

Subject: 1-2 Hepscoth Road, London and 33-35 Monier Road, London, E3 2PR - (18/00302/DOV) and (18/00303/DOV)

Meeting date: 25 September 2018

Report to: Planning Decisions Committee

Report of: Anne Ogundiya, Principal Planning Development Manager

FOR DECISION

This report would be considered in public

1. EXECUTIVE SUMMARY

- 1.1. This report considers two inter linked deed of variation submissions relating to two s.106 legal agreements for the following two sites:
 - 1.1.1 1-2 Hepscoth Road (15/00446/FUL) mixed use redevelopment comprising 6-storey building to provide 922 sqm (GIA) of commercial space (use class B1c) with yard area, 30 residential dwellings (7 affordable housing), 14 x 1 bed, 12 x 2 bed and 4 x 3 bed, amenity areas, disabled parking, cycle parking and refuse/recycling stores.
 - 1.1.2 33-35 Monier Road (15/00212/FUL) mixed use redevelopment comprising 6-storey building comprising 667m² of commercial workspace on the ground floor and 45 residential flats (10 affordable housing) on the upper floors; 15 x one bedroom, 17 x 2 bedroom and 13 x 3 bedroom. The proposal includes landscaped public realm and roof top level amenity space as well as on site cycle parking and refuse facilities.
- 1.2. When planning permission was granted for these two sites they were each subject to a legal agreement controlling, amongst other things, the tenure of the residential flats. The owners of the building have now undertaken a review of the accommodation and following this review they have approached officers with a view to renegotiate the Heads of Terms of the s.106 legal agreements, specifically as far as they relate to affordable housing.
- 1.3. The Hepscoth Road (15/00446/FUL) proposed deed of variation seeks to remove the requirement to provide the approved 7 units of affordable housing on the site. The extant legal agreement requires the provision of 7 affordable units delivered as part of the 30-unit scheme.

- 1.4. The applicant has advised that all of the approved residential units (30 units) at Hepscott Road including the 7 affordable units would be delivered as private rented units (PRS). This would be secured via the deed of variation. The PRS would be delivered through the applicant's PRS brand, Vive Living.
- 1.5. The Monier Road (15/00212/FUL) deed of variation seeks to increase the provision of affordable housing by 7 units from the approved 10 affordable units on the site. Resulting in a total of 17 of the approved 45 housing units being affordable units. The additional 7 affordable units arise from the loss of the Hepscott Road affordable units and the tenure is not altered from that which was originally proposed.
- 1.6. The key issue in considering the submitted variation details relates to the following:
 - Housing Mix / Need
 - Housing Location
- 1.7. The applicant has demonstrated that both sites would still deliver a range of housing tenure types, with a good mix of tenures. Officers are confident that the quality of accommodation would be high regardless of tenure type or location. The proposal successfully optimises the capabilities of the site and would deliver much needed housing units of a suitable standard, meeting the needs of future occupants and the housing market more generally.
- 1.8. Officers are satisfied that the issues raised have been robustly addressed. Given the above, Officers have concluded that rather than insist on the retention of the 7 affordable units within the 1-2 Hepscott Road development it is reasonable to agree to the proposed variations as the developments would continue to make a significant contribution to meeting housing need as well as affordable homes in the local area.
- 1.9. The proposals are considered to be acceptable in planning policy terms (Local Plan policies H1 and H2 refer). As such, it is recommended that both deeds of variation are agreed as set out in the recommendation below.

2. RECOMMENDATIONS

2.1 The Committee is invited to:

- a) **Application reference 18/00302/DOV APPROVE the Deed of Variation pursuant to s.106 of the Town and Country Planning Act 1990 (as amended) as detailed in Section 7 and the appended draft Heads of Terms.**
- b) **AGREE TO DELEGATE AUTHORITY to the Director of Planning Policy and Decisions to:**
 1. **Finalise the Deed of Variation referred to above as the Director of Planning Policy and Decisions considers reasonably necessary;**
 2. **Complete and issue the Deed of Variation referred to above.**
- a) **Application reference 18/00303/DOV APPROVE the Deed of Variation pursuant to s.106 of the Town and Country Planning Act 1990 (as**

amended) as detailed in Section 7 and the appended draft Heads of Terms.

b) AGREE TO DELEGATE AUTHORITY to the Director of Planning Policy and Decisions to:

1. Finalise the Deed of Variation referred to above as the Director of Planning Policy and Decisions considers reasonably necessary;

2. Complete and issue the Deed of Variation referred to above.

3. FINANCIAL IMPLICATIONS

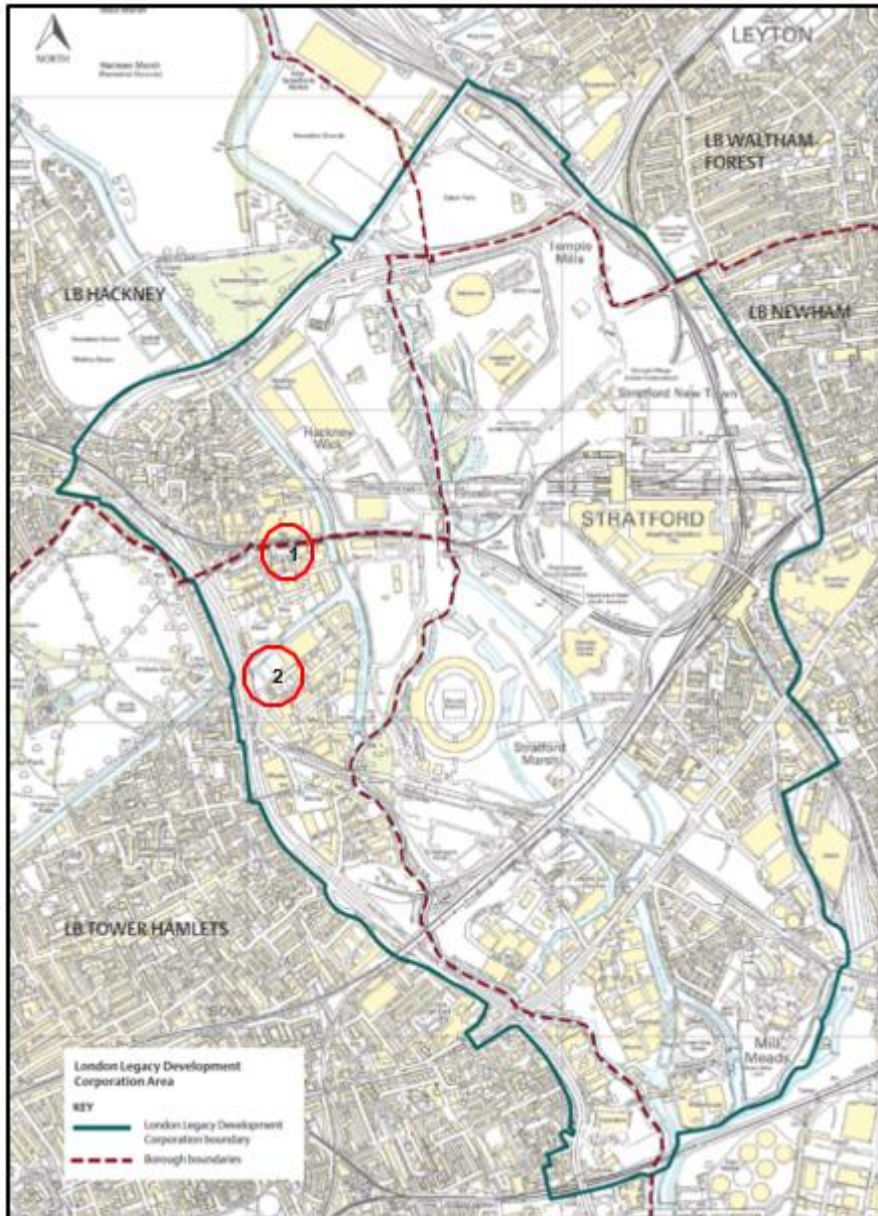
3.1 There are no financial implications

4. LEGAL IMPLICATIONS

4.1. The recommendation is that the proposed deeds of variation (DoV) to the s.106 legal agreements dated 20 June 2016 and 24 March 2016 relating to planning permission references 1-2 Hepscoth Road (15/00446/FUL) and 33-35 Monier Road (15/00212/FUL) respectively are granted.

4.2. The proposed variations and changes can only be legally affected by the deeds of variation to the s.106 agreements. The draft Heads of Terms appendices 3 and 4 to this report set out the proposed changes to the s.106 agreements. It is intended that LLDC PPDT would enter into negotiations with the applicant to agree the precise wording of the DoVs to the s.106 agreements. All reasonable legal costs incurred by the LLDC would be covered by the applicant.

SITE PLAN



Location: 1-2 Hepscoth Road¹, Hackney Wick and 33-35 Monier Road², Fish Island, London

London Borough: Tower Hamlets

Proposal: Two Deed of Variations (DoV) to the s.106 agreements at 1-2 Hepscoth Road (15/00446/FUL) and 33-35 Monier Road (15/00212/FUL) to amend the distribution of the affordable homes.

Applicants: Aitch Group

Agent: CMA Planning

5. SITE & SURROUNDINGS

- 5.1. 1-2 Hepscott Road: The site is a broadly rectangular shaped plot located on the eastern side of Hepscott Road. It is bordered by White Post Lane to the north, Hepscott Road to the west and Rothbury Road to the south. The site is approximately 0.1185 hectares in size and in current use as a stone cutters yard (use class B8). The River Lea Navigation is located approximately 0.1 miles to the east and a similar distance to the south. Hackney Wick station is located approximately 54 metres to the north of the site.
- 5.2. The site is within the Hackney Wick Neighbourhood Centre boundary and site allocation SA1.1 (Hackney Wick Station Area) as detailed within the LLDC Local Plan. The site is within an area of flood risk (Flood Zone 3) and is adjacent to the boundary of the Fish Island and White Post Lane Conservation Area.
- 5.3. The surrounding area is characterised by predominantly warehouse and light industrial buildings. Immediately adjacent to the site is a small scrapyard and a car mechanics.
- 5.4. 33-35 Monier Road: The site is roughly square shaped and bounded by Monier Road to the south east, is bounded by other commercial sites (part of the Neptune Wharf development site ref: 12/00210/OUT). The site is approximately 0.157 ha in area and is currently occupied by a part single, part two storey commercial post-war building with an open yard on the northern part of the site.
- 5.5. The immediate surrounding area is mainly commercial in use and characterised by buildings of post war 20th century date and open yards. These existing uses include wholesalers, gas equipment suppliers and building material suppliers. Some of these uses and structures, such as the gas equipment suppliers, have been removed/demolished as part of the approved Neptune Wharf redevelopment.

6. RELEVANT PLANNING HISTORY

- 6.1. Neptune Wharf 12/00210/OUT was approved 27th March 2014 and surrounds the application site to the west and north. The Neptune Wharf development is a part outline, part detailed application for planning permission.
 - The scheme is being developed in four phases, phases 1 and 2 of which would be opposite the north of the application site. The Neptune Wharf scheme includes public access via a northwards continuation from Smeed Road towards the Hertford Union canal. A six-storey block (Block N) was approved in detail within Phase 2 of the approved Neptune Wharf scheme and directly adjoins the north-west boundary of the 33-35 Monier Road site.
 - Neptune Wharf, Phase 3 includes the erection of three buildings (Blocks O, P and Q) with commercial uses at ground floor and residential units above.

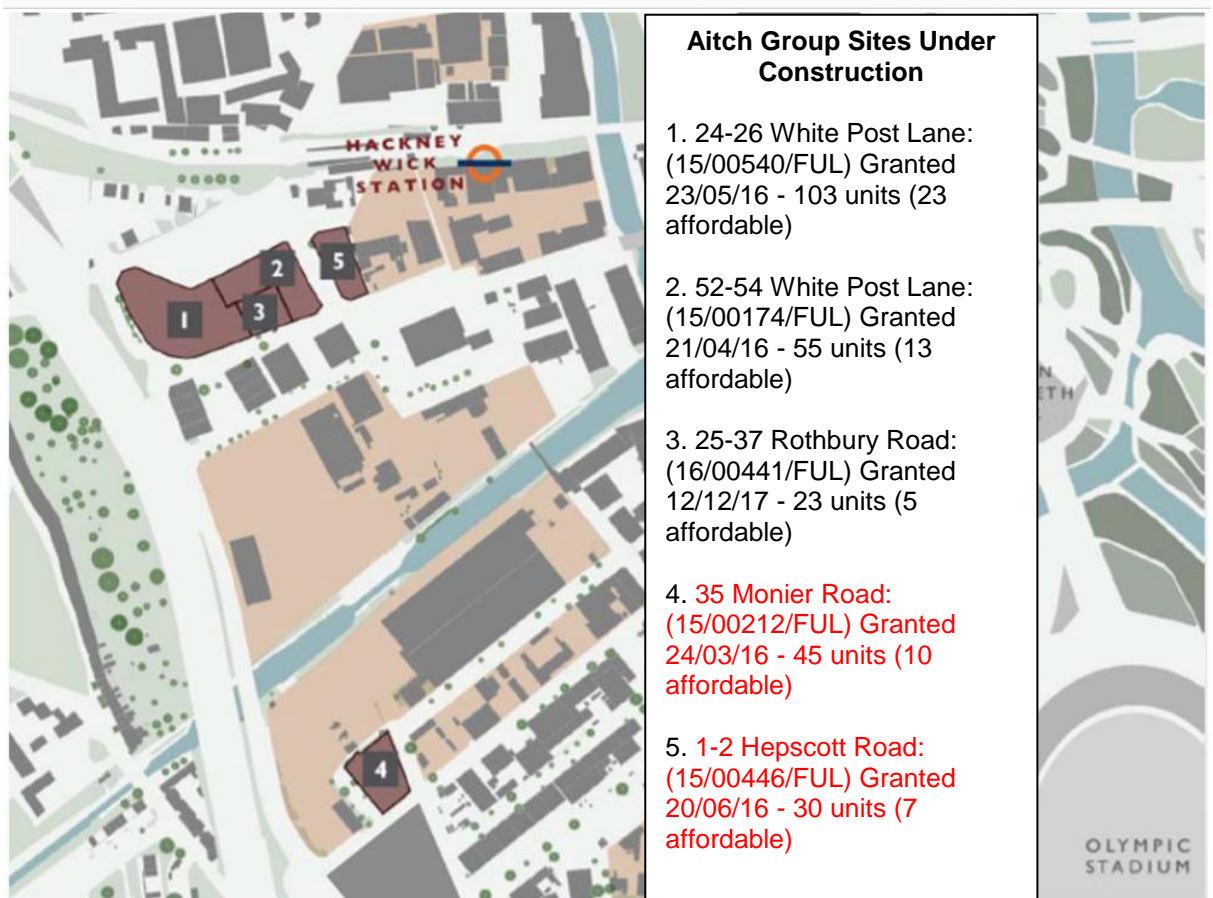
- Phase 4 comprises a 3 Form Entry Primary School. The Primary School site is approved to the south west of Remus Road with vehicular access from the school site to Wyke Road approved directly to the north of the application site.
- 6.2. 14/00374/FUL (planning permission granted September 2015): This scheme known as 'Monier Road West' is sited to the east of Smeed Road and has planning permission for mixed use redevelopment. The approved plans show six storey development fronting Smeed Road with commercial ground floor use (2,2250m²) and residential flats (120 flats) on the upper floors. This site is located to the immediate east of 33-35 Monier Road.
 - 6.3. 13/00204/FUM (full planning permission granted March 2014): This scheme known as 'Monier Road East' is sited at the junction of Monier Road and Roach Road and has planning permission for mixed use redevelopment. The permission comprises 483 m² of commercial floorspace at ground floor and 71 residential units on the upper floors which range from four to seven storeys in height. This site is located to the east of 33-35 Monier Road.
 - 6.4. Aitch Group Planning Permissions within Hackney Wick and Fish Island:
 - 6.5. 52-54 White Post Lane (reference: 15/00416/FUL) - Application for the redevelopment of the Mr Bagel warehouse for 2367sqm (GIA) of commercial space (use class B1c) with commercial yard and 55 residential dwellings. Planning permission approved on the 21st April 2016 - The redevelopment of the site is underway.
 - 6.6. 24-26 White Post Lane (reference: 15/00540/FUL) - Application seeking the demolition of the existing building and the erection of 4no. linked buildings up to 6no. storeys in height to include 103 residential units and 2,916 m² of commercial floorspace (Use Class B1(c)). Planning permission approved on the 23rd May 2016- The redevelopment of the site is underway.
 - 6.7. 33-35 Monier Road (reference: 15/00212/FUL) - Application for mixed use 6 storey redevelopment incorporating 667 m² of commercial workspace (B1 use class) at ground level and ancillary café/breakout space; along with 45 residential units at levels one to five; new public realm, landscaped amenity space and associated works. Planning permission approved on the 24th March 2016 - The redevelopment of the site is underway.
 - 6.8. 1-2 Hepscott Road (reference 15/00446/FUL) - Application for demolition of existing buildings and construction of a new 6 storey building to provide 922 sqm (GIA) of commercial space (use class B1c) with yard area, 30 residential dwellings (14 x 1 bed, 12 x 2 bed and 4 x 3 bed), amenity areas, disabled parking, cycle parking and refuse/recycling stores. Planning permission approved on the 20th June 2016 - The redevelopment of the site is underway.
 - 6.9. 1-7 Dace Road (reference 16/00462/FUL) - Application for the demolition of all buildings to enable a mixed use redevelopment of four new blocks ranging in height

from five (5) to six (6) storeys (with some single storey elements) to provide B1a, B1c, B2 and B8), with a maximum floorspace of B1a up to 2,500 sq m, 110 residential units including affordable housing (Use Class C3) and associated open space, amenity areas, vehicular access, accessible parking, cycle parking and refuse/recycling stores. Planning permission approved on the 25th January 2018 - The redevelopment of the site has not yet commenced.

7. DESCRIPTION OF DEVELOPMENT

7.1 This report considers two Deed of Variations (DoV) to the s.106 agreements at 1-2 Hepscott Road (15/00446/FUL) dated 20 June 2016 and 33-35 Monier Road (15/00212/FUL) 24 March 2016 to amend the distribution of the affordable homes.

7.2 The location plan shows the sites which are numbered 4 and 5.



Location Plan 1

7.3 **18/00302/DOV: 1-2 Hepscott Road - Deed of Variation (15/00446/FUL – Extant Consent)**

7.4 The original agreement for 1-2 Hepscott Road dated 20 June 2016 requires the provision of the following affordable housing units:

Table 1

Units	1 person	2 bed/4 person	3 bed/5 person	Total Units
Intermediate	2	2	0	4
Affordable Rented	2	0	1	3

- 7.5 50% of the affordable housing units are required to be provided prior to the occupation of 50% of the market housing units and 100% of the affordable housing units are required to be provide prior to the occupation of 70% of the market housing units.
- 7.6 The original agreement requires a viability review to be undertaken in the event that development has not commenced within 18 months of the date of the planning permission. Officers do not consider it necessary to reimpose a viability review obligation, the Hepscott Road development is under construction, and the applicant has advised that completion is currently anticipated on the 7th December 2018 (marketing of the units has commenced). They have added that the date is dependent on the CHP system which is part of the approved 24-26 White Post Lane development, being energised and fully tested and commissioned to provide heat and power to Hepscott Road.
- 7.7 Proposed Revised Position
- 7.8 The proposed revised position is that no affordable housing units would be provided on site at Hepscott Road. Instead all seven units would be provided on the Monier Road Development in the same tenure mix set out in the Table 1 above. Instead Hepscott Road would deliver private sector rentals (PRS) only through Aitch Group's PRS brand, Vive Living.
- 7.9 The provision of all the affordable housing units on the Monier Road Development would be required to be provided prior to the occupation of any of the dwellings on Hepscott Road.

7.10 **18/00303/DOV: 33-35 Monier Road - Deed of Variation (15/00212/FUL – Extant Consent)**

7.11 The original agreement for 33-35 Monier Road dated 24 March 2016 requires the provision of the following affordable housing units:

Table 2

Units	1 bed/2 person	2 bed/4 person	3 bed/5 person	Units
Intermediate	2	1	1	4
Affordable Rented	2	2	2	6

7.12 50% of the affordable housing units are required to be provided prior to the occupation of 50% of the market housing units and 100% of the affordable housing units are required to be provide prior to the occupation of 70% of the market housing units.

7.13 The original agreement requires a viability review to be undertaken in the event that development has not commenced within 15 months of the dated of the planning permission. If required by the viability review an additional 6 Affordable Housing Units (representing 35% provision) or an Affordable Housing Payment towards off-site provision (up to a cap of 50% of the residential units) shall be provided.

7.14 Proposed Revised Position

7.15 The proposed revised position is that an additional seven affordable housing units, being the affordable housing units relocated from Hepscott Road, would be provided on site. Therefore, the revised affordable housing provision would increase from 10 to 17 affordable housing units in the following mix:

Table 3

Units	1 bed/2 person	2 bed/4 person	3 bed/5 person	Total Units
Intermediate	4	3	1	8
Affordable Rented	4	2	3	9

7.16 50% of the affordable housing units are required to be provided prior to the occupation of 50% of the market housing units and 100% of the affordable housing units are required to be provide prior to the occupation of 70% of the market housing units. It is noted that the provision of 17 affordable housing units amounts to 38% provision.

- 7.17 As with Hepscoth Road the consented agreement requires a viability review to be undertaken in the event that development has not commenced within 18 months of the date of the planning permission. The Monier Road scheme is under construction, and the applicant has advised that completion is anticipated at the end of September 2018. The marketing of the development has commenced. To that end, as with the Hepscoth Road scheme officers do not consider it necessary to reimpose a viability review obligation.

8. POLICIES & GUIDANCE

8.1 National Planning Policy Framework (NPPF – July 2018)

The policies in the NPPF are material considerations in the determination of applications.

The following NPPF policies are relevant to this submission:

- 5. Delivering a sufficient supply of homes
- 8. Promoting healthy and safe communities
- 12. Achieving well-designed places

- 8.2 For the purposes of S.38(6) of the Planning and Compulsory Purchase Act 2004, the adopted 'Development Plan' for this site current is the London Legacy Development Corporation's Local Plan 2015-2031 (August 2015). The contents of the Government's National Planning Policy Framework are also relevant and have been taken into consideration.

8.3 The most relevant policies are listed below:

8.4 London Plan (Consolidated Alterations - March 2015):

The following London Plan policies are relevant to this submission:

Objective 2 - Providing Housing and Neighbourhoods

- 3.4 Optimising Housing Potential
- 3.5 Quality and Design of Housing Developments
- 3.8 Housing Choice
- 3.9 Mixed and Balanced Communities
- 3.10 Definition of Affordable Housing
- 3.12 Negotiating Affordable Housing on Individual Private Residential and Mixed-Use Schemes
- 3.12 Affordable Housing Thresholds
- 4.1 Developing London's Economy

8.5 **London Plan (August 2015) - Housing Standards, and Parking Standards (Draft)**

These two documents are in draft format to be considered by an inspector in a public examination commencing on 21 October 2018. Weight can still be attached to the documents particularly as they have been consulted on.

8.7 **LLDC Local Plan (July 2015) Policies which are relevant to the consideration of this submission are:**

SP.1 – Building a Strong and Diverse Economy

H.1 - Providing a Mix of Housing Types

H.2 - Delivering Affordable Housing

BN.1 - Responding to Place

8.8. **Other Relevant Material Considerations**

Mayor of London - Affordable Housing and Viability SPG (2017)

8.9 **The Draft London Plan (December 2017 with minor suggested changes July 2018)**

The Mayor of London published for the purpose of public consultation a draft new London Plan on 29th November 2017, with minor suggested changes in July 2018. The policies in the draft new London Plan currently have only very limited material weight when making planning decisions. That weight would increase once the new Plan is submitted for its Examination in Public. This report may make reference to policies within the new London Plan where they are directly relevant to the assessment of the application proposal. However, the relevant development plan policies remain those within the current London Plan (March 2016) and the LLDC Local Plan (July 2015).

The following draft London Plan policies are relevant to this submission:

GG3 – Creating a Healthy City

GG4 - Delivering the Homes London Needs

H5 – Delivering Affordable Housing

H6 – Threshold Approach to Applications

H7 - Affordable Housing Tenure

9. CONSULTATION

9.1 Similar responses for both proposals: 18/00302/DOV – 1-2 Hepscott Road and 18/00303/DOV – 33-35 Monier Road

- LB Hackney – No objections
- LB Tower Hamlets:
 - The proposal would result in an offsite affordable housing provision and this Local Planning Authority would only consider an off-site provision under special circumstances.

- The reason provided is not considered sufficient to warrant off site provision, furthermore, a minimum of 50% affordable housing should be secured. The proposal would be contrary to the Council's policy DM3 of the Managing Development Documents and therefore it cannot be supported.

10. ASSESSMENT OF PLANNING ISSUES

- 10.1 The main issues in respect of these two-linked deed of variation applications relate to how the applications meet the Corporation's relevant policies on housing tenure mix and affordable housing. Assessment of the development proposals against the London Plan (adopted and the new draft London Plan), the Housing SPG and Local Plan policies H1, H2 and BN.1 in terms of the tenure mix, need and location detail are discussed below.
- 10.2 The applicant (Aitch Group) has secured planning permission for six sites in the Hackney Wick and Fish Island area (1-2 Hepscoth Road, 24-26 and 52-54 White Post Lane, 25-37 Rothbury Avenue, 1-7 Dace Road and 33-35 Monier Road (see appendices)). Four of the sites are located in and around Hepscoth Road in Hackney Wick and form what is known as 'Bagel Island' (Hepscoth Road, Rothbury Road White Post Lane x 2). The other two (Dace Road and Monier Road) are located in Fish Island.
- 10.3 On five of the sites (Hepscoth Road, White Post Lane x 2, Rothbury Road and Monier Road) the permissions have been implemented with construction works being pursued on the sites. The Dace Road planning permission has not been implemented.
- 10.4 The 3 sites adjacent to 1-2 Hepscoth Road (2 x White Post Lane and Rothbury Road) would be delivered as a mix of market and affordable tenure units as would those at 33-35 Monier (28 market and 17 affordable - as proposed by the deed of variation). The five implemented schemes would provide a total of 256 homes and would deliver a total of 58 affordable housing units. Officers note that of the 211 residential units to be delivered by the applicant in Hackney Wick 41 of the units would be affordable housing.
- 10.5 LB Tower Hamlets have commented that the proposals would result in an off-site affordable housing provision for 1-2 Hepscoth Road and that 50% affordable housing should be secured.
- 10.6 The 7 affordable housing units approved as part of the 1-2 Hepscoth Road development would be relocated to the 33-35 Monier Road development. Officers agree that the proposals for Hepscoth amounts to an off-site affordable housing provision.
- 10.7 There is no in principle objection to off-site affordable housing. The draft London Plan policy H5 states that affordable housing must only be provided off-site in exceptional circumstances where it can be demonstrated that an off-site contribution would better deliver mixed and inclusive communities than an on-site contribution. Local Plan policy H2 also allows for an off-site contribution subject to meeting the following criteria, which are addressed in the following assessment:
- Provides equivalent number and type of affordable units across all sites related to the proposal;

- Does not prejudice the delivery of affordable housing;
- Is delivered at no financial advantage to developer;
- Is linked to the completion of the market housing elements of the scheme
- Is located where able to provide for local housing needs; and
- Would be beneficial to achieve and maintain mixed and balanced communities.

10.8 The affordable housing approved at both schemes equated to 23% and 22% respectively; and, as proposed, Hepscoth would have no affordable housing and Monier would have 38% affordable housing. The overall number of affordable housing as a result of the proposed deed of variation changes remains the same. The Local Plan (policy H.1) has subject to viability, set 35% as a minimum target of affordable homes across the whole of the Legacy Corporation area.

Housing Mix / Housing Need

10.9 London Plan policy 3.3 seeks to increase the housing capacity in London and sets out targets for planning authorities which would *inter alia* improve housing choice. The draft London Plan states that to meet the growing housing need, London must seek to deliver new homes through a wide range of development options. Building more housing as part of the development of town centres would also be important, providing homes in well-connected places that would help to sustain local communities.

10.10 1-2 Hepscoth Road: The applicant has advised that the proposals would result in all of the open market sale accommodation at the Hepscoth Road site (30 units including 7 affordable housing units) being delivered as private rented sector housing (PRS), which would in effect offer a fourth tenure of housing across the applicant's various sites (i.e. in addition to the market sale, affordable intermediate and affordable rent tenures). PRS has a key role to play in helping meeting housing needs, for the growing population for whom renting may be favourable, as home ownership may be unachievable and access to social/affordable housing is less unlikely.

10.11 The DoV PRS proposition would enable the applicant to deliver a greater range of choice to future residents in the Hackney Wick Fish Island area in accordance with the London Plan policies 3.8 and 3.9 and the draft London Plan policies GG3 and GG4 which requires new developments to offer a range of housing choices, in terms of the mix of housing sizes and types, taking account of the housing requirements of different groups. Local Plan policy H.1 supports London Plan policy 3.8 and recognises that providing for a range of housing sizes and types is essential to creating sustainable new neighbourhoods and avoids problems that may arise from the over concentration of certain sizes and types of accommodation.

10.12 The Hepscoth Road site is within the Hackney Neighbourhood town centre. The draft London Pan states that '...the particular suitability of town centres to accommodate a

diverse range of housing should be considered and encouraged, including for smaller households, Build to Rent etc'. Although the development has less than 50 units and does not qualify as a Build to Rent scheme as defined by the London Plan Affordable Housing SPG, the applicant has agreed to its general provisions with a covenant within the DoV to ensure the new private rented homes are secured for the rental market for a minimum of 15 years. During this period, the private rented homes would be retained in single ownership. The applicant has also agreed that all the units are self-contained and let separately and that there is a unified ownership and unified management of the development. This would be through the applicant's PRS brand, Vive Living.

- 10.13 Longer tenancies (three years or more) would be made available to all tenants; there would be break clauses for renters, which would enable the tenant to end the tenancy with a month's notice any time after the first six months. In addition, as set out in the SPG the applicant has advised that they would ensure certainty for the period of the tenancy in terms of the rent and service charge, the basis of which would be made clear to the tenant before a tenancy agreement is signed, including any annual increases.
- 10.14 As set out in Table 3, the applicant is not seeking a variation to the tenure mix required by the extant s.106 agreements. The proposal would result in the same level of affordable rent accommodation across the two sites, i.e. 9 homes / 29 habitable rooms, but the level of shared ownership accommodation would increase across the two sites, from 8 homes / 18 habitable rooms to 8 homes / 21 habitable rooms.
- 10.15 Whilst this is a relatively small increase in affordable accommodation, given the need for affordable homes this is considered a benefit and it is reasonable to accept that the proposed variations and the development would continue to make a significant contribution to meeting the need for affordable homes in the local area.
- 10.16 Officers analysis concludes that the proposed DoV to 1-2 Hepscoth Road is acceptable. In coming to this conclusion Officers note the small increase in the affordable accommodation to be provided on Monier Road and the benefits that the introduction of a fourth housing tenure (PRS) would bring to the area in so far as it relates to increased housing choice alongside the proposed mechanism in place to ensure the integrity of the development is maintained, with a unified ownership and management of all the units.

Housing Location

- 10.17 33-35 Monier Road: Officers do not consider that the Hepscoth Road proposals would prejudice the delivery of affordable housing. As required by Local Plan policy H.2 an equivalent number and type of units is being proposed at Monier Road. The proposals would have the effect of moving the 7 approved affordable homes from Hepscoth Road, Hackney Wick, to Monier Road, Fish Island. Whilst the mix of homes of the Monier Road scheme would not change, the tenure would, with the increased affordable homes on the site. The resultant child yield would also increase from the approved child yield of 12 children to 15 children, which would have an impact on play space provision. However, the Monier Road development was approved with a provision of

communal amenity space in excess of the Mayor's Housing SPG targets. 85m² of communal amenity space was required to serve the scheme and 193m² was approved. As revised in accordance with the SPG targets the community amenity space provision is increased from 85m² to 135m², which is still well within the approved 193m² communal amenity space provision (an excess of 58m²). Officers are satisfied that the approved communal amenity space can accommodate the change to child yield that this change in tenure would generate.

- 10.18 Given the potential increase in child yield and families that might result it could be argued that relocating the affordable housing to the Monier Road site on Fish Island from Hepscott Road is a better location for more affordable homes than Hepscott Road. The Hepscott Road site falls within the Hackney Wick neighbourhood centre boundary, which, in due course, is likely to be busier / noisier than the mixed residential and employment neighbourhood of Fish Island north. This would support the move of the affordable homes which are more likely to contain families to what is likely be a quieter area. Similarly, it is considered that the Hepscott Road development which is nearer the Hackney Wick station Overground Station (within 3 minutes' walk) than the Monier Road site is better located for a Private Rented Sector (PRS) scheme. The most successful PRS schemes are in urban locations, with local transport within walkable distance.
- 10.19 The Monier Road site is located within an area that has a current PTAL rating of 2, with a PTAL forecast of 3. The site located approximately a 12-minute walk from the station. However, whilst further from the station than Hepscott Road, it is located next to the proposed new primary school at the Neptune Wharf development. Indeed, the public space within the northern section of the Monier Road scheme has been designed to provide a pedestrian and cycle route to the approved Neptune Wharf primary school site (appendix 1 - Location Plan 2) and would read as a continuation of Wyke Road.
- 10.20 In general terms, the amount of development currently under construction in and around the Monier Road site (Fish Island north) (i.e. Neptune Wharf, Monier Road West and East, Bream Street, Dace Road etc.), is such that the pace of change is currently greater than the Hepscott Road site. This supports the locational advantages of this site in so far relocating the affordable housing to Monier Road, ensuring the family accommodation is located within a community that is emerging earlier than Hepscott Road. This ties in with objective 2 of the Local Plan in terms of establishing and maintaining locally distinctive neighbourhoods which meet housing needs, while providing easily accessible social infrastructure.
- 10.21 There is currently a constrained highway access via Monier Road but this would develop as the approved bridge over the Lea Navigation is built as part of the Sweetwater development (construction currently on site (H14 and H16) expected delivery circa end of 2019). In terms of walking / cycling there is good existing connectivity to east via the Lock and the bridges also north over Hertford Union at Omega Works. It is also noted that the recently approved replacement Roach Point Bridge (17/00307/FUL), would provide a walking and cycling route across the Hertford Union canal would also improve connectivity and help facilitate the new north/south

route linking Hackney Wick Overground station to Fish Island, and would reduce walking times to the station.

- 10.22 The Monier Road site is closer to the canal, as well as the public realm (that is being created at Neptune Wharf) and The Greenway than the Hepscott Road site, which is considered to be of benefit to the families likely to occupy the affordable housing units.
- 10.23 Therefore, despite having a relatively low PTAL, officers are satisfied that the site and the affordable housing in particular is reasonably accessible by walking or cycling both currently and with emerging developments, and is served reasonably well by public transport and other amenities.
- 10.24 Officers consider that the preceding paragraphs robustly demonstrate in line with development plan policy the exceptional circumstances supporting the proposed off-site contribution in so far as the proposals would enable the delivery overall of a better mixed, balanced and inclusive community than previously approved, by locating the housing tenures in locations that better suit the intended occupants, for the reasons discussed.
- 10.25 Financial Advantage: As set out above, one of the criterion of Local Plan policy H.2 is to ensure that the developer is not financially advantaged by providing affordable housing off-site. The applicant has provided a detailed breakdown of the costs associated with selling the private units, for both sites, on the open market. They have also advised that the housing market has slowed down and with respect to sales is currently challenging, which has led to the decision to propose to turn Hepscott into a rental product scheme. Doing so, they say, would reduce the number of units on the local open market and would go some way to safeguard the local housing market from a glut of new property that might prove difficult to sell.
- 10.26 Based on the submitted financial detail, the proposal results in a combined profit reduction of circa 1%, which suggests that the applicant is not economically advantaged by the proposals. The applicant has considered the long-term approach to recouping profit i.e. through PRS, which have a lower gross development value than a private sale scheme as they are cash flowed over a longer period i.e. 25 years rather than circa 2/3 years. Officers are satisfied that the proposals in accordance with criterion 7 of Local Plan policy H.2 would be delivered at no financial advantage to developer.
- 10.27 Pepper-potting: Members should note that there is no Local Plan policy in support of pepper-potting rather Local Plan Policy H.1 states that providing for a range of different dwelling sizes and types is essential to create sustainable new neighbourhoods and to avoid problems which may arise from over-concentration of certain size and types of accommodation. The principal aim in line with national policy is to achieve mixed and balanced communities. Officers are satisfied that the proposed DoV is not at variance with the policy position.

- 10.28 The applicant is proposing to provide the affordable housing centrally rather than to distribute it across the two sites. They have advised that in this particular case, owing to the relatively small number of units involved, the registered social landlord is in support of the proposals (see appendix 2), which would assist with their management operations, and the proposals would also support the applicant's intention to deliver the Hepscott Road site as a PRS only site. There are a total of 45 units in the Monier Road scheme, and as proposed 17 of the units would be affordable and 28 units would be market housing.
- 10.29 Officers are of the view that in this instance clustering the 17 affordable units from both developments together, would be beneficial in so far as they would be dispersed within the Monier Road block and indistinguishable from the market housing. To that end there would still be a degree of pepper-potting albeit on one site. This is considered to be in line with national and local development plan policy and designed to help ensure integrated, balanced and sustainable communities on residential development sites.
- 10.30 Officers analysis concludes that the tenure mix proposed at 33-35 Monier Road is acceptable, and the proposals represents an appropriate response to planning policy.
- 10.31 Conclusion: In considering the detailed mix of the unit sizes across the two sites officers have assessed the site circumstances, including location and viability. Officers are satisfied that in line with policy objectives the proposals as revised would still provide an appropriate balance and mix of units and that the developments would complement the residential accommodation provided in the adjacent Neptune Wharf and Monier Road West, the Bagel Island / Wick Road developments and would generally respond well to the emerging character of the area. The proposals would still result in a mixed and balanced development.
- 10.32 Officers conclude that the proposed deeds of variation can be approved.

11. Human Rights & Equalities Implications

- 11.1 Members should take account of the provisions of the Human Rights Act 1998 as they relate to the application and the conflicting interests of the Applicants and any third party opposing the application in reaching their decisions. The provisions of the Human Rights Act 1998 have been taken into account in the processing of the application and the preparation of this report. In particular, Article 6 (1), of the European Convention on Human Rights in relation civil rights and a fair hearing; Article 8 of the ECHR in relation to the right to respect for private and family life and Article 1 Protocol 1 of the ECHR in relation to the protection of property have all been taken into account
- 11.2 In addition, the Equality Act 2010 provides protection from discrimination in respect of certain protected characteristics namely: age, disability, gender reassignment, pregnancy and maternity, race, religion, or beliefs and sex and sexual orientation. It places the Local Planning Authority under a legal duty to have due regard to the advancement of equality in the exercise of its powers including planning powers. Officers have taken this into account in the assessment of the application and Members must be mindful of this duty inter alia when determining all planning applications. In particular Members must pay due regard to the need to:

1. Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act;
 2. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 3. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 11.3 Officers are satisfied that the application material and Officers' assessment has taken into account these issues. Particular matters of consideration have included the provision of affordable and family housing.

12 CONCLUSION

- 12.1 The proposal maintains the headline figures for contributions and obligations, whilst incorporating mechanisms to ensure that the obligations maintain an equivalent cost to the developer. The variations proposed would continue to ensure that the impact of the development would be mitigated and would serve the same purpose that was intended by the original s.106 legal agreements.
- 12.2 For these reasons, and the reasons set out above, it is recommended that subject to their completion the proposed Deeds of Variation be agreed.

Appendices

Appendix 1 Location Plan

Appendix 2 Registered Social Landlord Letter

Appendix 3 Draft Heads of Terms 1- 2 Hepscott Road

Appendix 4 Draft Heads of Terms 33- 35 Monier Road