### Strategic planning application stage II referral


### The proposal

Demolition of existing buildings and redevelopment of the London Road site to provide buildings of 2–23 storeys providing 100 residential units and retail (A1/A3) and gym (D2), and redevelopment of the Valetta Grove site to provide a building of 6–15 storeys providing 82 residential units and a neighbourhood centre (use class D1) along with landscaping, car and cycle parking and associated works.

### The applicant

The applicant is **Red Door Ventures** and the architect is **Pitman Tozer Architects**.

### Key dates

- **Stage 1 considered**: 5 June 2017
- **Newham Planning Committee**: 18 July 2017

### Strategic issues

The application proposes 28% affordable housing off-site. GLA officers have robustly interrogated the viability assessment and the applicant has committed to a full review prior to first occupation, and every subsequent year a rental submission will be submitted to determine a contribution towards affordable housing, based on gross rent achieved in the previous year. This will continue for 15 years or until 50% is reached. As such the maximum amount of affordable housing has been secured in line with London Plan Policy 3.12, draft London Plan Policy H6, and the Mayor’s Affordable Housing and Viability SPG. Comments with respect to urban design, climate change and transport have been appropriately addressed. The proposal is now broadly compliant with the London Plan.

### The Council’s decision

In this instance Newham Council has resolved to approve permission.

### Recommendation

That Newham Council be advised that the Mayor is content for it to determine the case itself, subject to any action that the Secretary of State may take, and does not therefore wish to direct refusal, or that he is to be the local planning authority.
Context

1 On 25 April 2017 the Mayor of London received documents from Newham Council notifying him of a planning application of potential strategic importance to develop the above site for the above uses. The application was referable under the following categories of the Schedule to the Order 2008:

- 1A: Development which comprises or includes the provision of more than 150 houses, flats, or houses and flats.

- 1C “Development which comprises or includes the erection of a building (c) more than 30 metres high and is outside the City of London.”

2 On 5 June 2017, the Mayor considered planning report D&P/4072/01, and subsequently advised Newham Council that while the application was broadly acceptable in strategic planning terms, the application did not fully comply with the London Plan, with the reasons and remedies set out in in paragraph 71 of that report.

3 A copy of the above-mentioned report is attached. The essentials of the case with regard to the proposal, the site, case history, strategic planning issues and relevant policies and guidance are as set out therein, unless otherwise stated in this report. On 18 July 2017, Newham Council (the Council) resolved to approve planning permission subject to signing of a Section 106 agreement, in line with Council officer’s recommendation, and on 18 June 2018 advised the Mayor of this decision. Under the provisions of Article 5 of the Town & Country Planning (Mayor of London) Order 2008 the Mayor may allow the draft decision to proceed unchanged, direct Newham Council under Article 6 to refuse planning permission or issue a direction under Section 2A of the Town and Country Planning Act 1990 in accordance with Article 7 of the 2008 Order that he is to act as the local planning authority for the purpose of determining the application and any connected application. The Mayor has until 1 July 2018 to notify the Council of his decision and to issue any direction.

4 The Mayor’s decision on this case, and the reasons, will be made available on the GLA’s website www.london.gov.uk.

Consultation stage issues summary

5 At the consultation stage Newham Council was advised that the application broadly complied with the London Plan, but that further information and/or confirmation was required in order to confirm compliance. This was detailed in paragraph 63 of that report, as set out below:

- **Affordable Housing**: 28% affordable housing is supported. GLA officers will work with Newham Council to robustly review the viability assessment and ensure that the maximum reasonable amount of affordable housing is secured. Any s106 agreement should include a 35% affordable housing threshold to be delivered by a revenue sharing mechanism, as well as an appropriate covenant and clawback mechanism to be used in the event of units being sold out of the build to rent sector.

- **Urban design**: The applicant should provide further detail relating to the proposed crossing between the two linked sites.

- **Climate change**: Further measures should be considered to minimise demand for cooling and carbon offsetting arrangements made with Newham Council.
• **Transport**: The applicant should optimise commercial cycle parking, a financial contribution for station improvements and wayfinding is also required. Details relating to an acceptable s106 and planning conditions package should be finalised.

**Strategic planning policy and guidance update**

6 On 1 December 2017, the Mayor published his draft London Plan for public consultation.

7 Since the draft London Plan is at an early stage, it should be taken into account on the basis explained in the NPPF.

8 In August 2017 the Mayor published his Affordable Housing & Viability Supplementary Planning Guidance.

9 On 5 March 2018, the Government published the draft revised National Planning Policy Framework and draft Planning Practice Guidance for consultation. These must be taken into account appropriately in accordance with their early stage of preparation.

**Affordable housing**

10 The applicant proposes 182 build to rent residential units across the London Road and Valetta Grove sites, jointly known as ‘Plaistow hub’. It is proposed that 45 affordable homes be delivered off-site across linked sites, equating to 28% affordable housing (by habitable room), with a revenue sharing to maximise affordable housing provision. A breakdown of the accommodation for each site is shown in Table 1. Details were requested in relation to the off-site affordable housing provision, programme viability and the affordability of the proposed units. Details of the proposed revenue sharing mechanism was also requested.

<table>
<thead>
<tr>
<th>Site</th>
<th>Tenure</th>
<th>1 Bed</th>
<th>2 Bed</th>
<th>3 Bed</th>
<th>4 Bed</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plaistow Hub</td>
<td>PRS</td>
<td>124</td>
<td>53</td>
<td>5</td>
<td>0</td>
<td>182</td>
<td>80%</td>
</tr>
<tr>
<td>Manor Road</td>
<td>Shared ownership</td>
<td>0</td>
<td>0</td>
<td>8</td>
<td>0</td>
<td>8</td>
<td>4%</td>
</tr>
<tr>
<td>Baxter Road</td>
<td>Affordable rent</td>
<td>2</td>
<td>0</td>
<td>13</td>
<td>0</td>
<td>15</td>
<td>12%</td>
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<tr>
<td>Chargeable Lane</td>
<td>Social rent</td>
<td>0</td>
<td>6</td>
<td>6</td>
<td>0</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Street properties</td>
<td></td>
<td>0</td>
<td>1</td>
<td>7</td>
<td>2</td>
<td>10</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>126</td>
<td>60</td>
<td>39</td>
<td>2</td>
<td>227</td>
<td></td>
</tr>
<tr>
<td><strong>%</strong></td>
<td></td>
<td>56%</td>
<td>26%</td>
<td>17%</td>
<td>1%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Table 1: BTR proposal and linked off-site affordable housing*

11 It is proposed that Plaistow Hub development be linked as a ‘package’, by s106 agreement, to the delivery of affordable housing on three other other sites- Manor Road, Baxter Road and Chargeable Lane, as well as the 10 street property acquisitions. This would deliver 45 affordable units off-site, equivalent to 20% of the combined units. The tenure split within the off-site affordable housing is 60% AR, 18% Int, 22% SR. The overall package secured provides for a range of affordability based on local need, and is supported.
12 The applicant has provided a full financial viability assessment, which has been independently assessed and robustly assessed by GLA officers. An early stage review and a full review prior to first occupation have been secured, and every subsequent year a rental submission will be submitted to determine a contribution towards affordable housing, based on gross rent achieved in the previous year. This will continue for 15 years or until 50% is reached. All rent sharing revenue will be used for provision of affordable housing by Newham Council. Policies H6 and H13 of the draft London Plan, and the Mayor’s Affordable Housing and Viability SPG provide that an early and late review should be secured by s106 agreement; along with a covenant securing the PRS units for a minimum of 15 years with a claw back clause should the PRS units be sold outside of this period. The relevant clawback clause has been secured, alongside an early stage review and an annual review mechanism which goes beyond that stipulated by the draft London Plan and that will ensure that the application delivers the maximum reasonable amount of affordable housing. As such the affordable housing offer can be supported.

Urban design

13 At Stage I the principle of creating two zones of public realm either side of Plaistow Road, each flanked with active uses was supported. The applicant was, however, requested to provide further details relating to how the proposals could contribute towards the upgrading and widening of the existing crossing and overcome any pinch points to address the uplift in footfall that this development will bring and strengthen the physical connection between the two, linked, sites that form the proposed Plaistow hub.

14 Since Stage I there has been discussion with the applicant and Newham Council officers in relation to this point, and it is noted in paragraph 2.8.11 of the committee report that the Council’s Strategic Design Manager has raised similar concerns. Newham Council and GLA officers agree that the development provides a unique opportunity to reduce the dominance of the road and enhance the physical and visual connection, and that detailed proposals should be submitted to address this matter. The applicant accepts this and the submission of a scheme has been secured by s106 agreement. This is welcomed and the application is now acceptable in London Plan and draft London Plan urban design terms.

Climate change

15 At Stage I the commitment to ensuring that the scheme allows future connection to a district heating network was welcomed but the applicant was asked to consider further measures to minimise demand for active cooling and liaise with Newham Council to ensure that any short fall in carbon dioxide reductions is met off-site.

16 The development is expected to achieve on-site reductions of 75 tonnes of carbon dioxide per year for domestic buildings and 54 tonnes per year for non-domestic buildings, compared to a 2013 Building Regulations compliant development. This is equivalent to an overall saving of 35% and 39% respectively. The domestic buildings are, however, required to be zero carbon. At Stage I the applicant was asked to consider further passive measures in order to minimise demand for active cooling and liaise with Newham Council to ensure that any short fall in reductions is met off-site.

17 The applicant has since agreed to pay £249,100 towards Newham Council’s carbon offsetting fund, and this has been secured by s106 agreement. Connection to a future district heat network and details of how this will be achieved have been secured by condition. The application now complies with London Plan Policy 5.2 and draft London Plan Policy S12.
**Transport**

18 At Stage 1 a number of transport related concerns were raised. As discussed in the urban design section of this report, obligations to deliver an enhanced pedestrian crossing, refurbishment of public realm and re-provision of a taxi rank have been secured and this is welcomed.

19 A car park management plan, cycle parking, electric vehicle charging points, delivery and servicing plan, construction logistics plan have been secured by condition and London Underground Infrastructure Protection matters have been addressed ensuring that access to public transport is maintained during construction.

20 The section 106 agreement also secures a Travel Plan, Car Club membership for three years and restricts residents from applying for parking permits. The application now complies with London Plan transport policy.

**Response to consultation**

21 The Council sent 883 letters of notification to neighbouring properties on 4 April 2017, advertised the application with a local press notice on 28 June 2017 and posted site notices on 7 April 2017 and 22 July 2017. The Council received nine objections which can be summarised as follows:

- **Neighbourhood amenity:** overshadowing and impact on light levels, crowding, larger trees and hedges should be provided, noise, gym provision overlooks other uses,
- **Affordable housing:** Not enough social rent or large units, too much private accommodation,
- **Air quality:** Pollution will impact health,
- **Equalities:** No equality impact assessment for impact on local BAME businesses,
- **Design:** Inclusion of the old church site should be considered, building too tall considering context, loss of stairs down side of station could be a problem, tall building will not feel safe, design doesn’t address crime concerns,
- **Construction:** Should consider hours of operation to limit impact, site traffic hazardous and disruptive,
- **Waste:** Facilities for nearby development should be provided,
- **Consultation:** Disappointing for such a large development, too many documents to review;
- **Social infrastructure:** Local services could be impacted.
- **Density:** Proposals too dense.
- **Transport:** Improvements should consider cumulative impact, contribution towards station improvements should be sought, impact on parking,

22 The council also received three representations supporting the proposals. These can be summarised as follows:

- **Regeneration:** Development welcome, overdue and will provide more space for business.
• **Design:** Buildings are attractive and give Plaistow a facelift.

23 In addition, two other representations were received that neither supported nor objected to the proposals.

**Statutory consultees**

• **Greater London Archaeological advisory service:** Recommend a condition requiring a two-stage archaeological investigation. This has been secured by condition.

24 The objections raised have been considered in the Council’s Committee Report of 18 July 2017 and where they affect strategic policies have been considered in this report and the Mayor’s Stage I report.

25 It is noted that one of the objections was made on the basis that the application did not include an equality impact assessment for impact on local BAME businesses. The Mayor and the GLA have a statutory duty to promote equality, and equality of opportunity arising from the GLA Act 1999 and the Equality Act 2010. London Plan policy 3.1 sets out the Mayor’s commitment to meeting the needs and expanding opportunities for all Londoners – and where appropriate, addressing the barriers to meeting the needs of particular groups and communities.

26 Whilst the provision of an equalities impact assessment is not a statutory requirement for individual planning applications, development proposals are expected to protect and enhance facilities and services that meet the needs of particular groups and communities. Page 18 of the Newham Council committee report notes that in determining this planning application the Council has had regard to its equalities obligations including its obligations under section 149 of the Equality Act 2010, and paragraph 2 specifically addresses access and inclusion.

27 It is noted that the specific point being made was not one of objection, but a plea for assistance for local businesses in general, many of which are BAME businesses. GLA officers have engaged with Newham Council to discuss the Council’s response and it has been explained that the matter has been referred to the Council’s Regeneration team for consideration. The GLA officers are satisfied that the Council’s consultation process was carried out satisfactorily and that the application does not raise any issues with regards to the Mayor’s statutory duties arising from the GLA Act 1999 and the Equalities act 2010.

28 The Council also carried out consultation exercises for the linked applications. These applications are not, however, statutory referrals and therefore have not been considered in detail by the Mayor or GLA officers.

**Draft section 106 legal agreement**

29 The draft section 106 agreement includes the following provisions:

• Affordable housing as set out above, comprising 10 social rent units, 27 affordable rented units and 10 intermediate shared ownership units, with a review prior to first occupation and subsequent annual reviews for 15 years, or until 50% affordable housing is reached.

• Restrictions on parking permits for all residents, except disabled residents and a contribution of £2,000 towards administering the restrictions.

• The use of local labour via Newham Council’s ‘Workplace’ scheme.

• Car club membership for three years and a £50 customer credit for RDV residents.
• Contribution of £15,000 to fund monitoring of the development’s travel plans.

• Carbon offset payment of £249,100 to address the shortfall in carbon dioxide savings in relation to the Mayor’s zero carbon target.

• Highway works, including taxi rank, loading bay and improvements to London Road pedestrian crossing within the site (financial sum to be confirmed).

• Scheme to be approved on scope of works to the highway surrounding London Road and Valetta Grove sites to secure provision of additional disabled parking spaces, amended waiting restrictions, removal of redundant vehicle crossovers, improved road crossing and refurbishment of public realm.

Article 7: Direction that the Mayor is to be the local planning authority

30 Under Article 7 of the Order the Mayor could take over this application provided the policy tests set out in that Article are met. In this instance the Council has resolved to grant permission with conditions and planning obligations, which satisfactorily addresses the matters raised at Stage I, therefore there is no sound planning reason for the Mayor to take over this application.

Legal considerations

31 Under the arrangements set out in Article 5 of the Town and Country Planning (Mayor of London) Order 2008 the Mayor has the power under Article 6 to direct the local planning authority to refuse permission for a planning application referred to him under Article 4 of the Order. He also has the power to issue a direction under Article 7 that he is to act as the local planning authority for the purpose of determining the application and any connected application. The Mayor may also leave the decision to the local authority. In directing refusal the Mayor must have regard to the matters set out in Article 6(2) of the Order, including the principal purposes of the Greater London Authority, the effect on health and sustainable development, national policies and international obligations, regional planning guidance, and the use of the River Thames. The Mayor may direct refusal if he considers that to grant permission would be contrary to good strategic planning in Greater London. If he decides to direct refusal, the Mayor must set out his reasons, and the local planning authority must issue these with the refusal notice. If the Mayor decides to direct that he is to be the local planning authority, he must have regard to the matters set out in Article 7(3) and set out his reasons in the direction.

Financial considerations

32 Should the Mayor direct refusal, he would be the principal party at any subsequent appeal hearing or public inquiry. Government Planning Practice Guidance emphasises that parties usually pay their own expenses arising from an appeal.

33 Following an inquiry caused by a direction to refuse, costs may be awarded against the Mayor if he has either directed refusal unreasonably; handled a referral from a planning authority unreasonably; or behaved unreasonably during the appeal. A major factor in deciding whether the Mayor has acted unreasonably will be the extent to which he has taken account of established planning policy.

34 Should the Mayor take over the application he would be responsible for holding a representation hearing and negotiating any planning obligation. He would also be responsible for determining any reserved matters applications (unless he directs the council to do so) and determining any approval of details (unless the council agrees to do so).
Conclusion

35 The strategic issues raised at consultation stage with respect to affordable housing, urban design, climate change and transport have been satisfactorily addressed, and appropriate planning conditions and obligations have been secured. As such the application complies with the London Plan and draft London Plan, and there are no sound reasons for the Mayor to intervene in this particular case.

for further information, contact GLA Planning Unit (Development & Projects Team):

Julieanna McLoughlin, Chief Planner
020 7983 4271 email juliemma.mcloughlin@london.gov.uk

Nick Ray, Principal Strategic Planner
020 7983 4178 email nick.ray@london.gov.uk

Matt Christie, Case Officer
020 7983 4409 email matt.christie@london.gov.uk