

Virtual Local Meeting Minutes (Microsoft Teams Format):

Scott House, SE8: DC/24/135192

Meeting date: 11 July 2024 (7 – 8:30pm)

Panel:

Chair:

Cllr Cooper (Cllr)

Applicant team:

Phoebe Juggins (PJ)

Scott Hudson (SH)

Lucy Slater

Nick Lawrence

Matt Harmer

Marco Tomasi

LBL Planning

Geoff Whittington (GFW)

Residents

4 present

7:01pm: Chair opens meeting – introductions and house rules.

7:05: Presentation of the scheme by Marco Tomasi.

7:18: Chair opens the floor to questions (note: no questions received in advance of meeting.)

OBJ: Can I ask why you decided to proceed with the development when Scott House was locally listed in March 2020, several months after your initial application? English Heritage advise that the building can no longer be listed with just two facades.

PJ: The previous planning application at the site was undertaken by a different landowner. They got planning permission and they didn't build that out, and we now have taken ownership of the site and we're pursuing a different planning application. In terms of the local listing that happened during the determination of the previous application and that for us put a line in the sand in terms of the importance of retaining those facades. The local listing was undertaken by Lewisham Borough as opposed to Historic England.

OBJ: Why did you proceed with it when you started your application in September 2019 and in March 2020 which was a matter of something like three months before you got

permission, the building itself was listed as a local listing, so at the time of application it was actually locally listed, so you had to consider building or overcoming the fact that the local authority had locally listed it.

PJ: Yes, so that 2019 application was pursued by somebody else, a different developer. Your tribe weren't involved and this team wasn't involved in that planning application. In terms of the status of the locally listed building we have obviously been aware of that from the outset and had conversations in our pre-application discussions with Lewisham Conservation and Design officers to ensure that we are respecting and enhancing the heritage value of that locally listed building and that's been part of our design discussions with the borough as well throughout and we submitted a thorough heritage assessment as part of our planning application that does that full assessment as part of the heritage and townscape considerations of the design and its impact on that locally listed building and the facades.

OBJ: English Heritage have advised that the building can no longer be classified as locally listed if it's only got two facades so you're not retaining the heritage.

PJ: The local listing is a local Lewisham Borough designation, it's not a Historic England designation.

OBJ: No, we accept that it's not a nationally listed building, but we've only got, in this ward about five properties that are locally listed, so the community doesn't want to lose anything which is locally listed.

PJ: We'll take that away and clarify that with the Borough's Conservation Officer in terms of the local listing status.

OBJ: All right, my second question is what has been offered to the tenants in view of the anticipated evictions?

PJ: We have a residential portfolio with a number of sites across London that we manage, and we have a residential property management team who are looking after those tenants in terms of making sure that their properties are still safe and undertaking property repairs and whatever is required. All of our tenants are on 12-month ASTs which is standard for most private residential properties. We are not cutting any of them short for this development and we're negotiating with tenants as and those expiries come up in the future.

OBJ: What are you offering over and above any other applicant in view of their particular circumstances?

PJ: They are all in contract legally at the moment and we're not doing anything to affect that. What we'll ensure we do is give them as much notice as possible when we have a date for when the development is likely to be able to commence, but we won't be breaking any of those ASTs. Our tenants all have certainty of tenure and as and when those expiries come up depending on where we are in our programme regarding securing a planning permission and undertaking everything else, we will communicate with them well in advance so that they're clear if their tenancies will be extended or not.

We have a large portfolio of residential properties and we know a lot of different estate agents across London who we work with on our residential lettings, so we will look to

introduce our tenants who wish to stay in the area to agents and we'll look to help them find new rental opportunities if that's what they're looking for in the area.

OBJ: If I was a tenant there, I'd have to live with the knowledge that you could evict me at any time and I haven't got any security of tenure. Effectively, you're giving them nothing.

PJ: So just to be clear, all the tenants on site do have security of tenure. They are all in contract called an assured short-hold tenancy, so they all have a defined tenancy period and there will be no breaking of that tenancy period unless there is already provision to do so. Some tenants like to have breaks in tenancy agreements in which case there may be lawful breaks but we will not be cutting short anyone's tenancy once they are in an assured short hold tenancy contract with us.

OBJ 2: An assured short hold tenancy does allow you to evict those tenants at the end of that period. I think what we're anxious about is that when they are addicted, what will happen to them? You talk about introducing them to estate agents and various other housing providers in the area. There is a housing crisis, it's very difficult to find affordable accommodation. These tenants, some of them have been there for 16 years, how are they going to find affordable accommodation in the local area where their children are at school and are you actually offering that you will meet their requirement in terms of what they have to pay in rent once you actually throw them out on the street?

PJ: These tenants have been in various contracts throughout so there's not been a change in the nature of the contract that they're in subsequent to our taking over the ownership so they've always been in tenancies that have an end date. It's very standard that people take rental tenancies and at the end of that year period, it's possible that on either side those tenancies don't get renewed and we're not doing anything unusual in that respect. We can't guarantee them future accommodation and that's not something that any landlord in any property would be able to do but what we will do is ensure that we meet with them, we hear any concerns they've got and we introduce them to agents to try and help them with future searches and we will be giving them a long notice period and allowing them flexibility should they need anything from us during that period so this won't be a shock to them. If we are successful in getting planning permission there's more work that needs to happen before we can actually start on site, so there will be a fairly long leading process and we'll be able to communicate with those tenants and help them where we can using our network and our expertise in that area throughout that kind of protracted period before we actually start the development on site.

OBJ 2: I would just say that if I was a tenant with a child at a local school I wouldn't feel happy about the insecure situation that I was being put in, particularly as I live in a property that has some sort of significance to the area and has been my home for a number of years. But anyway, thank you for your answer.

OBJ 3: I'm curious of the number of buildings going in for student accommodation. There's this huge demand for student accommodation - what are students actually bringing to the area - they don't pay council tax, I don't know if they can afford to go and spend in the local community. With building student accommodation, because you only have to put the one core in, whereas [C3] accommodation you need to put two cores in, so it's much cheaper to build student accommodation. Is that of any bearing of why we're having so many high-rise buildings being put in for student accommodation? What can it be converted to? The building can't be put into residential.

PJ: So just to assure you, the high-rise building regulations are the same for all residential uses, so this proposal does have a dual core. It's got two circles with the requisite escape and firefighting lifts, so it's no different to the residential standards. So what we've included in the design and access statement is an assessment of how in the future you could convert this proposal if there was no demand in the future from students any residential use type could be made to work here and actually it's got a very rational layout so you could envisage a scenario where an alternative kind of rental living product like co-living might be possible here, and a hotel use would be possible or you could potentially look at type of residential flatted development here because the all of the fire regulations in terms of the number of cores the sprinkler tanks and the life safety systems are all exactly the same as if this was traditional residential development.

OBJ 3: Is there a specific reason why we're bringing so many students into this area? We've got Lewisham College - why has it been so much concentrated in this area and Lewisham Council seems to have a fascination with putting such high-rise buildings in everywhere - this one is 31 storeys and other tall buildings around Millwall - it's just turning into another Croydon. They're just overpowering and a bit unsightly.

PJ: I obviously won't talk to the general points about Lewisham, but this site is in a wider opportunity area, and the London Plan is very clear about maximising density where it's appropriate to ensure that all the land that is developed to its maximum capacity to help deliver the homes, the student accommodation, the commercial development that London needs because if London can't fit everything in then there's nowhere else for it to go because you have a contained urban bubble. The London Plan identifies areas where more dense accommodation is acceptable and it's for the development management process through Lewisham to test and make sure that development is going in the right place. What we've done with officers is from the very outset of the project tested the key viewpoints that relate to this building so where can this building be seen from and how does that impact the townscape, and we tested different various different heights and different shapes of the building crown and different orientations to make sure that the building is seen comfortably within that wider context of the Deptford Landings plot and everything that's happening elsewhere. So the heritage and townscape assessment deals with all of the strategic tall building considerations from looking from all across London and across the borough including using CGI renders to try and work out exactly what that building is going to look like and that's the assessments made against that future proposal and that's how we can give comfort that this building will look comfortable in its townscape setting once it's built.

With regard to the student point, it's probably a factor of chronic undersupply and the fact that there's not been student accommodation delivered in significant enough numbers over the last decade in London. There are circa 400,000 students in London, at the moment only around 100,000 purpose-built student accommodation beds, so that's anything owned by a university or a private kind of university partnership like we would have. So there is really a huge amount of students who don't have a purpose-built room and something that is becoming more apparent is the crisis in the private rental sector that means students don't have the amount of private rented flats and for a lot of students private rented flats are not suitable for them because they don't necessarily want to be engaging with setting up bills and all of that kind of stuff if they're just going to be somewhere for one to three years. So the PBSA model that gives students a secure safe place with a desk in their bedroom with no landlords to deal with, no bills to pay separately to their rent, is very attractive and very popular and it helps London's universities retain and encourage students to come and study

there. For example, the head of Trinity Laban which is a small arts university located partly in Greenwich and partly in Lewisham have written to the head of planning in Lewisham asking for more student beds because at the moment they don't have enough of their own that they can offer to students and they're finding it difficult to attract students to come and study in London. So the student benefit point is really about the economic activity of not only the universities but also everything else that that brings with it in terms of students spending in the local area and taking part in economic activity of the local community.

OBJ 2: The developer sites in support of the application and the supporting statements seem to focus on family homes will be freed up as a result of this development. This is using a ratio of 1 to 2.5. I can't find any evidence that this actually happens. Can you, do you have some sort of numbers that actually back up this statement? And also you have a development that's in use at the moment, so could you tell me how many family homes have been freed up as a result of your current finished development? Do you have any data on that?

PJ: The 2.5 ratio is established by the London Plan so it's a broad average ratio that represents on an average basis how many PBSA rooms, so 2.5 rooms, equals one residential unit on the basis that sometimes people would rent an individual single one bed flat, sometimes people might take part in a house share of three beds. So that's why there's this ratio and that's established in the London Plan, so all the evidence for that is dealt with by the GLA at the strategic level. In terms of our operational developments that are open, the students didn't necessarily come out of a private rented flat. What they've done is bypass that completely, so some might have been living at home or they might have been looking at house shares and our accommodation has given them the alternative so that they don't have to consider private rented.

We'll get more data in September, probably from second and third year students, where they might then be able to say where they lived in previous years and we'll start to collate that database. But our current properties that are currently open and operational both opened midway through the academic year so they didn't tend to serve people just for this interim period who were previously in private rented as a general rule unless their tenancy happens to end.

Its more of a metric and representing the fact that students don't need to consider looking at private rented flats. So they're not even engaging with that market if they've got sufficient supply of PBSA and purpose-built rooms. Through relationships with universities we'll be able to bring those students who go straight from getting their A-level results or equivalent to then come and take a space in purpose-built accommodation and do that every year rather than having to try and find a family, what could be a flat that serves a family or young professionals or non-students effectively.

OBJ 2: You could get that evidence because if a family home was occupied by students then they wouldn't be paying council tax. So the data would be there if a previous student house was unoccupied and then occupied by a family you could get that data to support your application but there isn't anything in there like that and also it would appear that this sort of data is not available so if this is the main argument it's worrying that there's no strong data to support it - and also you say they're sidelining going into local accommodation. Is this because that you're targeting of first years and also is it that you are targeting international students because the majority of these PBSAs, 60% of them, are occupied by international students. So for the local area, if we're considering the local area, it's a bit concerning that we're not going to get a great deal of benefit out of this.

PJ: So in terms of who's being targeted, there's no specific targeting going on. What this development will have is a relationship with the university called a nominations agreement or possibly more than one university. 50% of those rooms will be nominated by a specific university who all take the rooms and nominate their students there and 35% of the total rooms will be set at an affordable rent level so the university itself will set its own criteria for which students need to move into those affordably priced rooms and that's all set up by the London Plan, and the Mayor of London sets that rent level every year so 50% of this will be all nominated by a university, and it's up to that university whether it chooses first, second, third years to go into that. We don't necessarily get involved in who they nominate to particular rooms. With the affordable, they nominate that based on their own assessment of student means testing.

And then the rest of the accommodation will be available to book through our website, so we don't target particular groups, it's just wherever that need comes from. On your point on the wider data trends, that is definitely something that we can look at in terms of assessing, but I think it's probably important to bear in mind that data like that will take some years to kind of build a picture of a trend and that it would be something that would be, I'm sure, that the council monitors as part of its own annual monitoring of developments and housing. I'm sure that the council will be able to have and start gathering a data set based on that.

SH: With regards to the private rented sector data, the Lewisham SMMAR, which is a strategic housing market assessment report dated 2022, notes that there are over a thousand dwellings that were wholly occupied by students in 2021. So, that's where there is some data on the private rented sector in terms of students within Lewisham.

OBJ 2: But how many of those have actually been freed up for family homes, which is the main argument that you actually are putting forward in support of your application, seeing as this application has no residential or doesn't meet any other form of housing need? You said that there would be nomination. Are you attempting to get planning permission before the nominations? Because you've just cited the letter from Trinity Laban, but there is as yet, as I understand it, no nomination.

PJ: That's correct. In our experience, universities won't nominate rooms until they know with confidence when those rooms are going to be available. So normally we would enter into discussions on heads of terms probably when we start construction and then it's only when we have a fixed certain delivery date that we'll enter into the legal contract because from a university perspective they can't enter into a contract that they're going to have x number of beds available, if there's a question mark about when they'll be available, and from our perspective we can't guarantee those beds will be available at this point because we don't know when we're starting construction and we don't know when we'll be finishing construction. So I would say every PBSA scheme in London that's consented, that has an obligation for nominations, that will be something that's required to be agreed prior to the first occupation of the building and it's not anything that needs to be agreed in advance because you can't enter into a contract if you don't know when the building is going to be ready is our experience and the experience of all universities and other PBSA developers, and a lot of universities they work very much kind of academic year to academic year in terms of their student numbers and projections so again they tend to not want to commit to a point three or four years in the future for a certain number of beds if they are expecting a level of fluctuation in their student numbers in the interim period.

OBJ 2: Given the explosion of applications for this of this nature does this suggest that you'll get a number of developers fighting for the nominations from each university, and why would the universities want to commit? If you look at these PBSA beds that are being advertised, they're being advertised on platforms that's similar to Airbnb, if you like. They operate internationally. And they are advertising rooms in central Lewisham at between £22,000 and £24,000 per academic year. That suggests to me that the target cannot be local students, it cannot be our average student, it must be either wealthy students or indeed international students. And this seems to be the way the PBSA market is going, which is very concerning, especially as in Lewisham we have such high housing need. It just doesn't seem to be a moral basis on which to put this, to agree this application.

PJ: Was there a specific question in that to pick up, just so that I'm clear what aspect of that to respond to?

OBJ 2: What I'm saying is in terms of what you're providing, you are not providing housing need locally, maybe even not nationally. And given that we have such high housing need, I can't see, after we've already taken two big developments in this area, that it's a reasonable proposition that we should take more. So I just wanted you to say maybe why we should.

PJ: There is a perception point because of the nature of seeing new planning applications come in, but in reality there have been very few planning applications over the last 20 years for student accommodation in Lewisham, which has effectively meant once you have universities in Lewisham and surrounding boroughs, once there are a lot of students living there, all these students are already living in the borough, so they're just not living in purpose-built student accommodation, they're living in private rented units. So the perceived explosion of PBSA developments is not about making Lewisham a new student destination, it's about catering for a lot of those students already living in the borough and surrounding areas with a purpose-built product that is better suited to what students need.

We get a lot of evidence from UCAS surveys from HESA data, which is the Higher Education Statistics Agency, that kind of identifies that what students want nowadays is a clean, safe room with a desk and a clean functioning kitchen. A lot of students don't want to deal with private rented landlords, understandably. It's about trends changing in terms of students paying a lot more in tuition fees so there's a perception that actually if I'm spending all this money on my tuition I want to live somewhere where I'm going to be able to work more effectively, and it's less about the trends of lots of socializing as part of being a student - it's about actually how do I get the most out of my studies because I'm paying this tuition fee and how do I make sure that I'm getting a good quality degree and a lot of that is about living somewhere suitable and safe and well managed - in our experience and that's a more recent trend that's something that is then related to the significant demand of a students already living in an area and that's why you see lots of PBSA coming forward in areas because they are already very studenty areas and it's about transferring those students from less appropriate and private rented accommodation into purpose-built rooms and supporting all the local universities that need rooms to attract students because there are so many - we hear anecdotal evidence every year of students having committed to going to a London university and if that university can't offer them accommodation in their first year, turning that down and going to a different university in a different part of the country because they simply can't find somewhere to live and that's a really big problem for local London universities and because it means that they can't continue to attract students.

OBJ 2: So just to conclude then, are you suggesting that what you're actually targeting is local students already in the area who are currently living in privately rented accommodation who could reasonably move into what you suggest is a much more superior accommodation and that they would be able to afford that?

PJ: So to be clear, in terms of the student market, we don't target a particular type of student. We don't look to recruit from particular areas for our development. What we look to do is partner with universities and inevitably we were more likely to partner with a local university in this instance to nominate rooms. So that university will then take our rooms and when it is allocating its students to rooms, students can either choose our development or the university can say, would you like a room in this development? So we are looking to cater for the students who are studying at the university that we've got a partnership with. So that's the majority of the development. And then in terms of the rest of the development is going to be available to anyone and we won't look to prioritise or de-prioritise any student based on any characteristics at all.

OBJ 2: So the key has to be then that you have an agreement with the universities that they actually need this accommodation locally and that means a nomination. So I'm a little bit confused about how you can go ahead without it, because then, it's not really fitting in with what you're saying.

PJ: It would not be normal to have a nominations agreement in place before a scheme's received planning permission, because you would never undertake that degree of legal contracting without the certainty of a delivery date. So even when we hopefully do get planning permission there's still going to be a fair period of time whilst we discuss the section 106 agreement and once we go through the GLA process and even then we've got to go through the Building Safety Act process which is updated building regulations for tall buildings that requires a huge amount of design work and approval by the HSE and a different government body and that's before we can even put a spade in the ground so there's a huge amount of uncertainty about the timescales before we can even start to do the development.

And then obviously once we start the development, we have a fairly good idea of how long the construction will take, but we don't actually have a guaranteed day one opening because things change in developments. You might have a delay on windows being delivered, for example, that might delay your development. Equally you might progress faster than your contractor thinks and you might get the development a bit earlier, so it's not beneficial for either party to sign a nominations agreement without having that certainty.

We as a developer and operator of PBSA have good relationships with lots of universities and we're very confident that we will get a nominations agreement when we need to here, otherwise we wouldn't have pursued a planning application on this site. We have been talking to universities, we talked to them about our sites and we have got discussions and heads of terms signed on other projects that are further along in the pipeline with other universities. So we are able and capable of doing that, it's just far too soon in the programme for us to do that now.

OBJ: I'm concerned that from what I've read there used to be nomination agreements in place before build and apparently it's changed now and I can't see how you could go ahead on the basis of not even having written evidence from any other than Trinity Laban, which is very small, that they need any student accommodation. I find that difficult and if there is, you feel that need, you're going to get a lot of developers just building ad hoc on spec in the hope that they're going to get nomination agreements. Now if a development does not get

sufficient nomination agreements for their particular tower then what happens to it - my concern is there isn't an alternative reasonable use of the building if you can't get the student in there.

PJ: In regard to building and the certainty to proceed, we would certainly never proceed with the construction of the scheme if we was not confident that we would be able to get nominations agreements. We have progressed on a number of sites across London and we haven't had nominations agreements in place at that time but what we have had is material conversations with universities where we know that when we get further along in the program we will be able to start entering into legal discussions with them. We would never start building a scheme if we didn't think we would be able to get nominations agreement because clearly that would cause lots of issues, as you've alluded to. Other developers may be able to do that but we certainly couldn't meet our internal due diligence process.

OBJ: You haven't got those discussions evidence anywhere. All you've got is a general letter from Trinity Laban saying yes we need student accommodation at some stage. So you haven't got any evidence, no informal agreements, nothing.

PJ: We've got a student accommodation operational team who regularly have conversations with lots of different universities across London all the time about these kind of things. We don't necessarily document them anywhere because sometimes universities don't want to put anything at risk of prejudicing a contract. So, we might be having conversations with them, but they might say, actually, we're negotiating a contract, so we'd rather you didn't reference us for some reason, in the same way that would happen with lots of different kind of legal agreements or, for example, a pre-let on a commercial building. You might be having lots of conversations, but there's very good reasons why they're not kind of formally documented anywhere. It's all part of a wider discussion. But we do have support from Trinity Laban specifically on this scheme as well, and we've had conversations with them about that.

OBJ: I believe there's sufficient evidence around now to show there is a downturn in demand in the PBSA, as evidenced in my letter which I put in my letter of objection some time ago. My worry is you're building and there is no long-term legacy in place if they don't have any requirement for PBSA.

Chair: I do think we've probably laboured this point out and I think Phoebe's last few answers have covered that. don't feel like we're getting much further here.

OBJ 2: Given that this was originally for residential accommodation, and given the acknowledged housing need in Lewisham, why have you changed from residential to PBSA when already this would be the fourth application actually for PBSA here and there's plenty everywhere else in the local, this part of South-East London. So what was your reason for changing this application? You said that you feel there's student need, but there's also residential need. So what's the reason?

PJ: We're a PBSA developer, so I suspect that's obviously a business reason. We included within our design and access statement an assessment of the previous residential planning permission on the site and it was consented in a time with different fire and building regulations and there are a number of reasons and issues with the design of that building that mean that consent couldn't be built - the core arrangement wasn't correct in terms of the way that escape cores need to be laid out and the provision made for escape and firefighting access.

There were issues with the boundary and having windows on a boundary and the potential for smoke and fire to cross over an ownership boundary which isn't acceptable under these regulations. So once we looked at the footprint and the floor plan of the consented scheme and we tried to demonstrate how you might be able to make residential work in there, it was very clear that it doesn't suit residential apartments because it's such a small site and with such a significant core in the middle you ended up with a very small number of shallow apartments that didn't allow for very optimum layouts and it didn't allow for larger family units without seriously increasing the bulk of the building and we had a lot of discussions with Lewisham officers and design officers about that exact issue and officers pushed us very hard to demonstrate that C3 residential just wasn't an efficient use of land in this case and that's all documented within our planning application that was submitted in the design and access statement.

OBJ 2: So are you saying that residential can't be built there or it can't be built there and give you the sort of profits that you're looking for? Which is it?

PJ: The consent could not be built and amending trying to make that consent work for a residential layout created such an inefficient net to gross - so you had to build so much building to get a very small amount of actual liveable floor space that nobody ever would have been able to viably construct it.

OBJ 2: So you're saying that the site is not suitable for residential accommodation, I want to be clear that's what you're actually saying.

PJ: So in our assessment, in our assessment from a delivery and deliverability and feasibility and design perspective, we came to that conclusion.

OBJ 2: So nobody could build residential accommodation on that site?

PJ: It's possible that one day in the future through different technologies/ if regulations change, but as it stands today there's no way that we could make a residential scheme work on that site for the very severe design constraints. If you look at the addendum to the design and access statement there's some floor plans that we've drawn up and that we discussed with offices as part of our pre-application discussion that should hopefully demonstrate some of the constraints that the fire and building regulation has put on the site and show you the kind of physical challenges and the feasibility challenges.

OBJ 4: Tenancy question re Scott House occupiers.

Chair closes meeting at 8:13