

## LONDON BOROUGH OF TOWER HAMLETS

### DEVELOPMENT COMMITTEE

8<sup>th</sup> March 2012 at 7.00pm

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#### UPDATE REPORT OF HEAD OF PLANNING AND BUILDING CONTROL

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Agenda item no	Reference no	Location	Proposal
7.1	PA/10/2340	64 Tredegar Road, E3 2AP	Demolition of existing warehouse buildings and the erection of a part 4, part 5, part 6 storey blocks to provide 87 new residential units (comprising 6 studios, 34 x 1 bed, 26 x 2 bed, 19 x 3 bed and 2 x 4 bed); incorporating communal, private and child playspace, on site parking for 23 cars and a single on street parking space on Balmer Road.
7.2	PA/11/1818	Site At North East Junction Of Cable Street And Ratcliffe Cross Street, Cable Street, London, E1	Outline application for a mixed use development containing 57 apartments and 970sqm of commercial space for A1, B1 / D1 use as a part 7, part 8 storey development.

<b>Agenda Item number:</b>	7.1
<b>Reference number:</b>	PA/10/2340
<b>Location:</b>	64 Tredegar Road, E3 2EP
<b>Proposal:</b>	Demolition of existing warehouse buildings and the erection of 3 residential blocks (part 4, part 5 and part 6 storeys in height) to provide 87 new residential units (comprising 6 studios; 34 x 1 bed; 26 x 2 bed, 19 x 3 bed and 2 x 4 bed); incorporating communal, private and child playspace, on site parking for 23 cars and a single on street parking space on Balmer Road.

#### 1.0 Clarifications

- 1.1 The proposal makes provision for 177 cycle spaces and not 95 as noted in the committee report.
- 1.2 Paragraph 8.133 should refer to £7,800 towards employment and enterprise in the Section 106 Agreement.

#### 2.0 Localism Act (amendment to S70(2) of the TCPA 1990)

- 2.1 Section 70(1) of the Town and Country Planning Act 1990 (as amended) entitles the local planning authority (and on appeal by the Secretary of State) to grant planning permission on application to it. From 15<sup>th</sup> January 2012, Parliament has enacted an amended section 70(2) as follows:
- 2.2 In dealing with such an application the authority shall have regard to:
- a) The provisions of the development plan, so far as material to the application;
  - b) Any local finance considerations, so far as material to the application; and
  - c) Any other material consideration.
- 2.3 Section 70(4) defines “local finance consideration” as:
- a) A grant or other financial assistance that has been, or will or could be, provided to a relevant authority by a Minister of the Crown; or
  - b) Sums that a relevant authority has received, or will or could receive, in payment of Community Infrastructure Levy.
- 2.4 In this context “grants” might include:
- a) Great Britain Building Fund: the £400m “Get Britain Building” Fund and government-backed mortgage indemnity guarantee scheme to allow housebuyers to secure 95% mortgages;
  - b) Regional Growth Funds;
  - c) New Homes Bonus;
  - d) Affordable Homes Programme Funding.
- 2.5 These issues now need to be treated as material planning considerations when determining planning applications or planning appeals.
- 2.6 *(Officer Comment): Officers are satisfied that the current report to Committee has had regard to the provision of the development plan. As regards local finance considerations, the proposed S.106 package has been detailed in full which complies with the relevant statutory tests, adequately mitigates the impact of the development and provides necessary infrastructure improvements.*
- 2.7 *As regards Community Infrastructure Levy considerations, following the publication of the Inspector’s Report into the Examination in Public in respect of the London Mayor’s Community Infrastructure Levy, Members are reminded that it is likely that the London mayoral CIL is intended to become operational from 1 April 2012 and will not be payable on this scheme, as long as the planning permission is issued by 31 March 2012. The likely CIL payment associated with this development would be in the region of £151,110 and could impact on the future s.106 obligations.*
- 2.8 *With regards grants, the Great Britain Building Fund is part The government’s housing strategy published on the 21 November 2011 designed to tackle the housing shortage, boost the economy, create jobs and give first time buyers the opportunity to get on the housing ladder. Officers are satisfied that the development provides the types of units in the form single occupancy flats within the private and intermediate tenure, and range of unit sizes to accommodate the differing financial constraints of future potential occupier and therefore the proposal supports this initiative.*
- 2.9 *The Regional Growth Fund (RGF) is now a £2.4bn fund operating across England from 2011 to 2015. It supports projects and programmers that lever private sector investment to create economic growth and sustainable employment. It aims*

*particularly to help those areas and communities which were dependent on the public sector to make the transition to sustainable private sector-led growth and prosperity. Whilst there is no evidence to suggest that this development is directly linked into this initiative, officers are satisfied that through the £7,800 financial contribution toward Employment and training, and agreement to 20% local procurement during construction and 20% local labor in construction (referred to in the main committee report), there is likely to be a range of job opportunities, both skilled and un-skilled that would support the aim of the initiative to create economic growth and sustainable employment.*

- 2.10 *With regards to the New Home Bonus. The New Homes Bonus was introduced by the Coalition Government during 2010 as an incentive to local authorities to encourage housing development. The initiative provides unring-fenced finance to support local infrastructure development. The New Homes Bonus is based on actual council tax data which is ratified by the CLG, with additional information from empty homes and additional social housing included as part of the final calculation. It is calculated as a proportion of the Council tax that each unit would generate over a rolling six year period.*
- 2.11 *Using the DCLG's New Homes Bonus Calculator, and assuming that the scheme is implemented/occupied without any variations or amendments, this development is likely to generate approximately £120,408 in the first year and a total payment £722,449 over 6 years. There is no policy or legislative requirement to discount the new homes bonus against the s.106 contributions, and therefore this initiative does not affect the financial viability of the scheme.*
- 2.12 *The Affordable Homes Programme 2011-15 (AHP) aims to increase the supply of new affordable homes in England. Throughout 2011-15, Homes and Communities Agency(HCA) aims to invest £4.5bn in affordable housing through the Affordable Homes Programme and existing commitments from the previous National Affordable Housing Programme. The majority of the new programme will be made available as Affordable Rent with some for affordable home ownership, supported housing and in some circumstances, social rent.*
- 2.13 *However developments that secure affordable housing through s.106 agreements (as is the case for this proposal) are unlikely to receive grant from the HCA as they seek to reserve funding for Registered Social Landlords who specialise in providing affordable housing.*

### **3.0 RECOMMENDATION**

- 3.1 The recommendation remains unchanged.

<b>Agenda Item number:</b>	7.2
<b>Reference number:</b>	PA/11/01818
<b>Location:</b>	Site At North East Junction Of Cable Street And Ratcliffe Cross Street, Cable Street, London, E1
<b>Proposal:</b>	

**1. Change of description:**

1.1 New description to clarify that the application is in outline:

*Outline application for a mixed use development containing 57 apartments and 970sqm of commercial space for A1, B1 / D1 use as a part 7, part 8 storey development.*

Original description:

*Mixed use development containing 57 apartments and 970sqm of commercial space for A1, B1 / D1 use as a part 7, part 8 storey development.*

**2 Additional information**

**2.1 Daylight / sunlight study**

Paragraphs 8.28 – 8.33 of the committee report explains the results of the daylight / sunlight study and concludes that a number of windows within the neighbouring Reservoir Studios would have a greater than 20% reduction in the vertical sky component (VSC). As such a further test, analysing the No Sky Line (NSL) was requested in order to better understand the failures.

This has been carried out and the results show that whilst 100% of the windows on the east elevation fail the VSC test only four of the 21 rooms tested fail the NSL test. Within the BRE guidance a reduction of 20% of the NSL is considered to be discernable. In this case two of the rooms would experience a loss of 23% and two would experience a loss of 69%.

The 23% reduction is slightly below the standard which is noticeable to the occupiers and it is not considered that this would be significantly detrimental to their amenity. The two rooms which would suffer the 69% loss are kitchens and the substantial loss of daylight is partly as a result of their design as they are long and narrow and only served by one window. Any development at the subject site is likely to have a significant impact upon the light which reaches the inner part of the kitchens. In addition to this, the kitchens are small rooms within the flats and would not be a habitable space. As such it is considered that the development should not be refused on the loss of daylight to these windows.

Overall, adequate levels of daylight would be received by the majority of windows within the neighbouring building and the recommendation to approve remains unchanged.

**3 Additional condition**

3.1 If a D1 use is implement the hours of use shall be restricted to 8am – 10pm Monday to Saturday and 10am – 6pm Sundays and Bank Holidays

#### 4 **Clarification points**

- 4.1 The table at point 8.37 states that there are a total of 154 habitable rooms. This is incorrect as the total is 153.
- 4.2 8.99 of the report states that 36% affordable housing is provided. This is a typographical error as the total is 35%.

#### 5.0 **Localism Act (amendment to S70(2) of the TCPA 1990)**

5.1 Section 70(1) of the Town and Country Planning Act 1990 (as amended) entitles the local planning authority (and on appeal by the Secretary of State) to grant planning permission on application to it. From 15th January 2012, Parliament has enacted an amended section 70(2) as follows:

5.2 In dealing with such an application the authority shall have regard to:

- a) The provisions of the development plan, so far as material to the application;
- b) Any local finance considerations, so far as material to the application; and
- c) Any other material consideration.

5.3 Section 70(4) defines "local finance consideration" as:

- a) A grant or other financial assistance that has been, or will or could be, provided to a relevant authority by a Minister of the Crown; or
- b) Sums that a relevant authority has received, or will or could receive, in payment of Community Infrastructure Levy.

5.4 In this context "grants" might include:

- a) Great Britain Building Fund: the £400m "Get Britain Building" Fund and government-backed mortgage indemnity guarantee scheme to allow housebuyers to secure 95% mortgages;
- b) Regional Growth Funds;
- c) New Homes Bonus;
- d) Affordable Homes Programme Funding.

a. These issues now need to be treated as material planning considerations when determining planning applications or planning appeals.

b. (Officer Comment): Officers are satisfied that the current report to Committee, when viewed alongside previous reports presented has had regard to the provision of the development plan. As regards local finance considerations, the proposed S.106 package has been detailed in full which complies with the relevant statutory tests, adequately mitigates the impact of the development and provides necessary infrastructure improvements.

5.5 As regards Community Infrastructure Levy considerations, following the publication of the Inspector's Report into the Examination in Public in respect of the London Mayor's Community Infrastructure Levy, Members are reminded that it is likely that the London mayoral CIL is intended to become operational from 1 April 2012 and will not be payable on this scheme, as long as the planning permission is issued by 31st March 2012. The likely CIL payment associated with this development would be in the region of £271,005 and could impact on the future s.106 obligations.

5.6 With regards grants, the Great Britain Building Fund is part of the government's

housing strategy published on the 21 November 2011 designed to tackle the housing shortage, boost the economy, create jobs and give first time buyers the opportunity to get on the housing ladder. Officers are satisfied that the development provides the types of units in the form single occupancy flats within the private and intermediate tenure, and range of unit sizes to accommodate the differing financial constraints of future potential occupier and therefore the proposal supports this initiative

- 5.7 The Regional Growth Fund (RGF) is now a £2.4bn fund operating across England from 2011 to 2015. It supports projects and programmers that lever private sector investment to create economic growth and sustainable employment. It aims particularly to help those areas and communities which were dependent on the public sector to make the transition to sustainable private sector-led growth and prosperity. Whilst there is no evidence to suggest that this development is directly linked into this initiative, officers can confirm that best endeavours have been secured through the S.106 agreement to ensure that at least 20% of the those job opportunities will benefit residents of the borough during the construction process, and are also satisfied that a financial payment to provide silks and training can also lead to greater opportunities for local residents to secure sustainable employment.
- 5.8 With regards to the New Home Bonus. The New Homes Bonus was introduced by the Coalition Government during 2010 as an incentive to local authorities to encourage housing development. The initiative provides unring-fenced finance to support local infrastructure development. The New Homes Bonus is based on actual council tax data which is ratified by the CLG, with additional information from empty homes and additional social housing included as part of the final calculation. It is calculated as a proportion of the Council tax that each unit would generate over a rolling six year period.
- 5.9 Using the DCLG's New Homes Bonus Calculator, and assuming that the scheme is implemented/occupied without any variations or amendments, this development is likely to generate approximately £89,992 within the first year and a total of £527,951 over a rolling six year period. This is indicative and assumes zero empty homes. There is no policy or legislative requirement to discount the new homes bonus against the s.106 contributions, and therefore this initiative does not affect the financial viability of the scheme.
- 5.10 The Affordable Homes Programme 2011-15 (AHP) aims to increase the supply of new affordable homes in England. Throughout 2011-15, Homes and Communities Agency (HCA) aims to invest £4.5bn in affordable housing through the Affordable Homes Programme and existing commitments from the previous National Affordable Housing Programme. The majority of the new programme will be made available as Affordable Rent with some for affordable home ownership, supported housing and in some circumstances, social rent.
- 5.11 However developments that secure affordable housing through s.106 agreements (as is the case for this proposal) are highly unlikely to receive grant from the HCA as they seek to reserve funding for Registered Social Landlords who specialise in providing affordable housing.

## 6.0 **RECOMMENDATION**

- 6.1 All other relevant policies and considerations have been taken into account. Planning permission should be granted for the reasons set out in the SUMMARY OF MATERIAL PLANNING CONSIDERATIONS and the details of the decision are set out in the RECOMMENDATION at the beginning of the main report.

