ground Floor
   £963,225 (£285/m2)

   Hard pavings Podium
   £190,600 (£156/m2)

   Planting
   £187,146 (104/m2)

   Furniture/Play Features
   £462,850

   Fencing
   £30,000

<ul> <li>Liahtina</li> </ul>			
	•	Lighting	

£400,000

Drainage

£78.500

The general rates and overall allowances are not considered unreasonable for a development of this nature.

RPS have included **preliminaries** at 16% and overheads and profit at 5.5%. The combined and compounded uplift is around 22% which is not considered excessive for projects of this nature with difficult access and logistical issues to contend with including the proximity of road and rail infrastructure.

**Contingencies** are included at 5% which is not unreasonable.

#### Phase 2 - 5

The estimates for future phases are set out in a similar manner to phase 1 masterplan summary. Other than phase 2 which RPS have adjusted to include Guild House, the adjustments from the rev A estimate relate to a reduction in the rate for the basements and minor adjustment of areas. These now generally accord with the SEW schedule other than for podium level residential ancillary space as noted above.

**Basements** are based on the GEAs provided by SEW at a rate of  $\pounds 2,000/m2$  (reduced from  $\pounds 2,100/m2$  in rev A). This is lower than the  $\pounds 2,313/m2$  which can be derived from the total cost and GEA for phase 1. This is counter-intuitive as these basements have a second level. There is a further relatively small allowance for piling to tower cores but the cost is not of great significance.

The shell and core of the **podium** is again based on the Class E GEA from the SEW schedule and is included at £1,500/m2 which is similar to phase 1 and not unreasonable. There appears to be no allowance for C3 ancillary accommodation at podium level which amounts to 26,083 m2. Whilst this is potentially a significant 'missing' element, the quantity for phases 3, 4 and 5 appears particularly high at &% - 11% of the total C3 space. Phase 1 is only 4%.

As noted above, the estimate rev B costs for phase 2 have increased to include **Guild House**. RPS have allowed refurbishment of existing space at £550/m2 GEA and new Cat A space at £1,650/m2 GEA. These are not considered unreasonable net of preliminaries, OH&P and contingency.

The **residential above ground** is based on target rates of £1,350/m2 of the GIA for shell and £1,200/m2 NIA for fit out. These are both lower than phase 1 at £1,469/m2 and 1,234/m2 respectively. It should be noted that whilst winter gardens are shown separately in the SEW area schedule for phase 1 they are included in the overall NIA for phase 2-5.

Abnormals allowances are generally based on the same principles as phase 1.

Phase 2 includes additional allowances of  $\pounds$ 500,000 for working within the proximity of the existing building and  $\pounds$ 1,000,000 for forming curved buildings. These equate to around  $\pounds$ 29/m2 of the residential tower GIA which is not considered unreasonable.

Phase 3 includes  $\pounds$ 12,000,000 for fitting out 'swimming pool/changing rooms etc. It equates to around  $\pounds$ 1,000/m2 of the leisure facility which is not unreasonable.

The RPS **external works** allowance is based on £59/m2 of the GIA which is the same as phase 1. Whilst the scope of works varies considerably between phases, this is not considered a wholly unreasonable assumption at this stage

#### POTENTIAL COST ADJUSTMENTS

Whilst the review has identified a number of anomalies in the detailed estimate for phase 1 the overall rate compares reasonably with other projects and the highs and lows are considered to balance as 'swings and roundabouts'.

The approach to the later phase costs is also considered generally reasonable but the apparent omission of a significant quantity of C3 ancillary accommodation at podium level is a potential cause for concern. The cost may be mitigated by rationalisation of the quantum or alternatively by reductions to generous allowances for abnormal costs for contamination and breaking out obstructions.

#### CONCLUSION

RPS Rev B Estimated Construction Cost Total (4Q2020) is £1,289,900,000.

Based on the above analysis we consider that the total is not unreasonable for financial viability purposes and would not propose any adjustment at this stage.

It should be noted that whilst some issues have been raise with Newsteer, no contact has been made with RPS, they have not had sight of this report not the opportunity to respond.

In accordance with RICS professional standards and guidance 'Financial viability in planning: conduct and reporting' 1<sup>st</sup> edition, May 2019, this report has been prepared and the author has acted with objectivity, impartially, without interference and with references to all appropriate available sources of information.

#### **Roger Flexman BSc (Hons) MRICS**

# Veale & Sanders

Chartered Quantity Surveyors

26/05/21 G120/83 - RJF



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Appendix 7 – Development Finance Costs





# Development Finance Rates



#### Finance Costs

- 1.1 The finance rate applied in the appraisals represents a total cost of capital in financing the Scheme. The rate that has been adopted represents the combined cost of both debt and equity financing. When broken down, the debt element of the cost of finance includes a margin and risk premium above a 5-year swap rate. The equity element should in theory reflect an equity return which when combined with the debt element sums to the weighted average cost of capital (WACC). The equity element of the finance cost is also considered in view of the development return, which is the amount of profit a scheme is producing. It follows that to avoid double-counting, the finance cost should broadly consist of debt finance plus a margin to reflect the more costly equity whilst the developer return is reflected in the development profit.
- 1.2 Business School (formerly Cass) Commercial Real Estate (CRE) Lending Report Mid-Year 2020 (formerly conducted by De Montfort) collates a sample of the conditions under which lenders offer development finance.
- 1.3 The survey which has been running for twenty years comments on the changes in the commercial real estate lending cycle over the period since 1999 as follows:
  - Throughout the 20 years that the survey has been operating there has been a strong correlation of 2:1 between real estate transactions and loan origination. In other words, for every £1 in real estate transactions 50p is generated in loan origination.
  - The survey notes that there appears to be no enduring connection between transaction volumes and the "health" of the market, measured in terms of movements in capital values.
  - The exception to this norm is seen in the years leading up to and even through the start of the market crisis during which loan origination significantly exceeded the level that could be expected from market activity and continued even whilst capital values fell.
  - The result of the extreme lending market was a wave of loan defaults which peaked in 2012 and only returned to normal levels by 2016 approximately ten years after capital values reached their highest levels.
  - The Mid-Year 2020 survey reports a 34% YoY fall in property transactions and loan originations in H1 2020. This was a second consecutive year of declining investment and debt transactions.



1.4 A minority of the lenders surveyed are actively targeting development lending with fewer lenders yet targeting speculative schemes and residential development. Development lending margins have been increasing since 2015 which was the lowest point since before 2008. Margins are now considered high when compared to both pre-2008 levels and the period from 2010 to 2015. The survey speculates that the sentiment surrounding Brexit could be the cause for the further increase in lending margins during 2019. Even residential developments have been subject to an increase in lending margins which have increased by 34 bps during 2019. The exception to the increase is fully pre-let schemes.

	Banks						
LTC % Margin bps Upfront fee bps Exit fee bps							
Commercial Pre-let	40-85	250-450	100-230	100-150			
Commercial partial pre-let	40-80	275-500	100-150	150-200			
Commercial speculative	45-60	300-375	100-125	125-300			
Residential development	40-85	275-750	100-150	100-200			
	[	Debt Funds					
	LTC %	Margin bps	Upfront fee bps	Exit fee bps			
Commercial Pre-let	50-90	325-1200	100-155	100-200			
Commercial partial pre-let	50-90	400-1200	100-150	150-200			
Commercial speculative	55-80	450-1300	100-150	150-200			
Residential development	50-90	300-1300	100-150	100-200			

Source: Business School (formerly Cass) Commercial Real Estate (CRE) Lending Report MY2020





**Chart 1: All Lenders Residential Development Lending Margin** 

- 1.5 According to Business School, pre-let development margins can start from 250 bps for LTC levels of 40 – 85% and from 300 bps for speculative schemes. For residential schemes margins can start from 275 bps.
- 1.6 The UK CRE lending market has seen a rising number and range of lenders. These include new small debt funds launched by asset management firms and less conventional lending channels such as peer-to-peer lending by pension funds and to a limited extent crowdfunding platform for both investment and development loans.
- 1.7 Given that senior debt is generally offered at 50% to 90% of cost of development projects, the remainder of project financing will, in most cases, be comprised of equity and in some cases varying levels of junior debt, mezzanine debt.
- 1.8 Junior debt and particularly mezzanine debt are typically provided by specialist platforms, and a lack of available research exists as to average lending criteria. The IPF, for example, states that "mezzanine finance is not a product that many banks provide" and "this type of finance is typically associated with projects funded on a profit share basis".
- 1.9 Given the lack of available research and idiosyncratic nature of subordinate debt arrangements for real estate development funding, we have omitted this from our

assessment of the market rate for development finance. The remaining project cost not provided by senior debt is therefore assumed to be equity financed.

- 1.10 The Bank of England raised interest rates in 2017 and 2018 from the historic low of 0.25% to the 0.75%. In response to the COVID-19 pandemic, the Bank of England cut interest rates to a new and unprecedented low of 0.1%.
- 1.11 The impact of COVID-19 on the future availability and cost of finance remains subject to material uncertainty. The Business School survey reports that "following five years of stability, political changes and the economic effect of COVID have started a new downward cycle."
- 1.12 The Mid-Year 2020 survey reports low default levels but warns that experience from the 2008 recession indicates that the impact of the pandemic will only become clear after a further 6-12 months. Following the GFC defaults only peaked in 2010/11.
- 1.13 Considering the market uncertainty, we have adopted a total cost of capital for financing the Scheme of 6.50%. The total cost also takes into account arrangement, monitoring and related fees.
- 1.14 This finance rate is subject to a higher degree of uncertainty than usual and therefore we recommend that this is kept under review. We also reserve the right to revise this figure should more evidence come to light.

#### Table 2: Finance rate adopted

Description	Allowance
Finance Rate	6.50%

Source: Gerald Eve



Appendix 8 – Benchmark Land Value



## Benchmark Land Value (BLV)

#### Introduction

1.1 This section sets out the underlying basis of the adopted Benchmark Land Value (BLV). Our views are formed having regard to the NPPF, the NPG, AH&V SPG, RICS Guidance Note 'Financial Viability in Planning' published August 2012 (RICS GN) and the RICS Professional Statement 'Financial Viability in Planning: conduct and reporting' published in May 2019 (effective September 2019).

#### Viability Guidance

- 1.2 In relation to Viability Guidance as set out in Section 5 of this report and the mandatory requirements of the RICS Professional Statement, we looked to establish the following values:
  - i **Current use value –** CUV, referred to as EUV or first component in the NPG (see paragraph 015 reference ID: 10-015-20190509).
  - ii **Premium** second component as set out in the NPG (see paragraph 016 reference ID: 10-016-20190509)
  - iii **Market evidence** as adjusted in accordance with the NPG (see PPG paragraph 016 reference ID: 10-016-20190509)
  - iv All supporting considerations, assumptions and justifications adopted including valuation reports, where available (see NPG paragraphs 014 reference ID: 10-014-20190509; 015 reference ID: 10-015-20190509; and 016 reference ID: 10016-20190509)
  - v Alternative use value as appropriate (market value on the special assumption of a specified alternative use; see NPG paragraph 017 reference ID: 10-017-20190509).
- 1.3 The BLV in accordance with the NPG, therefore comprises the EUV of the site (component 1) and an appropriate premium to the landowner to reflect the return a reasonable land owner would be willing to sell their land, whilst allowing for a sufficient contribution to comply with policy requirements (component 2). In accordance with NPG

the Benchmark Land Value (BLV) or Site Value should reflect a combination of these two elements.

#### 1.4 Existing Use Value (EUV) (Component 1)

1.5 NPG at paragraph 015 indicates that EUV can reflect the land in its existing use. In this instance the Site has multiple planning uses across the site including industrial, residential and commercial and the Site would require planning consent for any alternative uses at each building if not used under its associated lawful use.

#### 1.6 **Premium to the Landowner (Component 2)**

- 1.7 NPG at paragraph 016 indicates that establishing a reasonable premium to the landowner is an iterative process informed by professional judgement and must be based upon the best available adjusted market evidence.
- 1.8 Furthermore, the RICS GN outlines that it is essential to have regard to sales prices of comparable development sites, para 3.16 states:

"The importance...of comparable evidence cannot be over-emphasised, even if the supporting evidence is very limited, as evidenced in Court and Land Tribunal decisions."

#### Alternative Use Value

1.9 NPG at paragraph 017 provides guidance for undertaking an alternative use value (AUV) on the basis that there is a planning permission or reasonable prospect of planning permission being granted, and a demand for such a scheme can be demonstrated.

#### Affordable Housing and Viability SPG

- 1.10 The AH&V SPG indicates a preference to an EUV plus method with the plus varying to reflect the specifics of the scheme. The SPG notes that the Market Value and Alternative Use Value should reflect planning policy and in the case of the alternative use, to be deliverable it should fully comply with development plan policies.
- 1.11 At paragraph 3.43 the AH&V SPG states:

"The 'Existing Use Value plus' (EUV+) approach to determining the benchmark land value is based on the current use value of a site plus an appropriate site premium...... A premium is usually added to provide the landowner with an additional incentive to release the site, having regard to site circumstances."

1.12 For the alternative use value, paragraph 3.51 states:

"alternative use value' (AUV) approach it must fully reflect policy requirements. Generally, only accept the use of AUV where there is an existing implementable permission for that use. Where there is no existing implementable permission, the approach should only be used if the alternative use would fully comply with development plan polices, and if it can be demonstrated that the alternative use could be implemented on the site in question and there is market demand for that use."

1.13 In relation to what the Mayor terms 'market value approach', paragraph 3.49 states:

".... Market land transactions used must be fully evidenced and justified as being genuinely comparable and consistent with the methodology applied in the viability assessment...."

#### Site Value Approach

1.14 By using a number of methods to assess Site Value, a range can be generated, and consideration can then be made to what a reasonable landowner would be willing to sell their land.

1.15 We have assumed the Site is free of any encumbrances, or restrictions on title which would adversely affect the value.

4



11

Appendix 9 – Existing Use Value – Residential Uses

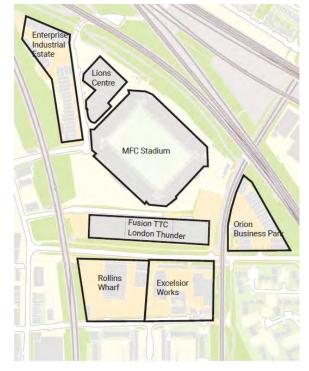


#### **EUV – Residential Element**

- It is our understanding that the residential proportion of the Applicant's EUV is 5.48% (a value of £3.98m of the total EUV of £72.62m).
- 2. The residential units within the application site are contained within Rollins House and Bridge House and comprise dwellinghouses within Rollins House, and houses in multiple occupation (HMOs) within Bridge House.
- The existing residential accommodation onsite is as follows:
   Bridge House
  - Two storey house divided into seven bedsits (two with private kitchen/bathroom and five sharing communal facilities)

**Rollins House** 

- Unit B 1st floor accommodation used as live/work space (to be retained)
- 13-20 Ground floor with eight one bed flats (to be retained)
- 1-12 Modern block to the rear with 12 flats (to be demolished)
- Unit C Modern block to the east used as live/work accommodation with one bed unit on ground floor, and three bed maisonette on 1st-2nd floors (to be demolished)
- Unit D A two bed house set over 3 floors (to be demolished)
- 4. The map below displays the existing site layout; Rollins House is the block shown in the central southern part of the Excelsior Works, and Bridge House is situated to the south east of the Excelsior Works.



Source: Studio Egret West

- 5. The Advisor's valuation approach for the residential units was to capitalise the units' rental values using comparable evidence, with reference also made to values achieved on existing flats in the local area such as Bridge Meadows Estate.
- 6. Nos 13-20 and Unit B of Rollins House have not been included in the EUV which we understand is due to the fact that they are to be retained within the proposed development. We agree with this approach, whereby value is not placed on these units for either the EUV or Residual values.
- 7. We discuss the Advisor's adopted values together with our review in turn below.

#### Bridge House, Rollins Street

- 8. Bridge House is situated 0.5 miles from South Bermondsey railway station. The property comprises five bedsits (HMO) with shared kitchen and bathroom facilities, and two self-contained studio flats which have their own kitchen and shower rooms.
- 9. The Advisor has applied different values to each type of unit within the building, which are as follows:

Туре	Advisor's Adopted Monthly Rental Value	Advisor's Adopted Gross Yield
Bedsit	£650	8%
Studio Bedsit	£953	

10. The Advisor has based their assumptions on HMO transactional evidence. A summary of their comparable evidence is included below.

Address	Sale Date	Sale Price	Gross Yield	Monthly Rental Value (per room)	Location	GE Comments
178 Whippendall Road, Watford	Sept 2018	£400,000	8%	£445	0.7 miles from Watford Underground Station ('US')	6 bed HMO, dated transaction.
The Ridgeway, Acton	Oct 2018	£600,000	8%	£800	0.2 miles from Acton Town US	5 bed HMO, superior location and dated transaction.
49 Cobbold Road, Willesden	Feb 2019	£406,500	8.27%	£466	0.5 miles from Dollis Hill US	6 bed HMO.
20 Clarendon Rise, Lewisham	Nov 2019	£568,000	7.39%	£583	Lewisham	6 self-contained apartments. Discount as sold with planning permission for conversion into 3 flats.
49 Kingsgate Road, Kilburn	Dec 2020	£928,000	8.04%	£885	0.4 miles from Kilburn High Road Station	7 bed HMO (incl. 1 studio bedsit). Rental value may be skewed as no differentiation given for studio.

- 11. As set out within the table above, we consider that 20 Clarendon Rise should be discounted from the comparable evidence as it was sold with planning permission which will have inflated the value given the development potential. This is reflected in the lower yield in comparison with the other HMO transactions.
- 12. We consider that less weighting should be placed on The Ridgeway given its superior location to Bridge House, as it is in close proximity to an underground station.
- 13. We have conducted some further research and have found the following additional HMO comparable evidence:

Address	Sale Date	Sale Price	Gross Yield	Monthly Rental Value (per room)	Location	GE Comments
56 Cranbrook Park, Wood Green	May 2018	£705,000	8.85%	£922	0.2 miles from Wood Green US	5 studio flat HMOs.
36 Frederick Place, Plumstead	June 2020	£525,000	9.39%	£684	0.5 miles from Woolwich Arsenal Station	6 bed HMO.
79 Fairlop Road, Leytonstone	Feb 2020	£1,035,000	8.26%	£713	0.2 miles from Leytonstone US	10 bed HMO.

- 14. 56 Cranbook Road is slightly dated but gives a better indication of the value difference between studio bedsits, and bedsits with shared facilities, as the property solely contains studio bedsits. This supports the Advisor's adopted value for studio bedsits which had not been supported in their evidence base and which yield higher rates than the bedsits with shared facilities.
- 15. We have not been able to inspect the property internally and have therefore assumed the units to be in a reasonable condition.
- 16. Given Bridge House's location in terms of connectivity to transport connections, those properties of similar distance (circa 0.5 miles) from transport nodes are considered most comparable, where a yield of 8% is supported.
- 17. In terms of the studio bedsits, the most comparable transaction is at 56 Cranbrook Road which comprises all studio bedsits and therefore enables us to understand the difference in value between bedsits and studios, where other transactions do not. This represented a monthly value per room of £922 which is slightly lower than the Advisor's proposed rate of £953, however given the dated nature of the comparable we have accepted the rate in this instance.
- 18. Given our review of the Advisor's comparable evidence, and having conducted further research ourselves, we would agree with the Advisor's assumptions for the HMO rental levels and yield.

#### **Rollins House, Rollins Street**

- 19. Rollins House is situated next door to Bridge House, and is 0.6 miles from South Bermondsey railway station. The parts of Rollins House to be demolished, and therefore included within the EUV, comprise a modern block with 12 flats (Flats 1-12), two units of live-work accommodation within Unit C and a two-bed house within Unit D.
- 20. The Advisor has adopted different values for each unit type, as summarised within the table below. The Advisor has valued the units by capitalising the rental value, and where we have reviewed the capital value this provides, we have sense checked this figure with other recent transactions of the same unit type.

Туре	Type Advisor's Adopted		Advisor's Adopted
	Monthly Rental Value	Gross Yield	Market Value
Flats 1-12 Rollins House	2	·	
Studio	£953	7%	£175,000
2 Bed	£1,430		£280,000
3 Bed	£1,625		£310,000
Unit C Rollins House		·	
1 Bed	£1,170	6.17%	£240,000
3 Bed	£1,820		£335,000
Unit D Rollins House	•	·	
2 Bed	£1,430	6.17%	£285,000

#### Flats 1-12 Rollins House

- 21. This part of Rollins House comprises eight studio flats, two two-bed flats and three threebed flats and forms the northern block of Rollins House.
- 22. The independent market value of each type of unit has been reported in the table above, although the total capital value for the building adopted represents a 10% discount of the cumulative market value of the units to allow for the bulk investment purchase of 12 units. We would agree with this approach.
- 23. The comparable evidence used by the Advisor is of units within apartment blocks dated circa 15-30 years old. We have relied upon the photographs provided by the Advisor for this block which show that the property is of a similar age and therefore, in most cases we would agree with the comparable evidence provided by the Advisor.
- 24. However, despite there being eight studio flats and three three-bed flats, no comparable evidence to support the adopted values for either of these unit types has been submitted by

the Advisor. Furthermore, evidence has only been provided, and values based on, the adjacent Bridge Meadows Estate which we consider to be too small a sample.

25. We have therefore conducted further comparable evidence to inform our review of the adopted values for each unit type, as summarised within the table below.

Address	Sale Date	Sale Price	£ per sqft	Location	
Studio					
Flat 17, Thompson House, John Williams Close, New Cross	July 2019	£212,500	£638	0.7 miles from South Bermondsey and New Cross Gate stations.	
Flat 1, Redrup House, John Williams Close, New Cross	June 2019	£220,000	NKN	0.7 miles from South Bermondsey and New Cross Gate stations.	
100 Water Lane, New Cross	June 2020	£195,000	£587	0.8 miles from New Cross Gate and Queens Road Peckham stations.	
Flat 1, Dalton House, John Williams Close, New Cross	June 2020	£220,000	£694	0.7 miles from New Cross Gate station.	
Flat 21, Barnes House, John Williams Close, New Cross	Dec 2019	£195,000	NKN	0.7 miles from New Cross Gate station.	
2 Bed					
96 Sterling Gardens, New Cross	June 2019	£332,500	£534	0.5 miles from New Cross Gate station.	
Flat 66, Juniper House, Pomeroy Street, Peckham	Dec 2020	£340,000	£546	0.4 miles from Queens Road Peckham station.	
Flat 12, Smikle Court, Hatcham Park Mews, New Cross	Sept 2020	£360,000	£536	0.4 miles from New Cross Gate station.	
Flat 9, Smikle Court, Hatcham Park Mews, New Cross	April 2020	£335,000	£496	0.4 miles from New Cross Gate station.	
Flat 14, Glastonbury Court, Farrow Lane, New Cross	Sept 2019	£408,000	£643	0.7 miles from Queens Rod Peckham and New Cross Gate stations.	
Flat 47, Barry House, Rennie Estate, South Bermondsey	Dec 2020	£317,000	£337	0.3 miles from South Bermondsey station.	
15 Holywell Close, South Bermondsey	Oct 2020	£345,000	£408	0.3 miles from South Bermondsey station.	
3 Bed					
Flat 3, Juniper House, Pomeroy Street, New Cross	Feb 2020	£355,000	£484	0.4 miles from Queens Road Peckham station.	
1 Lubbock Street, New Cross	Oct 2020	£340,000	£381	0.5 miles from New Cross Gate station.	
Flat 4, Tralee Court, Masters Drive, South Bermondsey	May 2020	£443,000	£449	0.4 miles from South Bermondsey station.	

26. The Advisor's adopted figures are lower than that presented by the comparable evidence,

however given that they are broadly in a less accessible location, and given the low quality

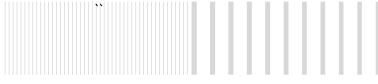
condition of the units as stated by the Advisor, we would agree with the values placed on each unit type for this part of Rollins House.

#### Units C & D Rollins House

- 27. Unit C comprises two residential units in total: a one-bed and a three-bed flat. The Advisor states that the units are of superior quality compared with Flats 1-12 Rollins House, which explains the higher values adopted by the Advisor. We cannot comment on the differences between these two parts of Rollins House as we have not been provided with evidence of the condition for each, so have relied upon the Advisor's statement on this.
- 28. The Advisor has provided comparable evidence for two-bed flats, however we note that Unit D is a self-contained house, comprising accommodation over three floors with reception room and open plan kitchen, two double bedrooms and two shower rooms.
- 29. We therefore have sense checked the adopted values for Unit D against 2-bed maisonettes and houses as well as the 2-bed flat comparable evidence provided by the Advisor.
- 30. In addition to our further comparables set out in the above table for the two and three bed units, we have included that for one bed units below.

Address	Sale Date	Sale Price	£ per sqft	Location						
1 Bed										
Flat 6, Barkwith House, Cold Blow Lane, New Cross	Aug 2019	£235,000	£552	0.6 miles from New Cross Gate station.						
6 Bridge Meadows, South Bermondsey	June 2019	£250,000	£595	0.5 miles from South Bermondsey station.						
36 Sterling Gardens, New Cross	April 2019	£246,500	£572	0.6 miles from New Cross Gate station.						
Flat 23, Filton Court, Farrow Lane, New Cross	Nov 2020	£250,000	£511	0.7 miles from Queens Road Peckham station.						
37 Water Lane, New Cross	Sept 2020	£280,000	£558	0.8 miles from New Cross Gate and Queens Road Peckham stations.						
Flat 2, Filton Court, Farrow Lane, New Cross	June 2020	£255,000	£538	0.7 miles from Queens Road Peckham station.						
72 Sterling Gardens, New Cross	May 2020	£275,000	£681	0.6 miles from New Cross Gate station.						

- 31. We would note that for all unit types the Advisor's proposed values are closer to those presented within our comparable research than for Flats 1-12 Rollins House, which we would attribute to the units being in better condition, as stated by the Advisor.
- 32. We therefore agree with the proposed values within Units C and D Rollins House which are broadly in line with comparable evidence.



Appendix 10 – Argus Appraisal Summary



New Bermondsey Financial Viability Assessment

> Development Appraisal Licensed Copy 14 September 2021

#### **New Bermondsey Financial Viability Assessment**

Appraisal Summary for Merged Phases 1 2 3 4 5

#### Currency in £

REVENUE

#### Units ft<sup>2</sup> Sales Rate ft<sup>2</sup> **Unit Price Sales Valuation Gross Sales** P1 - Private Residential 280,257 802 53 224,914,650 224,914,650 1 P1 - Affordable Residential 140,113 269.80 37,802,487 37,802,487 1 P1 - Auditorium 36,404 294.61 10.725.000 10.725.000 1 P1- Car Parking 24 0 0.00 30,000 720,000 P1 - Existing Use Rental Income 0 0.00 6,287,541 6,287,541 1 P1 - Existing Use Rental Income (pre-construction) 1 0 0.00 1,834,837 1,834,837 P2 - Private Residential 1 279,677 842.66 235,672,621 235,672,621 P2 - Affordable Residential 1 152,590 272.08 41,516,687 41,516,687 P2 - Car Parking 84 0 0.00 30,000 2,520,000 P2 - Existing Use Rental Income Λ 0.00 4.364.391 4.364.391 1 P3 - Private Residential 245,127 882.78 216,393,213 216,393,213 1 36,692,906 P3 - Affordable Residential 133,740 274.36 36.692.906 1 77 P3 - Car Parking 0 0.00 30,000 2,310,000 P3 - Existing Use Rental Income 0.00 3,526,147 3,526,147 1 0 P4 - Private Residential 1 419,233 922.91 386,914,328 386,914,328 63,276,420 P4 - Affordable Residential 1 228,732 276.64 63,276,420 P4 - Car Parking 155 4,650,000 Ω 0.00 30.000 P4 - Existing Use Rental Income 1,795,517 1,795,517 1 0 0.00 486,500,843 P5 - Private Residential 505.172 486,500,843 963.04 1 P5 - Affordable Residential 1 275,620 278.92 76,875,930 76,875,930 3,900,000 P5 - Car Parking 0.00 130 30.000 0 Totals 486 2,696,665 1,849,193,520 **Rental Area Summary** Initial Net Rent Initial Units Rent Rate ft<sup>2</sup> MRV/Unit MRV ft<sup>2</sup> at Sale P1 - Retail (E) 160,320 5,344 30.00 160,320 160,320 1 P2 - Retail (E) 1 6,329 30.00 189,870 189,870 189,870 P2 - Employment 1,649,220 54,974 30.00 1,649,220 1,649,220 1 P3 - Retail (E) 3,864 30.00 115,920 115,920 115,920 1 P3 - Community 20.00 730,660 730,660 1 36.533 730.660 P3 - Leisure Centre 1 124,807 10.00 1,248,070 1,248,070 1,248,070 P4 - Retail (E) 1 61,645 30.00 1,849,350 1,849,350 1,849,350 P4 - Community 184,480 9,224 184,480 1 20.00 184,480 P5 - Employment 64,518 30.00 1,935,540 ,935,540 1,935,540 1 9 8,063,430 8,063,430 Totals 367.238 Investment Valuation P1 - Retail (E) YP @ 6.0000% Market Rent 160.320 16.6667 (1yr Rent Free) PV 1yr @ 6.0000% 0.9434 2,520,755 P2 - Retail (E) YP @ 189,870 6 0000% 16 6667 Market Rent (1yr Rent Free) PV 1yr @ 6.0000% 0.9434 2,985,377 P2 - Employment Market Rent 1,649,220 YP @ 6.0000% 16.6667 (1yr Rent Free) PV 1yr @ 6.0000% 0.9434 25,931,132 P3 - Retail (E) 115,920 YP @ 6.0000% 16.6667 Market Rent PV 1yr @ (1yr Rent Free) 6.0000% 0.9434 1.822.642 P3 - Community YP @ 6.0000% Market Rent 730,660 16.6667 (1yr Rent Free) PV 1yr @ 6.0000% 0.9434 11,488,365 P3 - Leisure Centre YP @ 12.5000 Market Rent 8 0000% 1,248,070 PV 11mths @ (11mths Unexpired Rent Free) 8.0000% 14,538,196 0.9319 P4 - Retail (E) Market Rent 1,849,350 YP @ 6.0000% 16.6667

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APPRAISAL SUMMARY		LICENSED COPY			
New Bermondsey					
Financial Viability Assessment					
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	29,077,830
P4 - Community					
Market Rent (1yr Rent Free)	184,480	YP @ PV 1yr @	6.0000% 6.0000%	16.6667 0.9434	2,900,629
		, -			, ,
P5 - Employment Market Rent	1,935,540	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	30,433,019
Total Investment Valuation					121,697,944
GROSS DEVELOPMENT VALUE				1,970,891,464	
Purchaser's Costs			(7,231,234)		
Effective Purchaser's Costs Rate		5.94%		(7,231,234)	
NET DEVELOPMENT VALUE				1,963,660,230	
NET REALISATION				1,963,660,230	
OUTLAY					
ACQUISITION COSTS Residualised Price (Negative land)			(8,576,469)		
				(8,576,469)	
CONSTRUCTION COSTS Construction					
P1 - Private Residential	<b>ft²</b> 389,567	Build Rate ft <sup>2</sup> 549.84	<b>Cost</b> 214,200,000		
P2 - Private Residential	360,880	563.62	203,400,000		
P3 - Private Residential P4 - Private Residential	316,295 540,948	723.69 555.51	228,900,000 300,500,000		
P5 - Private Residential	<u>672,809</u>	509.65	<u>342,900,000</u>		
Totals	3,913,562 ft <sup>2</sup>		1,289,900,000	1,289,900,000	
Land Assembly			7,051,000		
S106 (£3,500 per unit) CIL			12,313,000 46,921,342		
				66,285,342	
PROFESSIONAL FEES					
Professional Fees		8.00%	103,192,000	103,192,000	
MARKETING & LETTING		4 000/		,,	
Marketing		1.00%	15,503,957	15,503,957	
DISPOSAL FEES Sales Agent Fee - Private & Non Res		1.00%	16,751,492		
Sales Agent Fee - Affordable		0.50%	1,290,709		
Sales Legal Fee - non resi & privat Sales Legal Fee - Affordable		0.25%	1,371,600 640,411		
-		0.2070	010,111	20,054,211	
FINANCE Debit Rate 6.500%, Credit Rate 0.000% (Nominal)					
Total Finance Cost				126,088,330	
TOTAL COSTS				1,612,447,371	
PROFIT					
				351,212,859	
Performance Measures		04 7001			
Profit on Cost% Profit on GDV%		21.78% 17.82%			
Profit on NDV%		17.89% 0.50%			
Development Yield% (on Rent) Equivalent Yield% (Nominal)		6.24%			
Equivalent Yield% (True)		6.49%			

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### APPRAISAL SUMMARY

#### New Bermondsey Financial Viability Assessment

IRR% (without Interest)

Rent Cover Profit Erosion (finance rate 6.500) 12.52%

43 yrs 7 mths 3 yrs 1 mth

> Development Appraisal Licensed Copy 16 September 2021

Appraisal Summary for Merged Phases 1 2 3 4 5

### Currency in £

REVENUE

REVENUE					
Sales Valuation	Units	ft²	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales
‡ P1 - Private Residential	1	280,257	802.53	224,914,650	224,914,650
P1 - Affordable Residential	1	140,113	269.80	37,802,487	37,802,487
P1 - Auditorium	1	36,404	294.61	10,725,000	10,725,000
	24				
‡ P1- Car Parking		0	0.00	30,000	720,000
P1 - Existing Use Rental Income	1	0	0.00	6,287,541	6,287,541
P1 - Existing Use Rental Income (pre-construction	1	0	0.00	1,834,837	1,834,837
‡ P2 - Private Residential	1	279,677	842.66	235,672,621	235,672,621
P2 - Affordable Residential	1	152,590	272.08	41,516,687	41,516,687
	84				
‡ P2 - Car Parking		0	0.00	30,000	2,520,000
P2 - Existing Use Rental Income	1	0	0.00	4,364,391	4,364,391
‡ P3 - Private Residential	1	245,127	882.78	216,393,213	216,393,213
P3 - Affordable Residential	1	133,740	274.36	36,692,906	36,692,906
‡ P3 - Car Parking	77	0	0.00	30,000	2,310,000
P3 - Existing Use Rental Income	1	0	0.00	3,526,147	3,526,147
‡ P4 - Private Residential	1	419,233	922.91	386,914,328	386,914,328
P4 - Affordable Residential	1	228,732	276.64	63,276,420	63,276,420
‡ P4 - Car Parking	155	0	0.00	30,000	4,650,000
P4 - Existing Use Rental Income	1	0	0.00	1,795,517	1,795,517
	1	505,172	963.04	486,500,843	486,500,843
•	1		278.92	76,875,930	76,875,930
P5 - Affordable Residential		275,620			
‡ P5 - Car Parking	<u>130</u>	<u>0</u>	0.00	30,000	<u>3,900,000</u>
Totals	486	2,696,665			1,849,193,520
Rental Area Summary				Initial	Net Rent
······································	Units	ft²	Rent Rate ft <sup>2</sup>	MRV/Unit	at Sale
P1 - Retail (E)	1	5,344	30.00	160,320	160,320
P2 - Retail (E)	1	6,329	30.00	189,870	189,870
P2 - Employment	1	54,974	30.00	1,649,220	1,649,220
P3 - Retail (E)	1	3,864	30.00	115,920	115,920
	1				730,660
P3 - Community		.10 5.1.1			
P3 - Community P3 - Leisure Centre		36,533	20.00	730,660	
P3 - Leisure Centre	1	124,807	10.00	1,248,070	1,248,070
P3 - Leisure Centre P4 - Retail (E)	1 1	124,807 61,645	10.00 30.00	1,248,070 1,849,350	1,248,070 1,849,350
P3 - Leisure Centre	1 1 1	124,807	10.00	1,248,070	1,248,070
P3 - Leisure Centre P4 - Retail (E) P4 - Community	1 1 1	124,807 61,645 9,224	10.00 30.00	1,248,070 1,849,350	1,248,070 1,849,350
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment	1 1 1	124,807 61,645 9,224 <u>64,518</u>	10.00 30.00 20.00	1,248,070 1,849,350 184,480	1,248,070 1,849,350 184,480 <u>1,935,540</u>
P3 - Leisure Centre P4 - Retail (E) P4 - Community	1 1	124,807 61,645 9,224	10.00 30.00 20.00	1,248,070 1,849,350 184,480	1,248,070 1,849,350 184,480
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment <b>Totals</b>	1 1 1	124,807 61,645 9,224 <u>64,518</u>	10.00 30.00 20.00	1,248,070 1,849,350 184,480	1,248,070 1,849,350 184,480 <u>1,935,540</u>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment	1 1 1	124,807 61,645 9,224 <u>64,518</u>	10.00 30.00 20.00	1,248,070 1,849,350 184,480	1,248,070 1,849,350 184,480 <u>1,935,540</u>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals	1 1 1	124,807 61,645 9,224 <u>64,518</u>	10.00 30.00 20.00	1,248,070 1,849,350 184,480	1,248,070 1,849,350 184,480 <u>1,935,540</u>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment <b>Totals</b>	1 1 1	124,807 61,645 9,224 <u>64,518</u>	10.00 30.00 20.00	1,248,070 1,849,350 184,480	1,248,070 1,849,350 184,480 <u>1,935,540</u>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals	1 1 1	124,807 61,645 9,224 <u>64,518</u>	10.00 30.00 20.00	1,248,070 1,849,350 184,480	1,248,070 1,849,350 184,480 <u>1,935,540</u>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment <b>Totals</b> Investment Valuation P1 - Retail (E) Market Rent	1 1 <u>1</u> 9	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b>	10.00 30.00 20.00 30.00	1,248,070 1,849,350 184,480 1,935,540 16.6667	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E)	1 1 <u>1</u> 9	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b>	10.00 30.00 20.00 30.00	1,248,070 1,849,350 184,480 1,935,540	1,248,070 1,849,350 184,480 <u>1,935,540</u>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment <b>Totals</b> Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free)	1 1 <u>1</u> 9	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b>	10.00 30.00 20.00 30.00	1,248,070 1,849,350 184,480 1,935,540 16.6667	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment <b>Totals</b> Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E)	1 1 <u>1</u> <b>9</b> 160,320	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment <b>Totals</b> Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free)	1 1 <u>1</u> 9	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ YP @	10.00 30.00 20.00 30.00 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment <b>Totals</b> Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E)	1 1 <u>1</u> <b>9</b> 160,320	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b>
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment <b>Totals</b> Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent	1 1 <u>1</u> <b>9</b> 160,320	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ YP @	10.00 30.00 20.00 30.00 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free)	1 1 <u>1</u> <b>9</b> 160,320	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ YP @	10.00 30.00 20.00 30.00 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment	1 1 <u>1</u> <b>9</b> 160,320 189,870	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent	1 1 <u>1</u> <b>9</b> 160,320	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ PV 1yr @ YP @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment	1 1 <u>1</u> <b>9</b> 160,320 189,870	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free)	1 1 <u>1</u> <b>9</b> 160,320 189,870	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ PV 1yr @ YP @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent	1 1 <u>1</u> <b>9</b> 160,320 189,870	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ PV 1yr @ YP @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free)	1 1 1 <b>3</b> 160,320 189,870 1,649,220	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent	1 1 <u>1</u> <b>9</b> 160,320 189,870	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E)	1 1 1 <b>3</b> 160,320 189,870 1,649,220	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent (1yr Rent Free)	1 1 1 <b>3</b> 160,320 189,870 1,649,220	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent (1yr Rent Free) P3 - Community	1 1 1 <b>3</b> 160,320 189,870 1,649,220 115,920	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent (1yr Rent Free)	1 1 1 <b>3</b> 160,320 189,870 1,649,220	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> YP @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent (1yr Rent Free) P3 - Community Market Rent	1 1 1 <b>3</b> 160,320 189,870 1,649,220 115,920	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132 1,822,642
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent (1yr Rent Free) P3 - Community	1 1 1 <b>3</b> 160,320 189,870 1,649,220 115,920	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent (1yr Rent Free) P3 - Community Market Rent (1yr Rent Free)	1 1 1 <b>3</b> 160,320 189,870 1,649,220 115,920	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132 1,822,642
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent (1yr Rent Free) P3 - Community Market Rent (1yr Rent Free) P3 - Leisure Centre	1 1 1 <b>1</b> <b>1</b> <b>9</b> 160,320 189,870 1,649,220 115,920 730,660	124,807 61,645 9,224 64,518 <b>367,238</b> PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132 1,822,642
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent (1yr Rent Free) P3 - Community Market Rent (1yr Rent Free) P3 - Leisure Centre Market Rent	1 1 1 <b>3</b> 160,320 189,870 1,649,220 115,920	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 8.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132 1,822,642 11,488,365
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent (1yr Rent Free) P3 - Community Market Rent (1yr Rent Free) P3 - Leisure Centre	1 1 1 <b>1</b> <b>1</b> <b>9</b> 160,320 189,870 1,649,220 115,920 730,660	124,807 61,645 9,224 64,518 <b>367,238</b> PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132 1,822,642
P3 - Leisure Centre P4 - Retail (E) P4 - Community P5 - Employment Totals Investment Valuation P1 - Retail (E) Market Rent (1yr Rent Free) P2 - Retail (E) Market Rent (1yr Rent Free) P2 - Employment Market Rent (1yr Rent Free) P3 - Retail (E) Market Rent (1yr Rent Free) P3 - Community Market Rent (1yr Rent Free) P3 - Leisure Centre Market Rent	1 1 1 <b>1</b> <b>1</b> <b>9</b> 160,320 189,870 1,649,220 115,920 730,660	124,807 61,645 9,224 <u>64,518</u> <b>367,238</b> PV 1yr @ PV 1yr @	10.00 30.00 20.00 30.00 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 6.0000% 8.0000%	1,248,070 1,849,350 184,480 1,935,540 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434 16.6667 0.9434	1,248,070 1,849,350 184,480 <u>1,935,540</u> <b>8,063,430</b> 2,520,755 2,985,377 25,931,132 1,822,642 11,488,365

APPRAISAL SUMMARY				L	ICENSED COPY
New Bermondsey Financial Viability Assessment					
Growth Rate Scenario w/ IRR					
Market Rent (1yr Rent Free)	1,849,350	YP @ PV 1yr @	6.0000% 6.0000%	16.6667 0.9434	29,077,830
P4 - Community					
Market Rent (1yr Rent Free)	184,480	YP @ PV 1yr @	6.0000% 6.0000%	16.6667 0.9434	2,900,629
P5 - Employment					
Market Rent (1yr Rent Free)	1,935,540	YP @ PV 1yr @	6.0000% 6.0000%	16.6667 0.9434	30,433,019
Total Investment Valuation					121,697,944
GROSS DEVELOPMENT VALUE				3,306,195,579	
Purchaser's Costs		5.0.40/	(7,231,234)		
Effective Purchaser's Costs Rate		5.94%		(7,231,234)	
NET DEVELOPMENT VALUE				3,298,964,345	
NET REALISATION				3,298,964,345	
OUTLAY					
ACQUISITION COSTS Residualised Price			86,655,561		
Agent Fee		1.00%	866,556	86,655,561	
Legal Fee		0.50%	433,278	1,299,833	
CONSTRUCTION COSTS Construction ‡ P1 - Private Residential ‡ P2 - Private Residential ‡ P3 - Private Residential ‡ P4 - Private Residential <b>‡ P5 - Private Residential</b> <b>Totals</b> Land Assembly \$106 (£3,500 per unit) CIL	ft <sup>2</sup> 389,567 360,880 316,295 540,948 <u>672,809</u> <b>3,913,562 ft<sup>2</sup></b>	Build Rate ft <sup>2</sup> 549.84 563.62 723.69 555.51 509.65	<b>Cost</b> 224,129,626 223,999,918 264,439,576 369,224,969 <u>453,185,471</u> <b>1,534,979,559</b> 7,051,000 12,313,000 46,921,342	1,601,264,901	
PROFESSIONAL FEES				1,001,201,001	
Professional Fees		8.00%	122,798,365	122,798,365	
MARKETING & LETTING Marketing		1.00%	28,733,148		
Ū.			-,, -	28,733,148	
DISPOSAL FEES Sales Agent Fee - Private & Non Res Sales Agent Fee - Affordable Sales Legal Fee - non resi & privat		1.00% 0.50%	30,104,533 1,290,709 1,371,600		
Sales Legal Fee - Affordable		0.25%	640,411	33,407,253	
FINANCE Debit Rate 6.500%, Credit Rate 0.000% (Nominal) Total Finance Cost				59,516,046	
TOTAL COSTS				1,933,675,106	
PROFIT				4 265 000 000	
				1,365,289,239	
Performance Measures Profit on Cost%		70.61%			
Profit on GDV%		41.29%			
Profit on NDV%		41.39%			

Project: C:\Users\RCol\OneDrive - Gerald Eve LLP\New Berms appraisal\210916 GE review Growth rate scenario.wcfx ARGUS Developer Version: 8.20.003 Page 433

### **APPRAISAL SUMMARY**

#### New Bermondsey Financial Viability Assessment Growth Rate Scenario w/ IRR

Development Yield% (on Rent)	0.42%
Equivalent Yield% (Nominal)	6.24%
Equivalent Yield% (True)	6.49%
IRR% (without Interest)	16.00%
Rent Cover	169 yrs 4 mths
Profit Erosion (finance rate 6.500)	8 yrs 3 mths

‡ Inflation/Growth applied

P4 - Private Residential

P5 - Private Residential

#### **Growth on Sales** Ungrown Growth Total 224,914,650 P1 - Private Residential Growth Set 1 at 5.000% 56,767,700 281,682,350 P1- Car Parking Growth Set 1 at 5.000% 720,000 181,726 901,726 P2 - Private Residential Growth Set 1 at 5.000% 235,672,621 97,408,971 333.081.592 P2 - Car Parking Growth Set 1 at 5.000% 2,520,000 1,041,575 3,561,575 P3 - Private Residential Growth Set 1 at 5.000% 216,393,213 125,953,536 342.346.749 Growth Set 1 at 5.000% P3 - Car Parking 2,310,000 3,654,555 1,344,555 P4 - Private Residential Growth Set 1 at 5.000% 386,914,328 364,268,956 751,183,284 P4 - Car Parking Growth Set 1 at 5.000% 4,650,000 4,377,844 9,027,844 P5 - Private Residential Growth Set 1 at 5.000% 486,500,843 678,519,944 1,165,020,787 P5 - Car Parking Growth Set 1 at 5.000% 3,900,000 5,439,308 9,339,308 Inflation on Construction Costs Uninflated Inflation Total P1 - Private Residential Inflation Set 1 at 2.000% 214,200,000 9,929,626 224,129,626 P2 - Private Residential Inflation Set 1 at 2.000% 203,400,000 20,599,918 223,999,918 Inflation Set 1 at 2.000% P3 - Private Residential 228,900,000 35,539,576 264,439,576

Inflation Set 1 at 2.000%

Inflation Set 1 at 2.000%

300,500,000

342,900,000

68,724,969

110,285,471

369,224,969

453,185,471

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Adjustment	Net Sales
Adjustment 56,767,700	281,682,350
00,707,700	37,802,487
0	10,725,000
181,726	901,726
01,720	6,287,541
0	1,834,837
97,408,971	333,081,592
0	41,516,687
1,041,575	3,561,575
0	4,364,391
125,953,536	342,346,749
0	36,692,906
1,344,555	3,654,555
0	3,526,147
364,268,956	751,183,284
0	63,276,420
4,377,844	9,027,844
0	1,795,517
678,519,944	1,165,020,787
0	76,875,930
5,439,308	<u>9,339,308</u>
1,335,304,115	3,184,497,634
Initial	
MRV	
160,320	
189,870	
1,649,220	
115,920	
730,660	
1,248,070	
1,849,350	
184,480	
<u>1,935,540</u>	
8,063,430	

# Strategic Planning Committee – 27 January 2021

# "Land at Surrey Canal Road, Stockholm Road, Bolina Road and Rollins Street SE16

# DC/20/119706

This presentation forms no part of a planning application and is for information only.



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Hybrid planning application for the redevelopment of land at Surrey Canal Road, Stockholm Road, Bolina Road and Rollins Street, London SE15 and SE16 comprising:

**FULL planning application** for Phase 1 comprising the demolition of existing buildings at Orion Business Centre and construction of 600 residential dwellings in three towers rising to 32 storeys together with 4,315sqm of floorspace comprising an auditorium, meeting rooms, offices, and restaurant/ café floorspace (Sui Generis and Class E) within a podium, with associated vehicular and cycle parking, public realm, amenity space, landscaping and infrastructure; and

**OUTLINE planning application** for demolition of existing buildings (with the exception of Guild House and part of Rollins House which are to be retained) and construction of up to 400,000sqm of floorspace, comprising residential floorspace (Class C3) (circa 2,900 dwellings) within blocks rising to a maximum of 154m AOD (circa 44 storeys), together with business floorspace, leisure floorspace, retail, food and drink floorspace and non-residential institution floorspace (Class E), learning and nonresidential institutions (Class F1), pubs and takeaways (Sui Generis) together with associated basements, vehicular and cycle parking, public realm, amenity space, landscaping, highway works and infrastructure (scale, layout, landscaping, access and appearance reserved)







# **Application boundary**

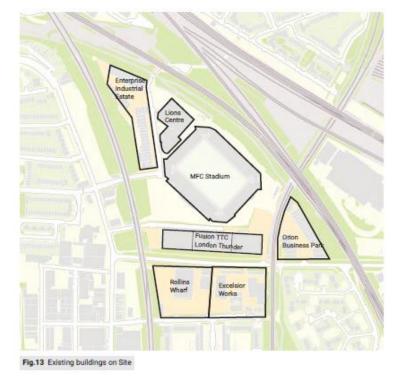




Fig.15 Stockholm Road





Fig.14 Orion Business Park





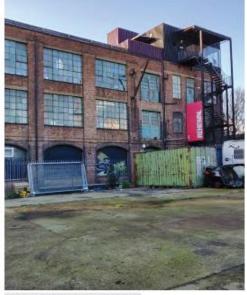


Fig.17 Enterprise Industrial Estate

Fig.18 Guild House at Excelsior Works









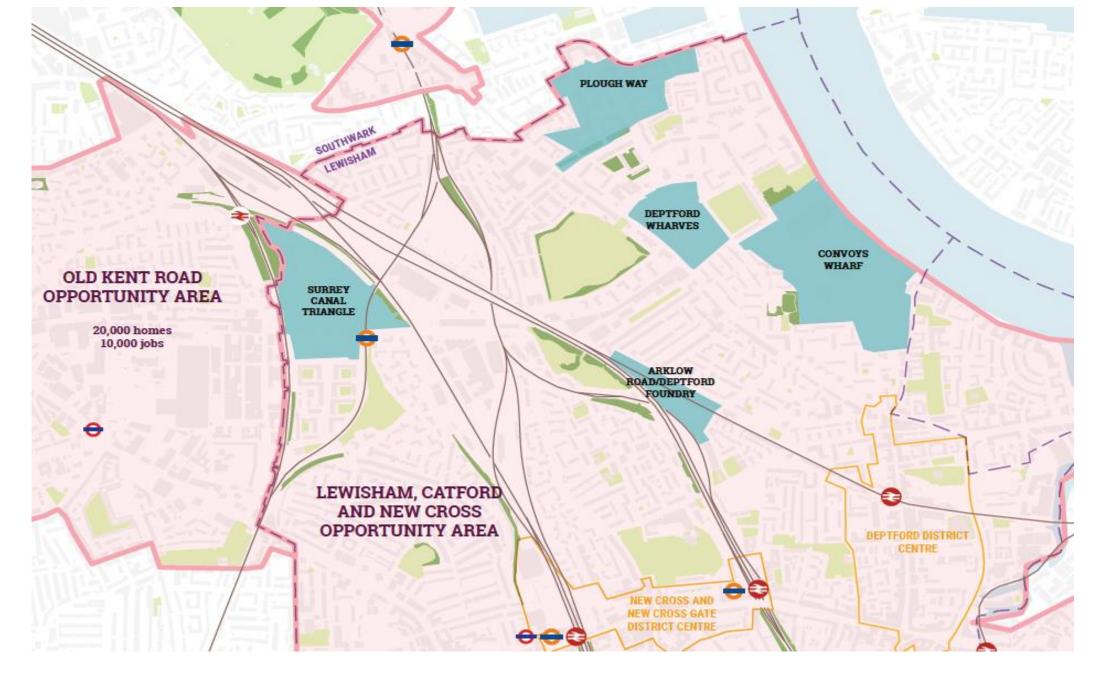






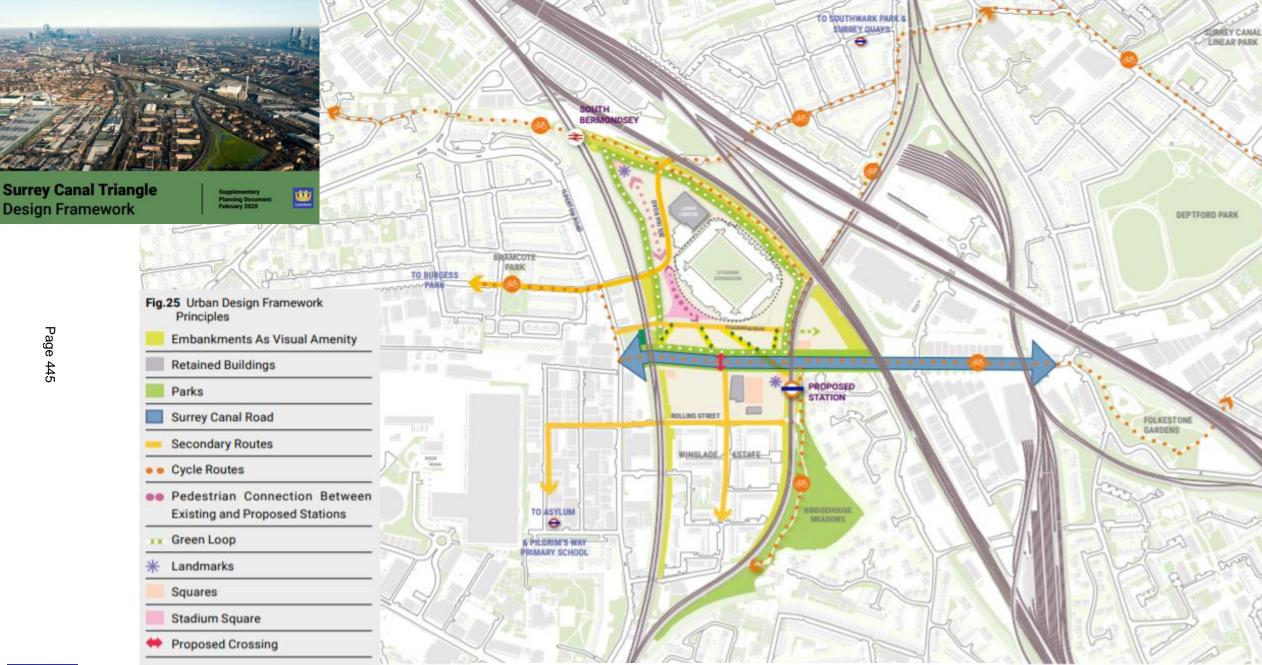






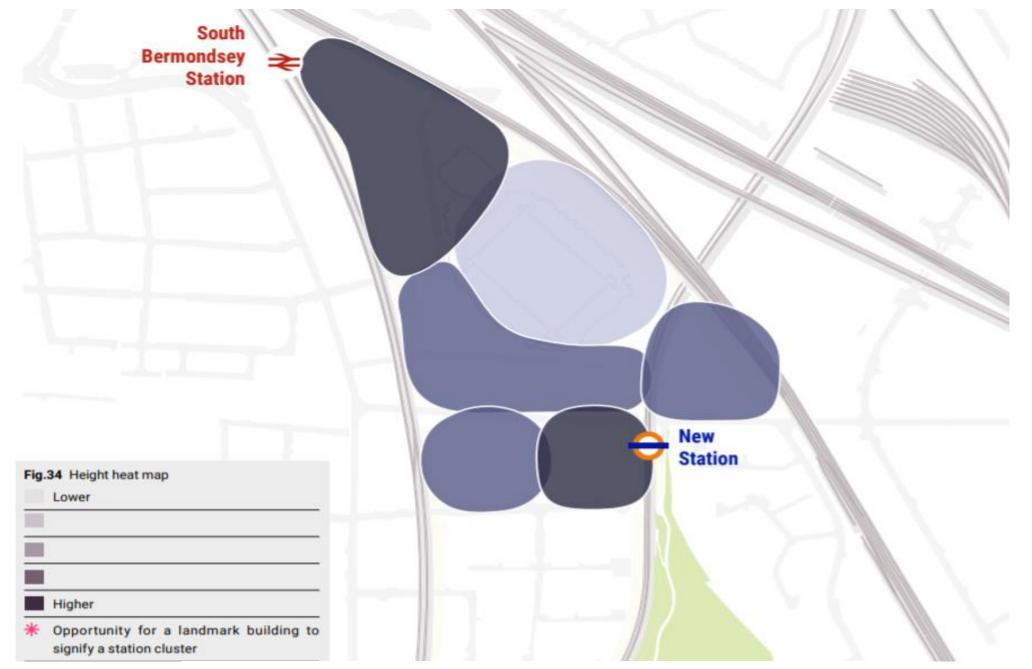


Strategic Site Context



Lewisham

Surrey Canal Triangle SPD extract – new routes





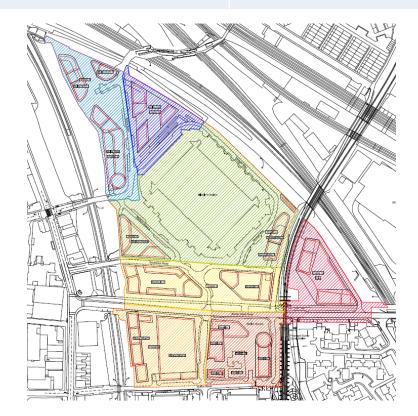
# Surrey Canal Triangle SPD extract – building height heat map

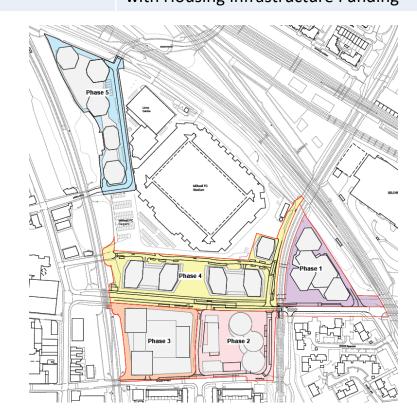




Previously approved scheme 2013

	2011/2013 scheme	New Scheme
No. of homes	2400	3518
Affordable Housing	12%	35%
No. of Phases	5 (Phase 1 and 5 split into sub phases A and B)	5
Application type	Outline	Hybrid – Phase 1 detailed application
Land arrangement	Entire site allocation	Excludes all land under lease to Millwall Football Club
Over ground Station	Part of proposals	Excluded from proposals and being delivered by TfL with Housing Infrastructure Funding











New Proposed scheme overview









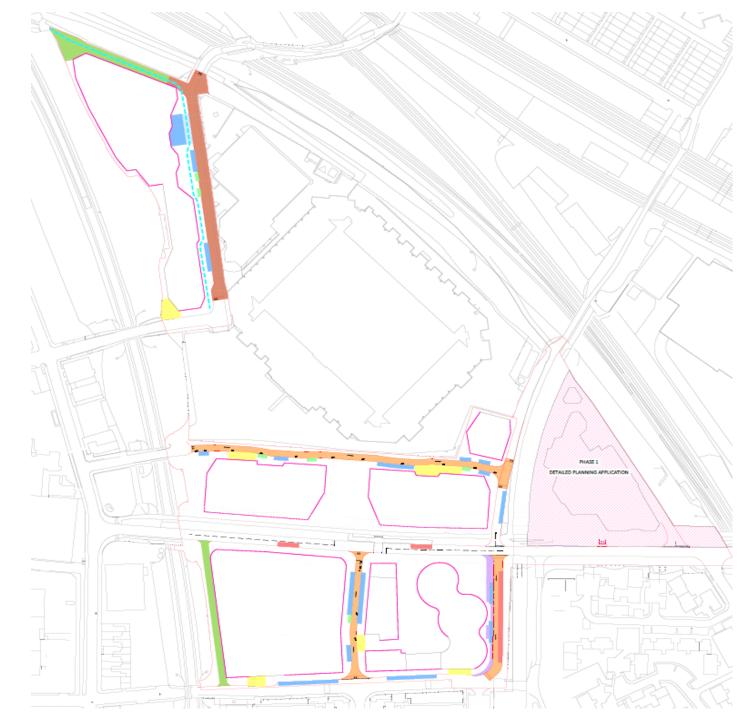


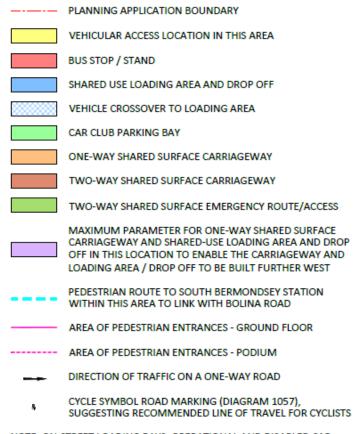


Parameter Plan – Retained buildings. Guild House to be extended





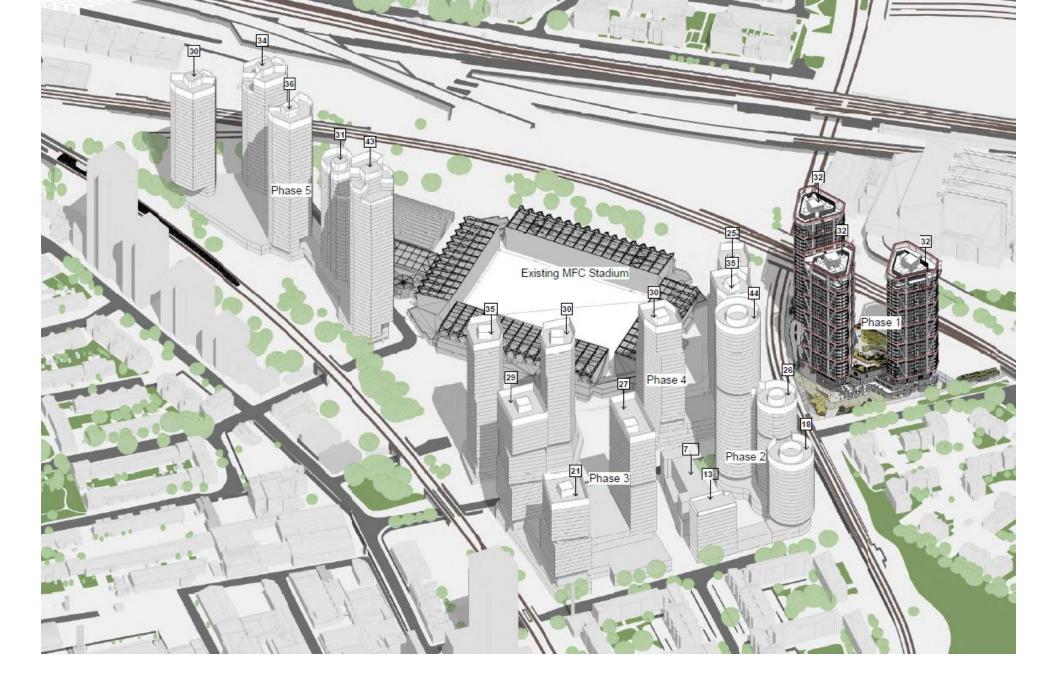




NOTE: ON-STREET LOADING BAYS, OPERATIONAL AND DISABLED CAR PARKING AND CAR CLUB BAYS TO BE DISTINGUISHED TO FOOTWAY VIA SURFACE TREATMENT, KERBS AND/OR ROAD MARKINGS.

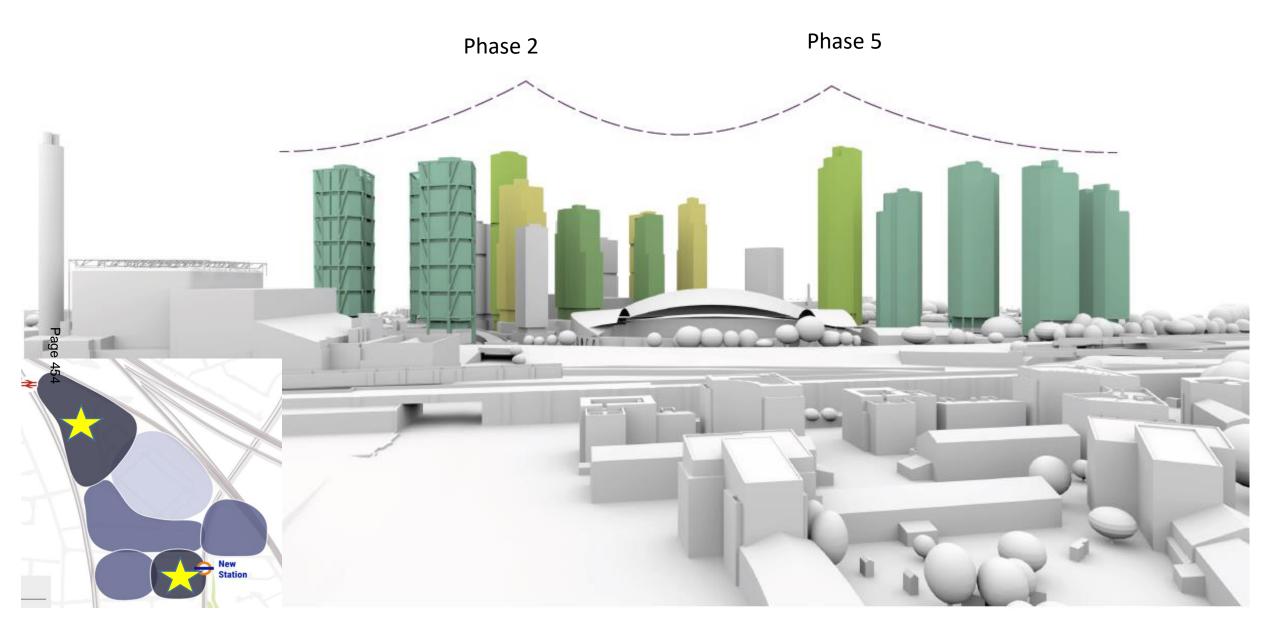
### **Parameter Plan – Highways**





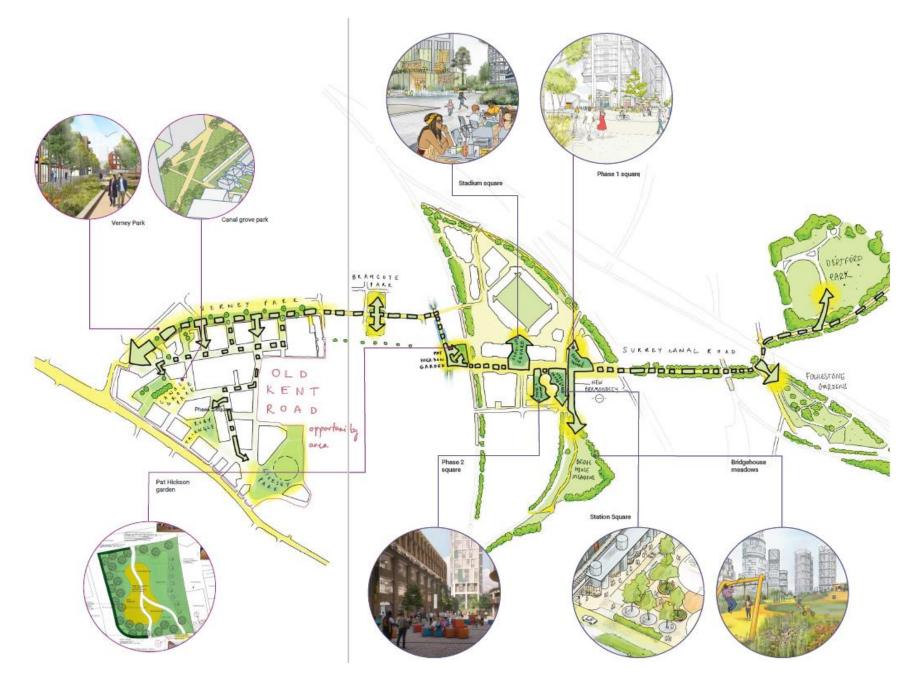


Indicative height and massing – Phase 1 in detail



Height strategy – tallest buildings located in Phase 2 and Phase 5







Open space strategy and connections to surrounding areas







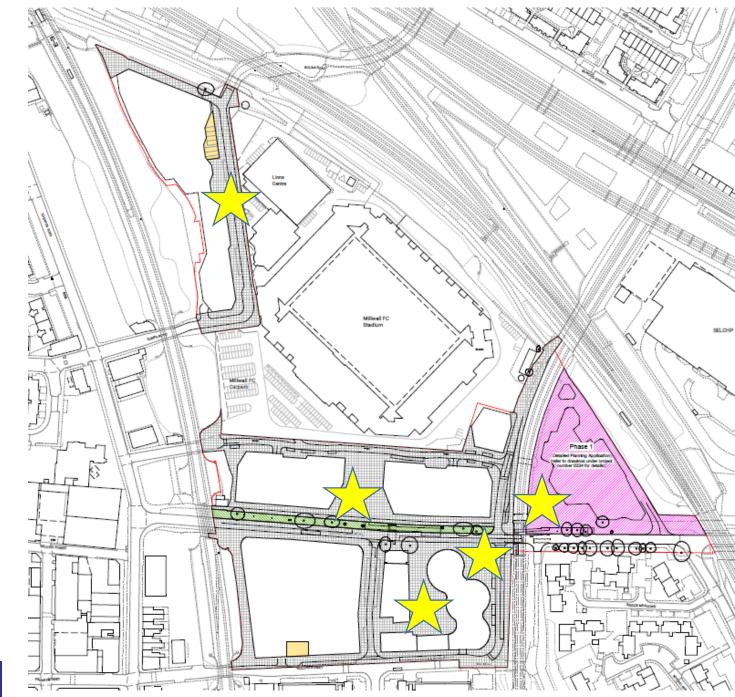




**Financial payment to Bridgehouse Meadows** 



Lewisham





Parameter Plan – Public realm. New public squares and a yard







Phase 2 Station Square – indicative layout and Surrey Canal Station



Indicative CGI – Phase 2 Station Square and Phase 1 in background

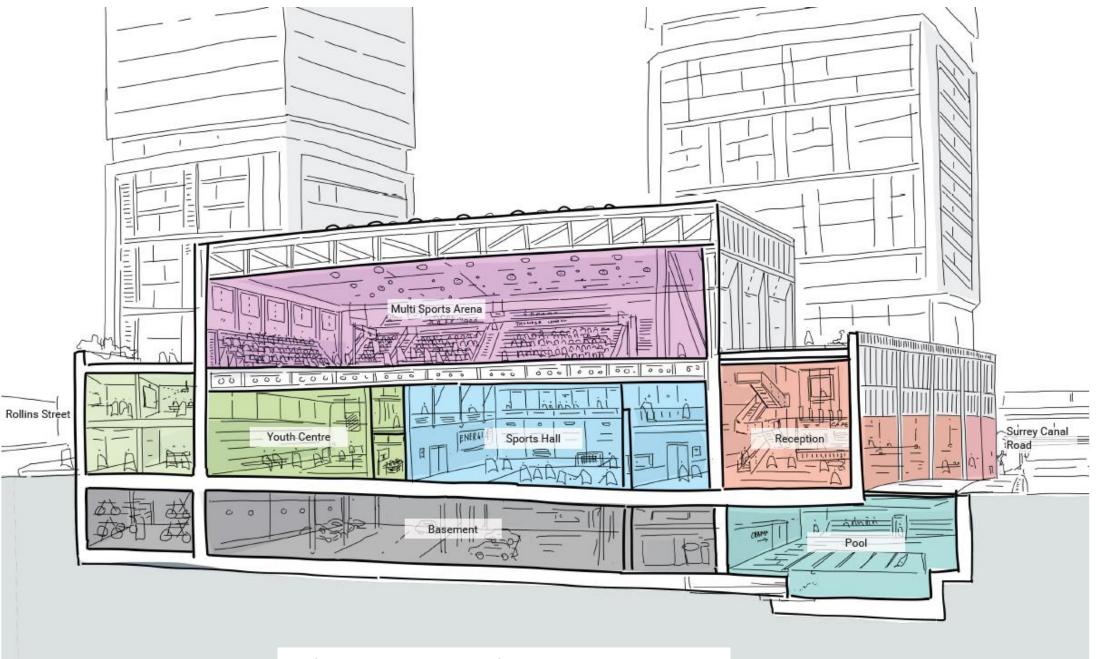


Phase 2 Square – Excelsior, retained and extended Guild House



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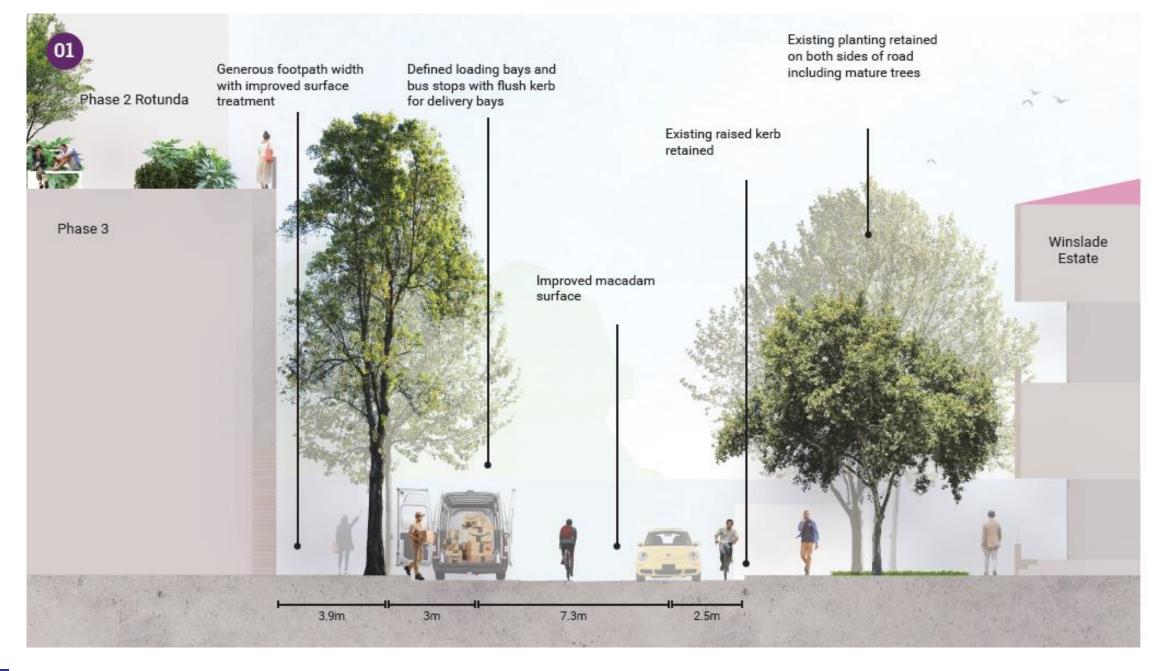
Indicative CGI – Phase 3 Leisure Centre view from Stadium Square



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**Indicative section – Phase 3 Leisure Centre** 





## **Indicative street arrangement – Phase 3 Rollins Street**





Indicative CGI – Phase 4 Stockholm Road with potential future Stadium





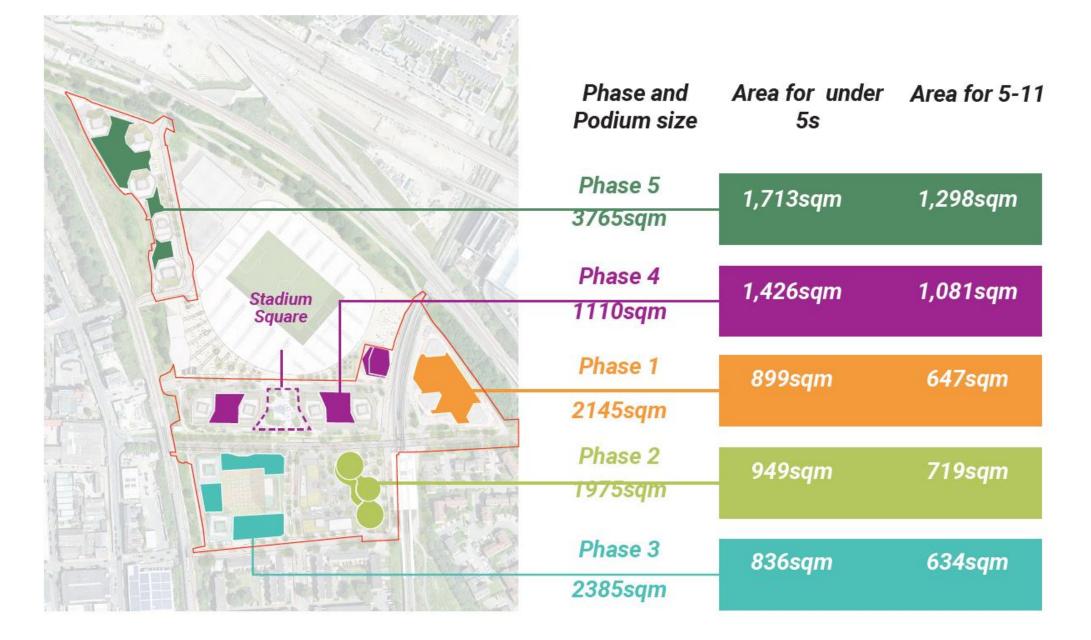
## Phase 4 Stadium Square – indicative layout





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Indicative CGI – Phase 5 Bolina Road toward South Bermondsey Station





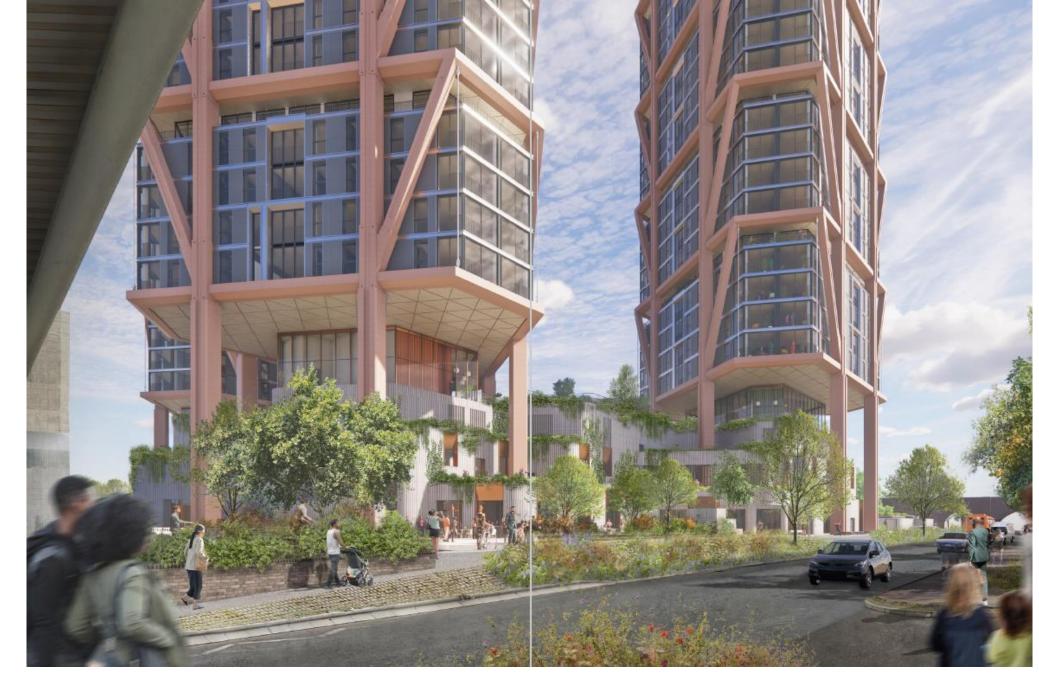
Play space arrangements



# Phase 1 – Detail – general arrangement







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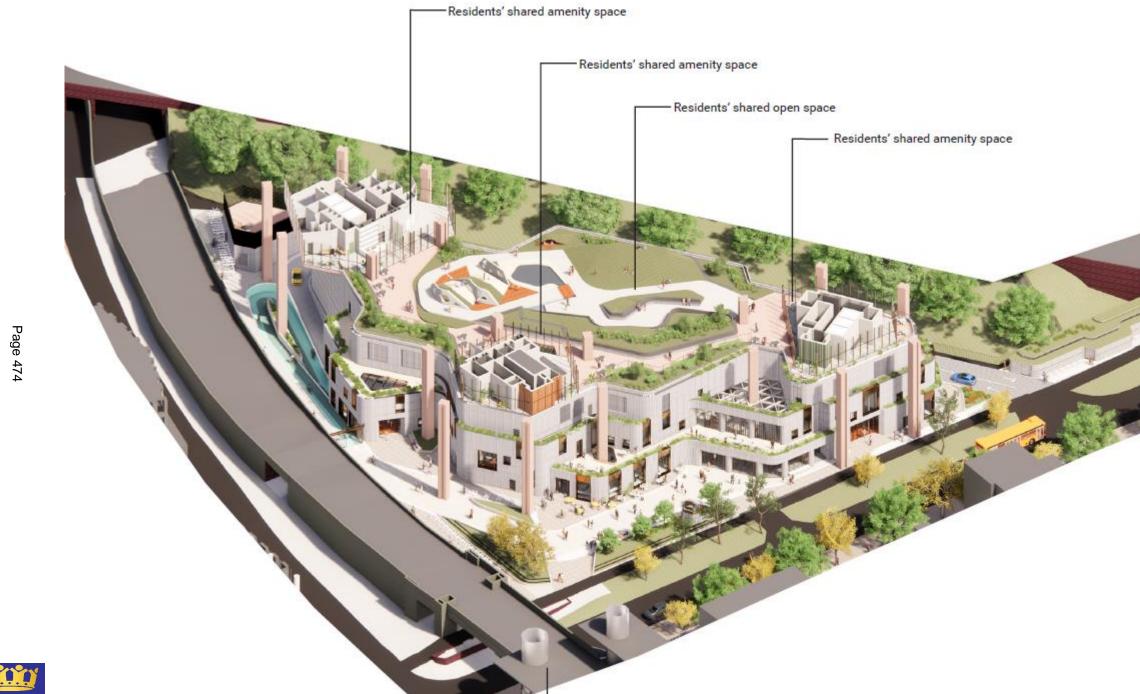
- Phase 1 Detail CGI from Surrey Canal Road toward public square







Phase 1 – Detail – CGI of public square



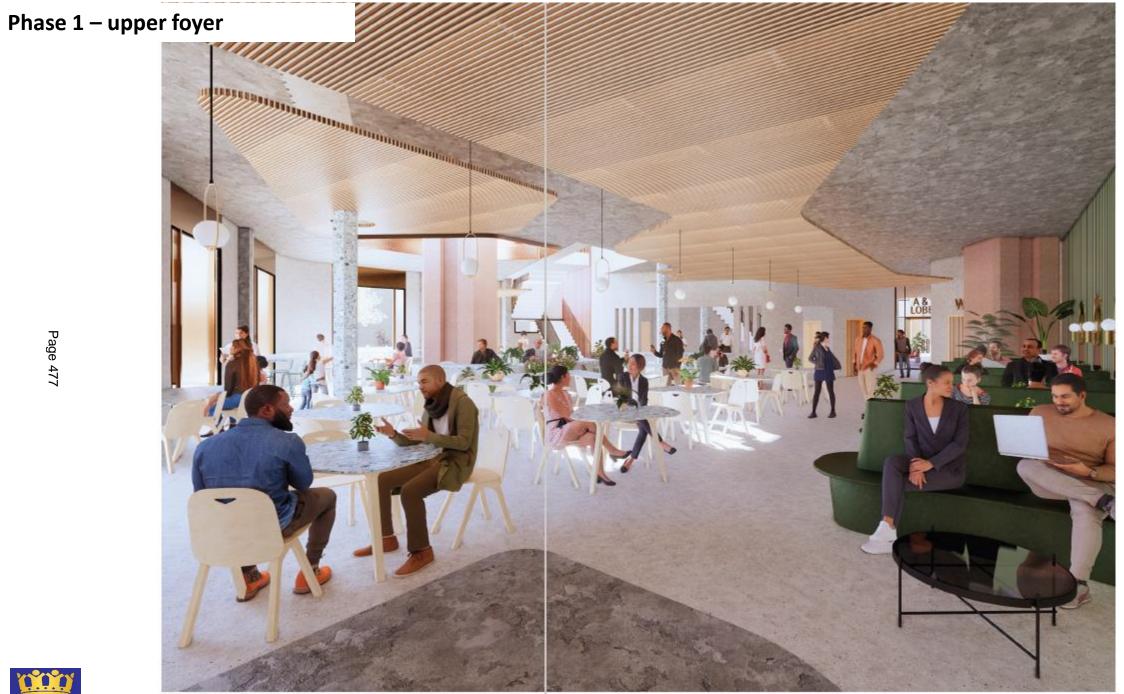


## Phase 1 – foyer to auditorium

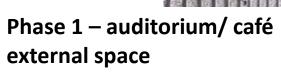














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Rig.519 Elustrative CGI - carle first floor terrace

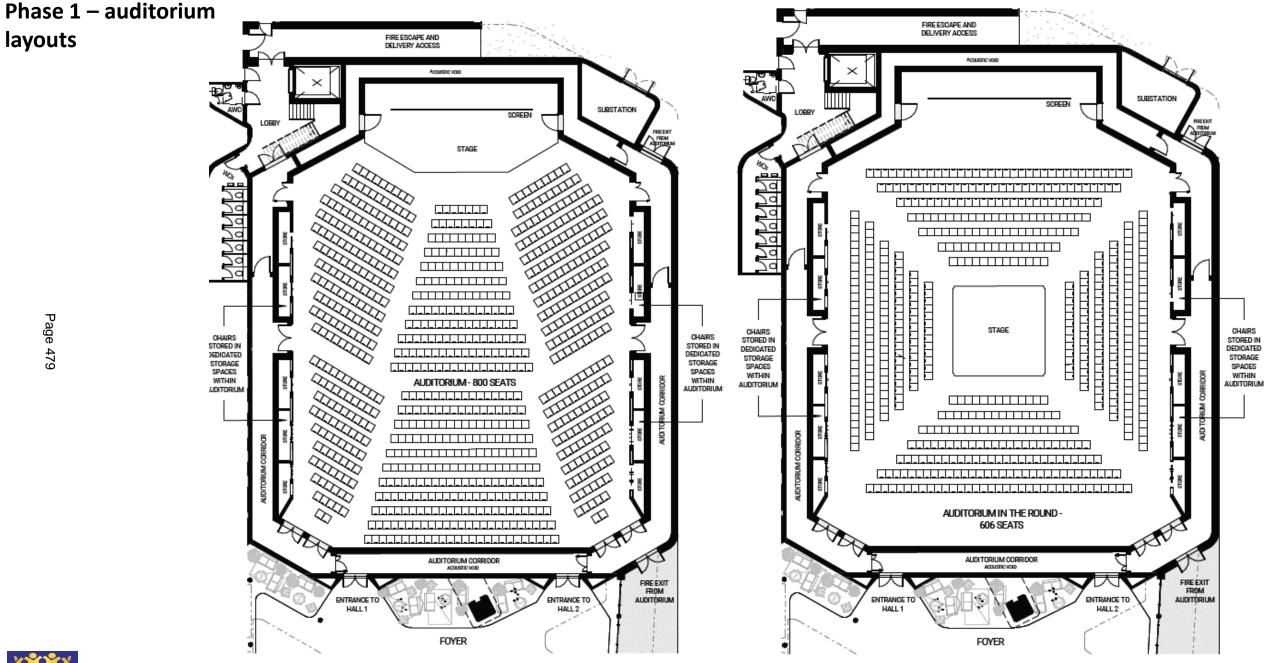


Fig.512 Auditorium seating layout illustrating 606 seat configuration 'in the round'

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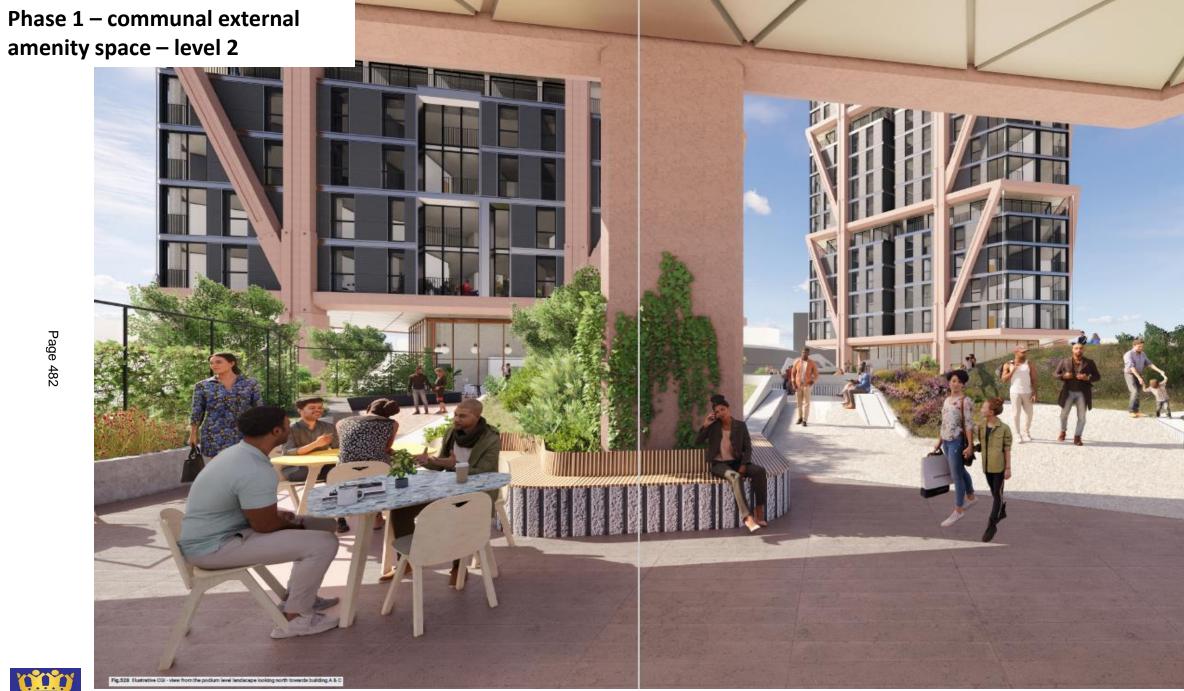
Phase 1 – residential entrances and lobbies



Fig. 521 Elustrative OGI - Interfor of residential building A&C lobby.

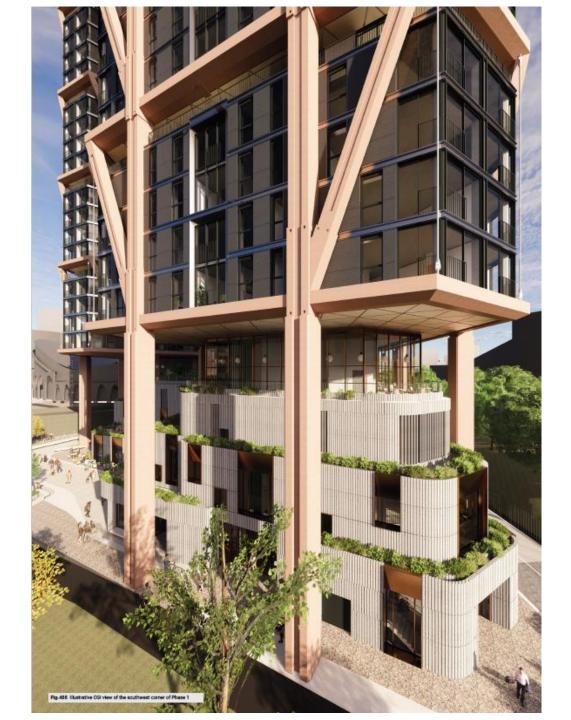














## Phase 1 – material pallette

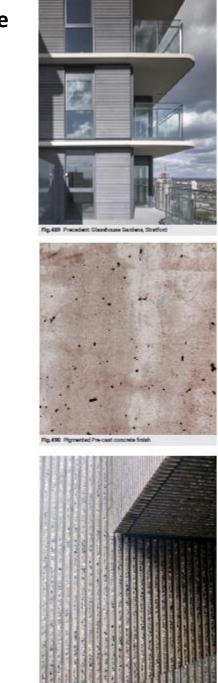


Fig.491 Precedent Norm Tomen, Blockho

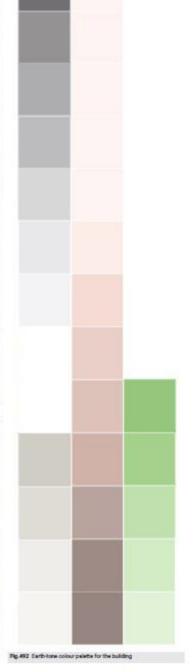




Fig.495 Elustrative south elevation

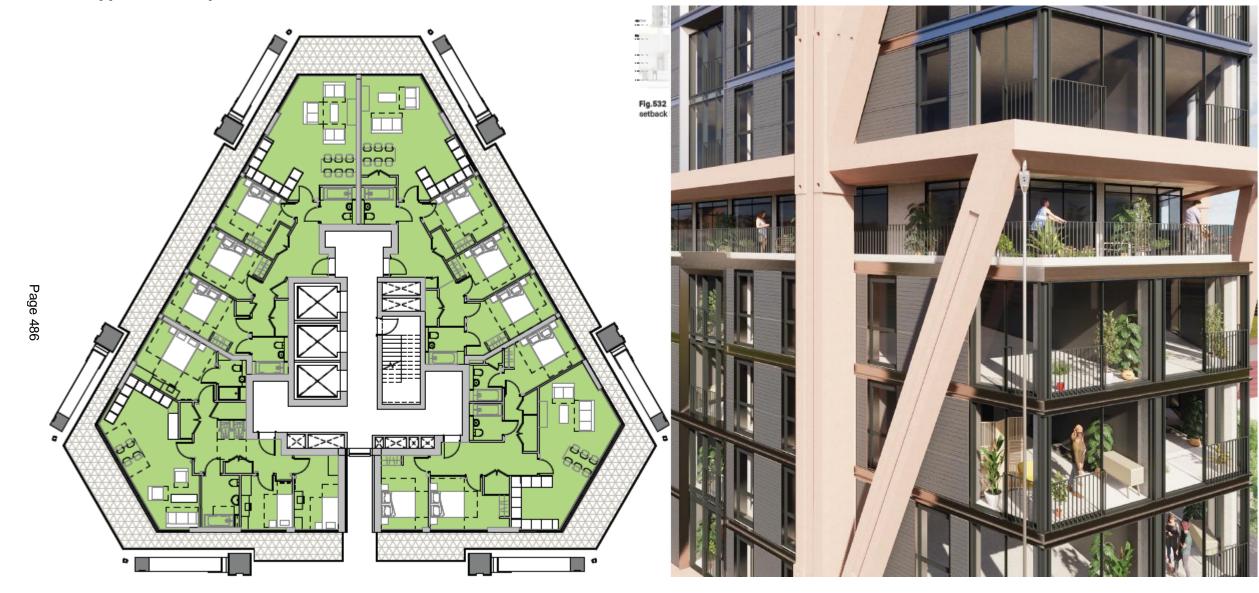


#### Phase 1 – typical floorplan

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## Phase 1 – typical floorplan – 3 beds







retreat den

sensory play garden play creek

grass trails

🍄 open lawn 🐇





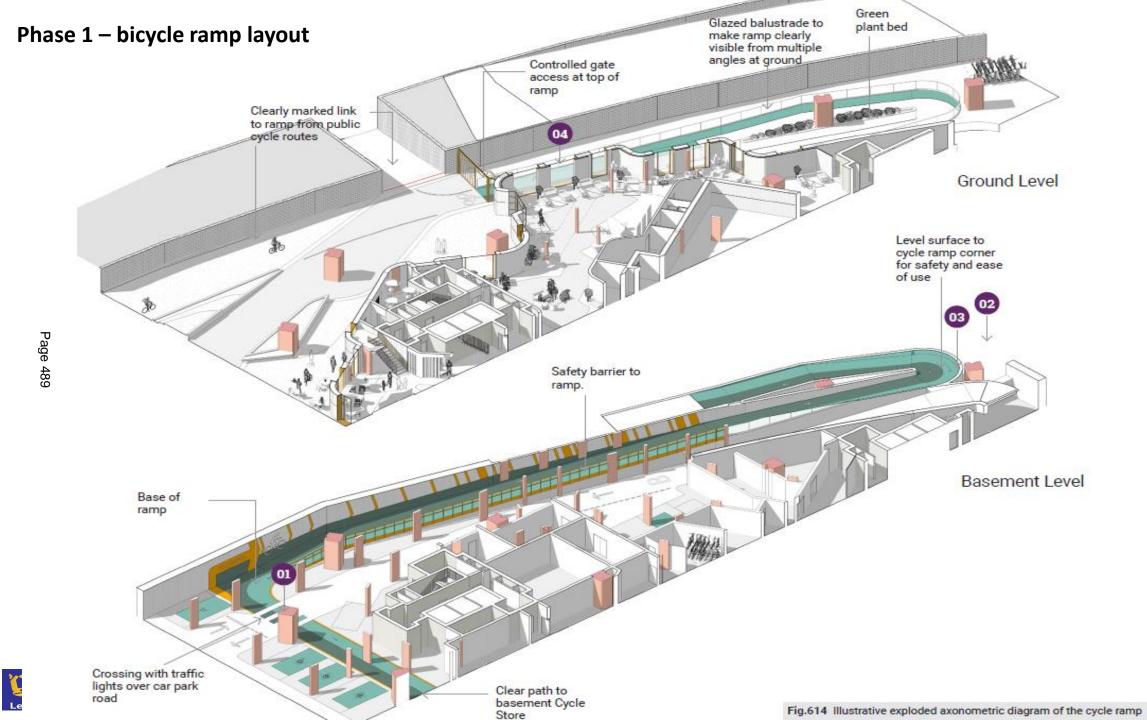
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onometric

### Phase 1 – external lighting arrangement









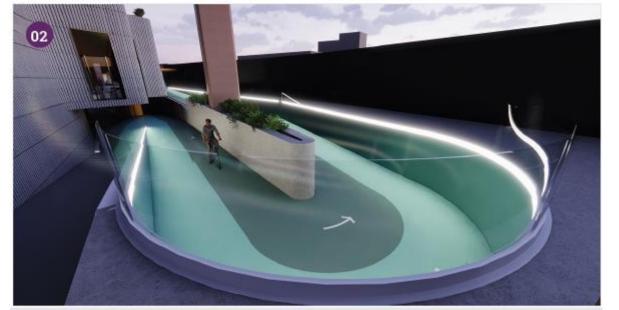


Fig.617 Illustrative view 2- turn of ramp with feature lighting

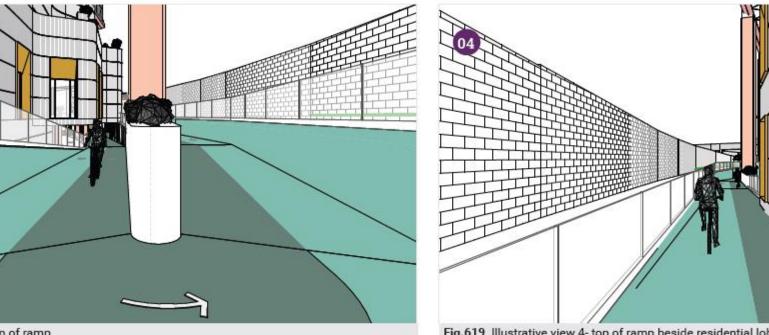
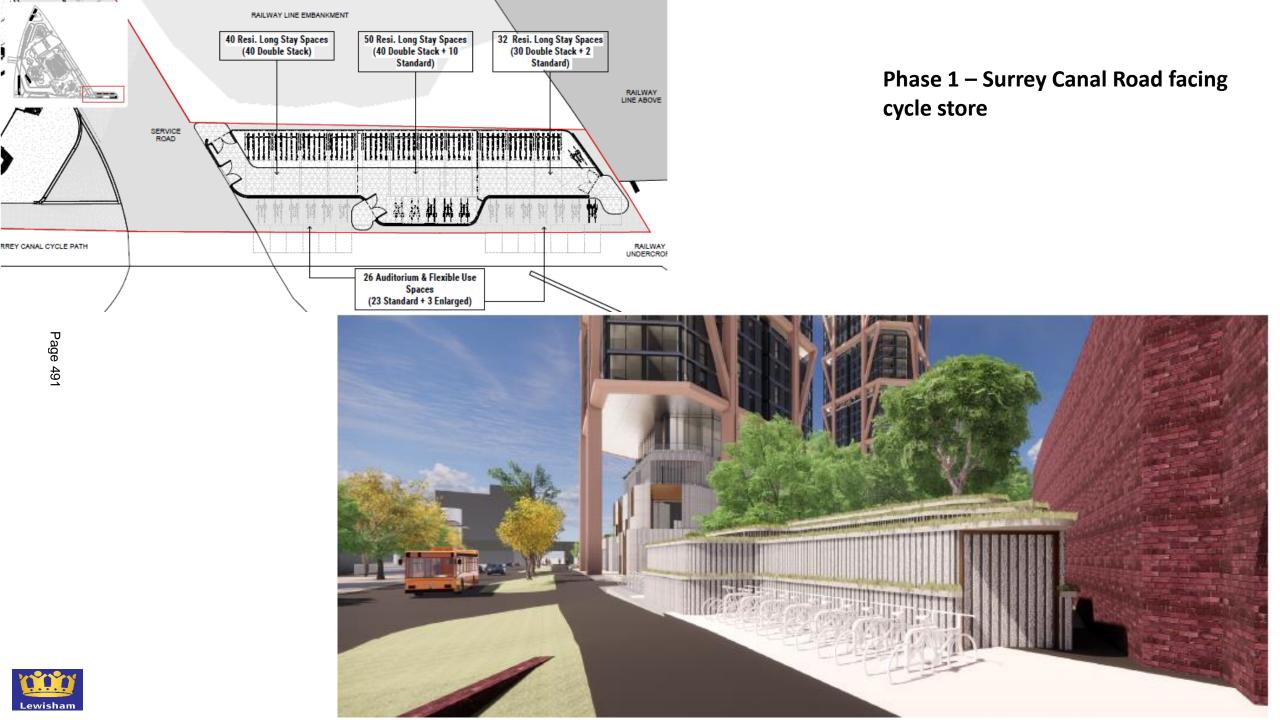


Fig.618 Illustrative view 3 - turn of ramp

Fig.619 Illustrative view 4- top of ramp beside residential lobby A&C



## **Key Issues and Conclusions**

- Consideration within the context of the extant permission
- Principle of development and changes in policy
- Housing, including dwelling mix and affordable housing
- Non-residential space including Auditorium, Leisure Centre and Industrial/ Workspace
- Design quality, and tall buildings
- Transport including new walking, cycling infrastructure, bus routes and cycle docking
- EIA
- Planning contributions and legal agreement

