**Former London Chest Hospital, Bethnal Green**

**in the London Borough of Tower Hamlets**

**planning application no. PA/16/03342/A1**

<table>
<thead>
<tr>
<th>Strategic planning application stage II referral</th>
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<th>The proposal</th>
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<tr>
<td>Demolition of all existing buildings (excluding Main Hospital Building and sanitation tower), and provision of 291 residential units and 428 sq.m. community floorspace, within an enlarged and refurbished Main Hospital Building, and three new buildings of up to 8 storeys.</td>
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<th>The applicant</th>
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<tr>
<td>The applicant is Crest Nicholson and the architect is GRID.</td>
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<th>Key dates</th>
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<td>Stage One report: 22 January 2018</td>
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<td>Planning Committee: 20 September 2018</td>
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<th>Strategic issues summary</th>
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<tr>
<td><strong>Principle of development:</strong> The release of the site from its former healthcare use to enable the delivery of a significant number of residential units, including affordable housing, and new social infrastructure facilities, is supported in line with London Plan and draft London Plan policies.</td>
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| Affordable housing: | 35% made up of 58 low-cost rent units and 28 intermediate units. As the site was sold in 2015, prior to the publication of the Mayor’s SPG, and taken together with the particular circumstances of the scheme, including costs associated with restoring the historic buildings, and the increased offer since consultation stage, the 35% threshold is appropriate in this instance and a late stage viability review is not required. An early viability review has been secured and the offer is supported in line with the London Plan, the draft London Plan, and the Mayor’s Affordable Housing and Viability SPG. |

| Heritage: | Taking account of the increased affordable housing offer, the proposed public benefits will sufficiently outweigh the less than substantial harm caused by the loss of the Grade II listed South Wing, and the proposals are in accordance with London Plan and draft London Plan heritage policies. |

| Arboriculture: | The approach to the Mulberry Tree relocation and the proposed removal and replacement of other trees is supported in line with London Plan and draft London Plan policies. |

| Transport: | The transport provisions of the proposals are acceptable in line with the London Plan and the draft London Plan. The replacement bus drivers’ facility is to be secured within the section 106 agreement. |

| Energy: | The proposals are supported in line with London Plan and draft London Plan energy policies. |

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<th>The Council’s decision</th>
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<td>Tower Hamlets Council has resolved to grant permission subject to planning conditions and a section 106 agreement.</td>
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<th>Recommendation</th>
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<td>That Tower Hamlets 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 direct that he is to be the local planning authority.</td>
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Context

1. On 16 December 2016, the Mayor of London received documents from Tower Hamlets Council notifying him of a planning application of potential strategic importance to develop the above site for the above uses. Following further discussions with key stakeholders, substantial revisions to the application were proposed and these were submitted to the Council on 17 November 2017 and received by GLA officers on 12 December 2017. The application was referred to the Mayor under categories 1A and 1B 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.”
- 1B(c) – Development (other than development which only comprises the provision of houses, flats or houses and flats) which comprises or includes the erection of a building or buildings outside of Central London and with a total floorspace of more than 15,000 sq.m.”

2. On 22 January 2018, the Mayor considered planning report D&P/4105/01, and subsequently advised Tower Hamlets Council that the application did not comply with the London Plan, for the reasons set out in paragraph 51 of the above-mentioned report; but that the possible remedies set out in that paragraph could address these deficiencies.

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 20 September 2018, Tower Hamlets Council decided that it was minded to grant permission, and on 8 March 2018 it 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 Tower Hamlets Council under Article 6 to refuse the application, or issue a direction to the Council under Article 7 that he is to act as the Local Planning Authority for the purposes of determining the application. The Mayor has until 21 March 2018 to notify the Council of his decision and to issue any direction.

4. The environmental information for the purposes of the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 has been taken into account in the consideration of this case.

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

Consultation stage issues summary

6. At consultation stage, Tower Hamlets Council was advised that the application did not comply with the London Plan, for the reasons set out in paragraph 51 of the above-mentioned report; but that the possible remedies set out in that paragraph could address these deficiencies:

- **Principle of development**: In light of the relocation and re-provision of the healthcare services that previously existed onsite and following advice that the Council is satisfied that existing and future healthcare need for this area will be met by new facilities, the release of the majority of this site from its former healthcare use to enable the delivery of a significant number of residential units, including affordable housing and new social infrastructure facilities is accepted in principle. The Council should confirm that no alternative form of social infrastructure is needed as part of the site’s redevelopment.
- **Heritage**: The retention and restoration of the Grade II Listed Main Hospital Building, including the sanitation tower and open cast iron balconies, the front lawn gardens and the mature trees, and railings around the perimeter of the site will deliver significant heritage benefits and is strongly supported. The loss of the Grade II Listed South Wing will cause some less than substantial harm. The applicant must make a significantly enhanced affordable housing offer in order to support the public benefits justification to outweigh this harm, in line with London Plan policies 7.8 and Policy HC1 of the draft London Plan.

- **Affordable housing**: The proposed 28% offer proposed is wholly unacceptable. The financial viability assessment is currently subject to robust interrogation by GLA officers to ensure that the maximum contribution is delivered in accordance with policies H5 and H6 of the draft London Plan and policies 3.11 and 3.12 of the London Plan. A review of tenures, and affordability of the units, will be undertaken as part of the viability review to ensure that the housing will be genuinely affordable and the applicant should prioritise the tenures set out in draft London Plan Policy H7.

- **Residential quality**: The revised proposals represent significant improvements to the residential design compared to the original proposals. The applicant should explore options to maximise the proportion of dual aspects further and provide further detail on those units within the Main Hospital Building which do not comply with the Mayor’s minimum space standards and provide clear justification on the structural constraints to meeting these standards for further consideration.

- **Inclusive access**: The applicant should provide an additional disabled persons bay to meet the minimum requirements of Policy T6.1 of the draft London Plan. A car parking design and management plan should be secured.

- **Energy**: The proposals meet the minimum onsite carbon reduction targets set within London Plan Policy 5.2 and Policy SI2 of the draft London Plan. GLA officers require further information to verify the savings claimed including further detail on overheating risk, efficiency modelling, the site heat network, combined heat and power and renewable technologies. Once all opportunities for securing further feasible on-site savings have been exhausted, a carbon offset contribution should be secured to mitigate any residual shortfall.

- **Arboriculture**: In accordance with Policy G7 of the draft London Plan, the applicant must demonstrate that the substitute trees will adequately replace the existing value of the trees to be removed. The relocation strategy for the Mulberry Tree should be appropriately assessed by the Council’s Arboricultural officers.

- **Transport**: The commitment to provide bus driver facilities is strongly supported. A cycle hire docking station and additional cycle parking should be provided to accord with Policy T5 of the draft London Plan and construction logistics and delivery and servicing plans should be secured by condition.

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**Strategic planning policy and guidance update**

7 The following policies and guidance are now material considerations:

- The draft London Plan 2017 and Mayor’s Minor Suggested Changes, which should be taken into account on the basis explained in the NPPF.
- Threshold Approach to Affordable Housing on Public Land Practice Note (July 2018).
- Tower Hamlets Draft Local Plan 2031 (Regulation 18 consultation, November 2018).
- The Affordable Housing and Viability SPG (August 2017), which must now be considered in the context of the decision in R(McCarthy & Stone) v. Mayor of London.
Application update

8 Since consultation stage, GLA officers have engaged in joint discussions with the applicant, the Council and TfL officers with a view to addressing the above matters. Following the original submission of the application in December 2016, the proposals were subject to a comprehensive set of amendments in December 2017 and again in May 2018. The applicant provided a final amendment to the affordable housing provision in the scheme in July 2018. Furthermore, as part of Tower Hamlets Council’s draft decision on the case, various planning conditions and obligations have been secured to address the above concerns and ensure that the development is acceptable in planning terms. An update of issues raised at consultation stage is set out below.

Principle of development

9 At consultation stage, the release of the majority of the site from its former healthcare use to enable a significant number of residential units, including affordable housing and new social infrastructure facilities (creche/nursery use), was supported in principle. This was in light of the relocation and re-provision of the healthcare services elsewhere in the Borough, and that existing and future need would be met by new facilities. In accordance with London Plan Policy 3.16 and Policy S1 of the draft London Plan, the Council was requested to confirm that no other form of local social infrastructure is needed as part of the redevelopment. As set out in the Council’s Committee Report, there is no identified and unaddressed need for secondary or primary schools in this part of the Borough; Bethnal Green Fire Station is half a mile from the site; and Victoria Park is considered to provide sufficient sports, leisure and recreation facilities. Furthermore, the flexible Use Class D1 floorspace, proposed as a nursery/creche, could accommodate other social infrastructure uses, should an end user not be identified. On this basis, GLA officers are satisfied that the proposals meet the social infrastructure policy requirements set out in London Plan and draft London Plan policy.

Heritage

10 The proposals involve part demolition and alteration of a Grade II listed building and development in its setting and within the setting of nearby heritage assets; namely St. James the Less Church and Vicarage on St. James’s Avenue, the gate piers at Bonner Gate, and Victoria Park to the north, which are all Grade II listed. The site is also within the Victoria Park Conservation Area. London Plan Policy 7.8 and Policy HC1 of the draft London Plan on heritage assets states that development affecting heritage assets and their settings should conserve their significance by being sympathetic to their form, scale, materials and architectural detail. The Planning (Listed Buildings and Conservation Areas) Act 1990 sets out the tests for dealing with heritage assets in planning decisions; in relation to listed buildings, all planning decisions should “have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses”, and in relation to conservation areas, special attention must be paid to “the desirability of preserving or enhancing the character or appearance of that area”. The NPPF states that when considering the impact of the proposal on the significance of a designated heritage asset, great weight should be given to the asset’s conservation; significance can be harm or loss through alteration or destruction of the heritage asset or development within its setting. It goes further to state that “where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal…”. Case law tells us that a finding of harm to the setting of a listed building is a consideration to which the decision maker must give considerable importance and weight and there is a strong presumption against granting permission that would harm the character or appearance of a conservation area.
11 As set out in the Mayor’s consultation stage report, the proposed design has been informed by extensive consultation with GLA and Council officers, and has appropriately balanced the requirement to minimise impacts on the listed Hospital building and other nearby heritage assets, while optimising housing delivery. Furthermore, the retention and extensive restoration of the Grade II listed Main Hospital Building, including the sanitation tower, open cast iron balconies, and railings around the perimeter of the site; together with improvements to the front lawn gardens and retention of the mature trees; will deliver significant heritage benefits and is strongly supported.

12 While it is acknowledged that the loss of the Grade II Listed South Wing will cause some less than substantial harm to the heritage asset; the proposed redevelopment will enable the housing density of this sensitive site to be optimised in a form and scale that is sympathetic to, and will preserve the historic interest of, the Main Hospital Building and wider site, as well as delivering extensive restoration works to enhance the retained heritage assets.

13 Furthermore, since the Mayor’s initial consultation response and as discussed in further detail under ‘affordable housing’ below, the applicant has committed to increasing the proposed quantum of affordable housing from 28% to 35%, which would be delivered at a strategic and locally policy compliant tenure split. This increased offer aligns with Policy H6 of the draft London Plan and the requirements of Mayor’s Affordable Housing and Viability SPG and further contributes to substantial public benefits of the proposed development. Other public benefits include the new community facilities; the significant increase in open space across the site, including public access to the front lawns, in which the historic and architectural value of the extensively restored hospital building can be appreciated; heritage benefits as set out here; the relocation of the Mulberry Tree and new tree planting; and regenerative benefits of bringing a vacant site back into use. Therefore, taking account of these public benefits, including the increased affordable housing offer, the proposed public benefits will sufficiently outweigh the less than substantial harm caused by the loss of the Grade II listed South Wing, and is in accordance with London Plan Policy 7.8, Policy HC1 of the draft London Plan, the NPPF, and the Planning (Listed Building and Conservation Areas) Act 1990. In coming to this conclusion, GLA officers have had special regard to the desirability of preserving the setting of listed buildings, given considerable importance and weight to the finding of harm to a listed building, and have paid special attention to the desirability of preserving or enhancing the character and appearance of the Conservation Area.

Affordable housing

14 At consultation stage, the proposed offer of 28% affordable housing was considered unacceptable. GLA officers have subsequently engaged in further discussions and robustly scrutinised the supporting viability information in consultation with the Council and its independent assessors, to maximise the scheme’s contribution towards the delivery of affordable housing. As a result, the applicant has increased the affordable housing offer to 35% affordable housing (by habitable room), of which 73% would be low-cost rent (split 50:50 between London Affordable Rent and Tower Hamlets Living Rent), and 27% intermediate housing, which broadly aligns with the Council’s Core Strategy target tenure split, as set out over the page.

15 The Mayor’s Affordable Housing and Viability SPG sets out that residential proposals on public land should deliver at least 50% affordable housing, which is carried forward by Policies H5 and H6 of the draft London Plan. Following the Mayor’s initial consultation response, the GLA published a Practice Note in July 2018 on the ‘Threshold Approach to Affordable Housing on Public Land’ to provide further clarity on the implementation of the affordable housing threshold for public land and how particular circumstances should be approached. In this case, whilst the site was not redeveloped before publication of the SPG, the date of the sale and the
particular circumstances of this proposal should be taken into account when establishing the
appropriate threshold. The site was sold on the open market in 2015, prior to the publication of
the Mayor’s SPG, and taken together with the costs associated with restoring the historic
buildings, and the increased offer of 35%, the 35% threshold is appropriate in this instance, and
no late stage viability review is therefore required.

<table>
<thead>
<tr>
<th>London Affordable Rent/ Tower Hamlets Living Rent</th>
<th>Intermediate</th>
<th>Market</th>
<th>Total</th>
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<tbody>
<tr>
<td>Studio</td>
<td>0</td>
<td>0</td>
<td>36</td>
</tr>
<tr>
<td>1 bed</td>
<td>11</td>
<td>13</td>
<td>74</td>
</tr>
<tr>
<td>2 bed</td>
<td>27</td>
<td>15</td>
<td>82</td>
</tr>
<tr>
<td>3 bed</td>
<td>15</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>4 bed</td>
<td>5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>58</strong></td>
<td><strong>28</strong></td>
<td><strong>205</strong></td>
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35% (hab room) 73:23 split

16 The affordability of the intermediate shared ownership units are secured for a range of
income levels, in accordance with the Mayor’s qualifying income levels, as set out in the Mayor’s

17 An early stage viability review will be triggered if construction is not substantially
commenced within two years of the permission being granted, in accordance with Policy H6 of
the draft London Plan and the Mayor’s Affordable Housing and Viability SPG.

Residential quality

18 The scheme assessed at the initial consultation stage was generally supported in
residential design terms and this has since been further improved by the amendments referred to
above. All north-west facing, single aspect units have been removed, as have all the undersized
units within the restored Main Hospital Building, in addition to the replacement of all single
aspect affordable rent family-sized units with dual aspect units. These amendments address the
comments previously raised, and the proposed residential accommodation is supported in
accordance with London Plan Policy 3.5, Policy D4 of the draft London Plan and the Housing
SPG.

Children’s play space

19 GLA officers acknowledge that the increased affordable housing offer has resulted in an
increased child yield and therefore an increased demand for play space within the development.
Notwithstanding this increase, it has been satisfactorily demonstrated that the amended scheme
will meet minimum on-site play space requirements and GLA officers are satisfied the proposals
meet the requirements of London Plan Policy 3.6, Policy S4 of the draft London Plan and the
Play and Informal Recreation SPG. Furthermore, a planning condition securing the details of all
play equipment and playable landscape features has been included.

Inclusive design

20 In response to the request made at the consultation stage, the applicant has provided an
additional Blue Badge parking bay to meet the minimum requirements of Policy T6.1 of the
draft London Plan. GLA officers note that planning conditions have been secured to ensure
10% of the residential units in each tenure type will be designed to Building Regulation standard
M4(3), with the remaining 90% designed to Building Regulation standard M4 (2). Overall the
scheme is supported in accordance with London Plan Policy 7.2 and Policy D3 of the draft London Plan.

Energy

21 Detailed information and clarifications were provided by the applicant regarding overheating risk, efficiency modelling, district heating opportunities, combined heat and power and renewable technologies, in addition to appropriate planning conditions securing the measures set out in the supporting energy strategy, which addresses comments made at consultation stage. Furthermore, a carbon offset contribution of £269,000 has been secured by planning obligation. On this basis, the proposal now complies with London Plan and draft London Plan energy policy.

Arboriculture

22 At consultation stage, the applicant was requested to demonstrate that the substitute trees will adequately replace the existing value of trees to be removed. The proposals would result in the removal of 27 trees in order to facilitate the proposed development, including 11 trees subject to a Tree Preservation Order (TPO).

23 The application is supported by an Arboricultural Development Report, and the applicant has provided further information in response to the Mayor’s Stage I report. To mitigate against the loss of the 27 existing trees on site, the scheme would plant 21 standard to semi-mature trees and over 20 smaller ornamental trees. The Council’s tree officer is satisfied that this would more than adequately mitigate against the loss of existing tree canopy cover along the site boundaries, including along the length of St. James’s Avenue where the loss of existing trees has raised particular concerns from a number of residential neighbours. GLA officers agree that the proposed replacement trees will appropriately mitigate against the loss of existing trees.

24 The Mulberry Tree that currently exists on site is considered to be of significant local and national importance by the Council’s tree officer. The NPPF defines aged or veteran trees as those which, because of its age, size or condition is of exceptional value for wildlife, in the landscape, or culturally. Paragraph 175 of NPPF states that “development resulting in the loss or deterioration of irreplaceable habitats (such as ancient woodland and ancient or veteran trees) should be refused, unless there are wholly exceptional reasons and a suitable compensation strategy exists”.

25 In order to allow the development to proceed, the proposals include the relocation of the Mulberry Tree from its current location at the north of the site, to a central position within the front lawn. The relocation strategy involves the translocation of the tree and root system, without a requirement to prune any of the root system, via use of a bespoke scaffold structure. Further works to definitively determine the root area are secured by condition. The Council’s tree officer concluded that the methodology is robust and could not be readily improved. The applicant has also provided several case studies whereby the appointed specialist contractor for undertaking the relocation has successfully transplanted other mulberry trees, although the professional opinion that “it would be reasonable to expect the tree to fail of its own accord within a decade” is noted. Should the Mulberry Tree not survive relocation, the applicant has taken nine successful cuttings of this tree. The Council’s tree officer considers that transplanting the tree presents a risk of fatality, due to the structural condition of the tree; however, concluded that there is a greater likelihood of the tree surviving than not. It is also noted that the tree is currently located in a marginalised part of the site, and the proposed location would give the tree a more prominent location, which will be secured by section 106 agreement as public realm open space.
Notwithstanding this, there is a possibility that the tree would not survive the relocation process. Paragraph 175 of the NPPF states that planning permission should be refused for development resulting in the loss of aged or veteran trees, unless there are wholly exceptional reasons and a suitable compensation strategy exists. The Council’s Committee Report states that whilst the public benefits deliverable through the scheme are not wholly exceptional, the survival of the tree and its relocation to an area of improved public access would be a positive outcome of the planning application, and consequently, the high threshold of the test in paragraph 175 of the NPPF is not considered directly applicable in this instance. The Committee Report goes onto say that the public benefits arising from the scheme, in particular the significant housing and affordable housing, are considered, on balance, to outweigh the potential loss of the Mulberry Tree; and maintaining the tree in its existing location would severely curb the opportunity to deliver residential development in this part of the site, with likely implications on the viability of the scheme.

Overall, GLA officers agree with the approach to the Mulberry Tree relocation and the proposed removal and replacement of other trees, which balances the need to protect London’s green infrastructure and heritage with optimising the development potential of the site to deliver a significant quantum of new homes to help meet London’s housing need. On this basis, the proposal now complies with London Plan and draft London Plan policy.

Transport

At consultation stage, the car free approach was welcomed and the approach to Blue Badge parking was supported.

The Council has accepted minimum cycle parking provision in accordance with the London Plan, with detailed design subject to condition. TfL encourages increased provision to be investigated through detailed design, in accordance with the draft London Plan. TfL accepts that a suitable location for a Cycle Hire docking station cannot be found on site.

TfL welcomes the provision of the bus drivers’ facility to replace that formerly available at the site, to be secured within the section 106 agreement in accordance with the Land for Industry and Transport SPG, London Plan Policy 6.2, and Policy T3 of the draft London Plan.

Conditions have been secured to provide a delivery and servicing plan, cycle storage details, Blue Badge parking, electric vehicle charging points, car park management, and provision of a construction environmental management and logistics plan, which are supported.

Response to consultation

In addition to inviting comments from statutory consultees and publishing all the relevant documents on the Council’s planning register, Tower Hamlets Council carried out a public consultation with local residents, businesses and institutions. The Council publicised the application by notifying 374 neighbouring properties, placing site notices and publishing notices in the local press. Following submission of amendments to the scheme, neighbours and other consultees were notified in writing of the amendments in December 2017 and June 2018, as well as by means of further press notices and site notices. A total of 388 letters of objection to the planning application were received, with three in support. Three petitions against the proposal were also received, all objecting upon grounds of harm to heritage assets with 294, 127 and 34 signatures respectively. Reasons for objection are summarised below:

• The building should be put to a community use.
• Lack of meaningful community consultation.
• Loss of daylight/sunlight to neighbouring properties.
• Excessive height.
• Harm to the character and appearance of the Hospital Building, Conservation Area, St. James-the-less Church and the Vicarage, not outweighed by public benefits.
• Loss of the roof and approach to dormer windows and chimneys would cause substantial harm to the significance of the listed Hospital building.
• Poor design of new blocks.
• Inaccurate views assessment.
• Density much higher than the surrounding area.
• More open space required.
• Pressure on parking and congestion.
• Pressure on social infrastructure.
• Affordable housing offer falls short of the 35% target (prior to amendment).
• Concerns about noise and dust from construction.
• Trees on site with Tree Preservation Orders should be protected.
• The Mulberry Tree would not survive its proposed relocation.
• Failure by Tower Hamlets officers to have due regard to the NPPF.

33 The following organisations also issued responses to the consultations:

• **Historic England (July 2018):** No objection. The proposals cause some harm to heritage (loss of the slightly later wing, for example), but this is less than substantial harm and could be outweighed by public benefits. One of the major public benefits would be the restoration of the historic building and providing it with a long-term sustainable use.

• **London Borough of Hackney:** No objection.

• **Natural England:** No objection.

• **Victorian Society (June 2018):** Objection. In spite of the revisions, the proposals entail high levels of harm to both the listed building and its setting, which must be weighed against the public benefits of the proposals and considered carefully whether such public benefits are sufficient to outweigh the harm that the proposals will cause.

• **Greater London Archaeology Advisory Service (June 2018):** No objection, subject to conditions.

• **Greater London Industrial Archaeology Society:** No objection, subject to conditions.

• **SAVE Britain’s Heritage:** Objection, on grounds that the proposals will cause substantial harm to designated heritage assets.

• **Woodland Trust (June 2018):** Objection, on grounds of the potential loss and/or damage to the Mulberry Tree.

• **London Fire and Emergency Planning Authority:** No objection.

• **National Grid:** No objection.

• **Thames Water:** No objection.

34 Issues raised by objectors have been considered in this report, the Mayor’s Stage I report, and the Council’s committee report and update report of 20 September 2018. The Council has
proposed various planning obligations and conditions in response. Having had regard to these, GLA officers are satisfied that the statutory and non-statutory responses to the public consultation process do not raise any material planning issues of strategic importance that have not already been considered in this report, or consultation stage report D&P/4105/01.

Section 106 agreement

35 Further to the heads of terms set out within Tower Hamlets Council’s Committee Report, the Section 106 agreement will secure the following key provisions:

- Affordable housing as set out above, comprising 35% (by habitable room), split 73% low-cost rent, 27% intermediate, with an early review mechanism;
- A contribution of £79,204 towards employment, skills, training and enterprise;
- A contribution of £340,506 towards carbon offsetting;
- A contribution of £30,000 towards parking surveys and changes to parking regimes.

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

36 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 a planning obligation, which satisfactorily addresses the matters raised at consultation stage, therefore there is no sound planning reason for the Mayor to take over this application.

Legal considerations

37 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. 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

38 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.

39 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.
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**

The strategic issues raised at consultation stage with respect to the principle of development; heritage; affordable housing; residential quality; inclusive access; energy; arboriculture; and transport have been addressed, and having regard to the details of the application, the matters set out in the committee report and Tower Hamlets Council’s draft decision, the application complies with the London Plan and draft London Plan, and there are no sound planning reasons for the Mayor to intervene in this case.