

Kate Harrison
Town Planning
Tower Hamlets Council
Town Hall, Mulberry Place
5 Clove Crescent
LONDON E14 2BG

Our ref: D&P/3663/JF05
Your ref: PA/15/02216
Date: 4 February 2016

Dear Kate,

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008
Former Westferry Printworks
LPA reference: PA/15/02216

Direction under Section 2A of the 1990 Act

On 25 January 2016, I received a request to become the local planning authority, pursuant to article 7 of the Town and Country Planning (Mayor of London) Order 2008, in respect of the above site, the Former Westferry Printworks.

Having now considered a report on this case, reference D&P/3363/02 (copy enclosed), I hereby direct (under article 7 of the above Order and the powers conferred by Section 2A of the 1990 Act) that I will act as the local planning authority for the purposes of determining the above planning application. In making my decision I have also had regard to the letter received from Tower Hamlets Council dated 2 February 2016. My reasons are as follows:

- a) The development would have a significant impact on the implementation of the London Plan, as set out in the in the attached report.
- b) There are sound planning reasons for my intervention as set out in the attached report.

I must also have regard to targets identified in development plans. As set out in the Report, I recognise that Tower Hamlets Council has fallen short of its housing delivery target although does have a healthy pipeline of permissions. In terms of other targets regarding the delivery of physical and social infrastructure, the Council has identified an established need for additional secondary school places in the Borough, and in particular a need for new schools within the Isle of Dogs, and an increasing need to deliver new public open space in order to support the borough's growing population. The Council's latest Annual Monitoring Reports demonstrate that these needs are not being met and remain significant.

The application represents EIA development for the purposes of the Town and Country Planning (Environmental Impact Assessment) Regulations 2011. I have taken the environmental information made available to date into consideration in formulating my decision.

I would be grateful if you provide me, as soon as reasonably practicable, any information relevant to the application which has not already been provided. In due course my officers will liaise with yourself and the Council officers in relation to the date of the Representation Hearing, outstanding matters that require resolution and any draft planning obligation.

Please also ensure that a copy of this direction is placed on Part 2 of the register required to be kept by article 25 of the General Development Procedure Order (GDPO).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Boris Johnson', with a long horizontal flourish extending to the right.

Boris Johnson
Mayor of London

cc John Biggs, London Assembly Constituency Member
 Nicky Gavron, Chair of London Assembly Planning Committee
 National Planning Casework Unit, DCLG
 Alex Williams, TfL
 DP9, 100 Pall Mall, London SW1Y 5NQ

Westferry Printworks, Isle of Dogs**in the London Borough of Tower Hamlets****planning application no. PA/15/02216****Strategic planning application: Request that the Mayor become the Local Planning Authority**

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008.

The proposal

Full planning permission for the demolition of existing buildings, and erection of nine buildings of up to thirty-storeys (110.90 metres AOD), comprising 722 residential units, public open space, and a six-form entry secondary school, together with ground-floor commercial floorspace and flexible office and business use, with associated access, servicing and landscaping.

The applicant

The applicant is **Northern & Shell Investments No. 2 Limited**, and the architect is **PLP**.

Strategic issues

Westferry Printworks is a key development site within the Isle of Dogs and South Poplar Opportunity Area. The provision of new homes, a secondary school, open space, small business space and community uses on a vacant site is strongly supported in principle, although there were a number of issues raised in the Mayor's Stage 1 Report of 20 October 2015.

The sixteen week determination period would have expired on 17 December 2015; however, formal amendments were submitted to the Council on 14 December 2015. The applicant and the Council have not been able to reach agreement on an alternative determination timescale and on 25 January 2016 the applicant wrote to the Mayor requesting that he take over determination of the applications from the Council.

Recommendation

That the Mayor takes over the determination of the planning application and becomes the local planning authority.

Context

1 On 25 January 2016, DP9 on behalf of the applicant Northern Shell Investments No.2 Limited, wrote to the Mayor (copy of letter attached) requesting pursuant to para 7(6) of the Town and Country Planning (Mayor of London) Order 2008, that the Mayor become the local planning authority for the application.

Case history

2 In addition to consultation with the Council and statutory stakeholders, the application has been subject to extensive formal pre-planning application discussions with GLA officers and four formal pre-planning application meetings were held on 6 March 2014, 22 May 2014, 27 August 2014, and 29 October 2014, together with six informal design reviews in 2014 and 2015. GLA officers have welcomed the opportunity to proactively engage with the applicant from an early stage in the development process, which has in turn resulted in significant improvements to the scheme as it has developed. The principle of the housing-led redevelopment of this site, which includes public open space and education provision, was strongly supported, however, a number of concerns were raised regarding quantum of development and density, housing, urban design and tall buildings, inclusive design, sustainable development, and transport. The applicant has sought to address these concerns throughout the engagement process.

3 On 15 September 2015 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. The application was referred to the Mayor under the following Categories of the Schedule to the Order 2008:

- Category 1A: “Development which comprises or includes the provision of more than 150 houses, flats, or houses and flats”.
- Category 1B: “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 Central London and with a total floorspace of more than 15,000 sq.m.”.
- Category 1C: “Development which comprises or includes the erection of a building more than thirty metres high and outside the City of London”.

4 On 20 October 2015, the Mayor considered planning report D&P/3363/01, and subsequently advised Tower Hamlets Council that whilst the principle of the proposal was strongly supported, the application did not comply with the London Plan, for the reasons set out in paragraph 88 of the above-mentioned report, but that the resolution of those issues could lead to the application becoming compliant with the London Plan. A copy of the report is attached in full.

5 As set out within the above-mentioned report, in response to concerns raised by GLA officers following the submission of the application, a number of amendments were proposed by the applicant and were considered by GLA officers, but had not been formally submitted at the time of writing the stage one report. The amendments included a revised tenure split for the affordable housing component to bring it into accordance with London Plan Policy 3.11, amendments to provide three additional residential cores to address residential design issues relating to number of units per core and the proportion of single aspect units, in addition to a number of positive ground floor layout amendments.

6 Since the issuing of the stage one report the applicant has formally submitted scheme amendments to the Council on 14 December 2015 to address the concerns set out within the report, which in addition to the above, include a reduction of 130 car parking spaces provided on site and associated reduction in basement parking area, changes to the basement ventilation strategy and location of the exhaust vents, revisions to the proposed surface water drainage strategy and associated landscaping amendments, revisions to Blocks B8 and B7 to improve levels of internal daylight and sunlight, and amendments to corner windows within the courtyard

blocks to reduce overlooking. The Council formally consulted on these amendments on 11 January 2016.

7 The environmental information for the purposes of the Town and Country Planning (Environmental Impact Assessment) Regulations 2011 has been taken into account in the consideration of this case.

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

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

9 This report informs the Mayor of the test to be applied in considering whether to become the local planning authority. The initial policy test regarding the Mayor's power to take over and determine applications referred under categories 1 and 2 of the schedule to the 2008 Order is a decision about who should have jurisdiction over the application, rather than whether planning permission should ultimately be granted or refused. Article 7 sets out the criteria which must be satisfied before the Mayor may direct that he is to be the local planning authority in respect of a particular planning application: The policy test consists of the following three parts, all of which must be met in order for the Mayor to take over planning applications:

- (a) the development or any of the issues raised by the development to which the PSI application relates is of such a nature or scale that it would have a significant impact on the implementation of the spatial development strategy;
- (b) the development or any of the issues raised by the development to which the application relates has significant effects that are likely to affect more than one London Borough; and
- (c) there are sound planning reasons for issuing a direction.

10 Article 7(1)(a) relates to whether the development has a significant impact upon the London Plan and (b) relates to the geographical extent of the impact, whilst part (c) deals with the planning reasons for the Mayor's intervention. These criteria are intended to ensure that the Mayor only intervenes in important and exceptional cases.

11 This report considers the extent to which the criteria under Article 7(1) apply in this case and whether, therefore, the Mayor should direct that he is to be the local planning authority, applying the criteria set out under Article 7(3) of the 2008 Order. This report does not consider the merits of the applications, although regard has been given to the key planning issues in respect of assessing the policy test in Article 7(1) c, as set out below.

Policy test 7(1) (a): Significant impact on the implementation of the London Plan

12 There are significant impacts on the implementation of the London Plan for the reasons set out in the following paragraphs.

Opportunity Area objectives

13 The site is located within the Isle of Dogs and South Poplar Opportunity Area (OA) and the London Plan sets a minimum target of 10,000 new homes and 110,000 jobs up to 2031. The proposals seek to deliver 722 new homes and contribute 564 full time equivalent (FTE) jobs once

completed, not including a further 210 FTE jobs during construction and will therefore make a positive contribution towards the delivery of the primary housing and employment objectives of the OA.

14 In addition to optimising residential and non-residential output and densities, London Plan Policy 2.13 sets out that opportunity and intensification areas should provide social and other infrastructure to sustain growth. Notwithstanding the strong support for the delivery of a substantial proportion of housing within the OA, there is strategic concern regarding the significant quantum of emerging proposals and the potential barriers to the delivery of this development. This includes the need to secure the social and physical infrastructure required to support the very significant scale of growth.

15 In response to this concern, the London Plan sets out that more effective coordination of social infrastructure, especially schools to support growing local needs, is required within the Isle of Dogs and South Poplar Opportunity Area.

16 As part of the mix of uses, the development would deliver a new secondary school with capacity for 1,200 students, a health centre, community centre and/or creche and approximately 1.95 hectares of publicly accessible open space. The proposals would therefore not only contribute towards delivering the primary housing and employment objectives of the OA but also provide a number of key strategic benefits in the form of social and physical infrastructure that would support the regeneration of the wider Opportunity Area.

Housing delivery

17 London Plan Table 3.1 requires Tower Hamlets to deliver 3,931 new homes per year until 2025. The proposal will deliver 722 new homes which would equate to 18.3% of the Council's annual housing target.

18 The Councils' performance relating to housing delivery, including affordable housing over recent years is set out under Matters that the Mayor must take account of below. In essence, the position is that whilst the Borough has delivered a significant number of new homes and affordable housing relatively in London, Tower Hamlets has not met its target for the last eight years.

Summary

19 As set out above the development represents a key regeneration site within the Isle of Dogs and South Poplar Opportunity Area and in addition to providing a significant number of new jobs and much needed housing delivery, the proposals will ensure the delivery of key social and physical infrastructure that will support the wider regeneration of the area. Therefore, the nature and scale of the proposals will have a significant impact on the implementation of the London Plan particularly with regards to opportunity areas, regeneration, housing, employment, social infrastructure and open space.

Policy test 7(1) (b): Significant effects on more than one Borough [delete if referable under category 1A]

20 Para 7(4) of the Order sets out that where a development falls within Category 1A of the Schedule, namely that over 150 homes will be delivered, this test does not apply. As the application is for 722 homes, this test does not need to be applied.

Policy test 7(1)(c): Sound planning reasons for intervening

Principle of development

21 The principle of the development is clearly supported by the London Plan, the Mayor's stage one report of 20 October 2015 (ref: D&P/3363/01 - appended to this report) and the strategic aspirations for the Isle of Dogs and South Poplar Opportunity Area. As set out in the stage one report, the revisions formally submitted to the Council on 14 December 2015 seek to address the housing mix, residential quality and design issues raised within the above-mentioned report.

22 The principle of the development is also supported at the local level and is allocated for mixed-use, housing-led development including a secondary school and publicly accessible open space within the Council's Managing Development Document.

Opportunity Area

23 London Plan Policy 2.13 sets out the Mayor's policy on opportunity areas. London Plan paragraph 2.58 states that opportunity areas are the capital's major reservoir of brownfield land with significant capacity to accommodate new housing, commercial and other development linked to existing or potential improvements to public transport accessibility. London Plan Table A1.1 sets out the strategic policy direction for the Isle of Dogs and South Poplar Opportunity Area.

24 This sets out that the north of the Isle of Dogs forms a strategically significant part of London's world city offer for financial, media and business services with Crossrail 1 significantly boosting job growth in around the Canary Wharf area by 2031. It also recognises that parts of the area have significant potential to accommodate new homes and there is scope to convert surplus business capacity south of Canary Wharf to housing and support a wider mix of services for residents, workers and visitors. As part of the need to address the barriers to delivery of development, the London Plan gives further consideration to the refinement of this framework and as part of this it promotes the more effective coordination of social infrastructure, especially schools to support growing local needs.

25 The proposal would therefore support the strategic policy direction for the Opportunity Area, particularly with regards to the delivery of key social and physical infrastructure to support wider growth objectives, and contribute towards meeting the indicative targets for new jobs and homes.

Timely Decision Making

26 In its letter to the Mayor, requesting he takes the application over, the applicant has highlighted the decision making timescale.

27 The National Planning Policy Framework at highlighted para 14 states that the *"presumption in favour of sustainable development... means approving development proposals that accord with the development plan without delay..."*

28 In May 2014, the Council and the applicant entered into a pre-submission Planning Performance Agreement (PPA) which envisaged a six month determination period and was based on the application being submitted in October 2014 with a target committee date in April 2015. As a result of extensive pre-submission consultation, the submission was delayed and was formally validated by the Council on 27 August 2015. It is understood that the applicant and the Council have been in discussions with regards to an updated PPA to reflect the delayed submission date.

29 The statutory sixteen week determination period for the application would end on 17 December 2015, however, the applicant submitted a full set of amendments to address consultation responses on 14 December 2015 and the Council commenced a 21 day consultation on the amendments on 11 January 2016. In light of the amendments, the applicant considers that a February 2016 planning committee should be achievable and is in accordance with the six month determination period envisaged under the original PPA. The Council has proposed a revised PPA which targets a committee date in May 2016, however, the applicant finds this an unacceptable delay and it is understood that a mutual agreement on a revised committee date remains unresolved.

30 Notwithstanding the above, a key outstanding issue relates to the provision of affordable housing and in particular the verification of the maximum reasonable amount. It is understood that the supporting financial viability assessment (FVA) was provided to the Council in August 2015 and progress with the Council and its independent assessor has been slow to date, with its formal report only being released to the applicant in December 2015. In addition, it is understood that there is a strong disagreement between the Council and the applicant with regards to the inputs in the FVA.

31 In light of the above, while it is noted that consultation on the formal scheme amendments has only very recently expired, given the slow progress to date in advancing viability discussions and the strong disagreement between both parties regarding the inputs, in addition to the Council and the applicant being unable to reach agreement on a revised PAP, GLA officers consider that there is significant potential that the application is unlikely to be determined within a timely and reasonable manner. This therefore represents a sound reason for the Mayor to intervene.

Matters the Mayor must take account of

32 The Town & Country Planning (Mayor of London) Order 2008, requires that the mayor takes certain matters into account when making his decision, these are covered below.

Achievement of development Plan targets for Housing, including affordable housing

33 The London Plan Table 3.1 sets a minimum annual housing target of 3,931 homes per year for Tower Hamlets. The tables below set out the performance of Tower Hamlets for net conventional completions compared to the London Plan benchmark for conventional supply, noting that the target has changed (as indicated in the AMR), over the last eight years. The applicant's letter refers to the last five years of available data; **whereas the Councils point out that a longer period is more appropriate as it covers more of the economic cycle**. Fully respecting that the borough has the highest housing target compared to any other London boroughs, the table demonstrates that Tower Hamlets delivered around 65% of the conventional homes required over the last eight years with the annual delivery steadily declining since 2008.

Tower Hamlets							
	Net Completions (units)						Net Approvals
Financial Year	Market	Social & Affordable Rent	Intermediate	Total	London Plan Target	Difference	Total
2006	1,538	439	394	2,370	1,825	545	3,631
2007	1,443	526	94	2,063	1,825	238	9,228
2008	1,382	544	961	2,887	3,150	-263	6,172
2009	1,807	379	266	2,465	3,150	-685	3,577
2010	981	191	124	1,296	3,150	-1,854	2,984
2011	189	547	167	903	2,642	-1,559	3,485
2012	696	172	102	997	2,642	-1,465	3,596
2013	580	73	31	684	2,462	-1,778	5,448
Total	8,616	2,871	2,139	13,665	20,846	-6,821	

Affordable Housing

34 The delivery of 5,010 affordable units in Tower Hamlets over the eight years equates to a rate of 36% of total completions and 24% of the total monitoring target. The Council has a 50% affordable housing target in its Core Strategy.

Need for a secondary school

35 Paragraph 3.98 of the London Plan defines poor performance as areas where fewer than 30% of pupils achieve five or more A* to C grades at GCSE, including GCSEs in English and Maths. In 2013/14, 60% of pupils in Tower Hamlets achieved this benchmark. Whilst this is not poorly performing as defined in the London Plan this is below the London average of 62.3% and the Inner London average of 60.8%. Notwithstanding, the Borough has consistently performed above the national average since 2010/11.

36 Whilst this is the case, DfE data demonstrates that the academic attainment within the borough has consistently decreased year on year since 2011 and that it remains below the London average. The Council's most recent Annual Monitoring Report (AMR) covers the period from April 2013 to March 2014.

37 With respect to secondary school provision, the AMR sets out that during the 2013/14 period works were completed on Bow Secondary School with extra places becoming available from 2014, in addition to major refurbishment works being carried out and Raines Foundation School and Langdon Park School. However, the Council's Infrastructure Delivery Summary in the AMR sets out that 21 forms of entry for secondary school places is required by 2023 across the borough and as such, the need for extra provision remains significant.

38 As set out earlier within this report, this educational need to ensure adequate social infrastructure, especially schools, within the Isle of Dogs, is emphasised strategically within the London Plan and in particular within the strategic guidance for the Isle of Dogs and South Poplar Opportunity Area.

Provision of open space

39 As identified in the Council's Open Space Strategy 2006-2016 and summarised in the Council's latest AMR there is an infrastructure need of 12,000 sq.m. of new open space per 1,000 people. While the Council commenced a programme of refurbishment and improvement works to enhance existing open spaces, no additions have been to the Council's register of publicly accessible open space in the previous monitoring period. This has resulted in the amount of public space per 1,000 people in the reducing to 9,700 sq.m. which falls significantly below the identified need. It is recognised that this reduction is due to the population increase in the borough but also further highlights the increasing importance of delivering sufficient open space in the borough and in particular the Opportunity Area to support its growth potential.

Summary

40 While acknowledging that the borough has the highest housing target compared to any other London borough, as set out above, the Council has consistently failed to deliver its housing target over the last eight years and has demonstrated a steady decline in its overall annual delivery since 2008. With regards to educational standards, Tower Hamlets performs above the national average, and achievements are broadly comparable with the London, and Inner London, averages. However, the Council's 2013/2014 AMR demonstrates that there is an established need for additional secondary school places in the borough, in addition, to a need for new public open space, both of which are not currently being delivered and are further compounded by increased population growth.

41 Having had regard to the matters above, GLA officers are of the view that given the established need for secondary school places in the borough, in particular the identified need for schools within the Isle of Dogs; the need to deliver new open space to meet the needs the borough's growing population and, the consistent underperformance against the Council's housing target – it is particularly important that the housing-led redevelopment of this site that includes the provision of a secondary school, generous public open space and supporting community uses is fully considered by the Mayor to address the strategic objectives of the London Plan.

Issues outstanding from Stage I

42 The stage I report (ref: D&P/3363/01), issued on 20 October 2015, raised a number of issues relating affordable housing, urban design, flood risk, climate change mitigation and transport. As set out within this report, since the issuing of the stage one report the applicant has formally submitted amendments to the Council that were previously discussed with GLA officers, which seek to resolve a number of the key strategic concerns previously raised regarding the affordable housing tenure split and residential quality and urban design issues.

43 The final affordable housing offer still remains an outstanding issue, along with detailed matters relating to securing the delivery of the secondary school, modelling any potential impact on the sailing conditions in Millwall Outer Dock, section 106 contributions, flood risk, transport and energy. GLA officers are also currently reviewing the recently submitted amendments against these outstanding issues. Should the Mayor decide to become the local planning authority he will have to satisfy himself that these strategic matters, as well as a range of local matters under consideration by the Council, are addressed. He will have to determine the applications in accordance with the development plan, unless material considerations indicate

otherwise. As stated at paragraph nine this report does not make any attempt to consider the planning merits of the application.

Local planning authority's position

44 *Awaiting response from the Council...*

Legal considerations

45 Under the arrangements set out in Article 5 of the Town and Country Planning (Mayor of London) Order 2008 the Mayor 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. 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.

46 Should the Mayor decide that, he does not wish to take over the application at this stage; the application would remain with the Councils thereby allowing further time for determination. GLA officers could monitor the Councils' progress and act as facilitators between the Councils and the applicant. If there appears to be unreasonable delay, a further request for take over could be made by the applicant and the Mayor would reconsider taking the application over at that stage.

Financial considerations

47 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 Councils to do so). The Mayor should be aware that determining the application will require a significant level of resource within the GLA Planning team and TfL. Should the Mayor decide to act as the local planning authority officers would seek to sign an appropriate Planning Performance Agreement with the applicant, part of which could be the provision of funds to meet the costs of the Mayor and GLA/TfL to undertake detailed technical assessments and workstreams in order to properly determine the application.

Conclusion

48 This Report sets out the range of issues that the Mayor must consider in coming to his decision as to whether to become the local planning authority for this application. As set out in the report the application meets the tests to enable the Mayor to become the local planning authority.

49 The Councils have written to the Mayor giving reasons why they should be left to determine the application and these have been fully considered. In particular the Councils position on their handling the applications is acknowledged as is their performance on housing delivery.

50 Taking all of the above considerations into account this report recommends that the Mayor becomes the local planning authority.

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

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