

planning report PDU/1027/01

18 October 2005

10 – 20 Dock Street, E1

in the London Borough of Tower Hamlets

planning application nos. PA 04/993

Strategic planning application stage 1

Town & Country Planning Act 1990 (as amended); Greater London Authority Act 1999; Town & Country Planning (Mayor of London) Order 2000

The proposal

Demolition of buildings and erection of three buildings consisting of seven storeys (Block A), part seven and part thirteen storeys (block B) and seven storeys (block C) to create commercial use on part ground and part lower ground floors and 95 flats on part lower ground, part ground and all upper floors. This proposal is known as scheme A but there have also been scheme B,C and D which were either not referable to the Mayor or have now been withdrawn.

The applicant

The applicant is Purple Property Holdings and the architect is Squire and Partners.

Strategic issues

The external appearance of the proposed building will have a high **quality design** and subsequently the building would be a welcome addition to the streetscene. However, concerns are raised over the quality of some of the **internal accommodation** that will be provided and thus the appropriateness of such a high **density** scheme. The high proportion of small units has not been adequately justified. The lack of outdoor **amenity space** and awkward relationships between the some of the units should be clarified and improved upon. The level of **affordable housing** is low and its appropriateness is, as yet, unresolved. The scheme has not demonstrated compliance with the London Plan policies relating to the use of **renewable energy** technologies and **energy efficiency** measures. Similarly, the incorporation of **inclusive design** principles in the design of both the commercial and residential units have not be demonstrated.

Recommendation

That Tower Hamlets Council be advised that the principle of the scheme is generally supported in strategic policy terms. However, there are numerous matters that either remain outstanding, or require clarification, in order to demonstrate compliance with London Plan policies.

Context

On 22 July 2004 Tower Hamlets Council consulted the Mayor of London on a proposal to develop the above site for the above uses. Under the provisions of the Town & Country Planning

(Mayor of London) Order 2000 the Mayor has the same opportunity as other statutory consultees to comment on the proposal. This report sets out information for the Mayor's use in deciding what comments to make.

- The application is referrable under Category 1C of the Schedule of the Order 2000: "Development which comprises or includes the erection of a building in respect of which...the building is more than 30 metres high and outside the City of London."
- The Mayor of London's comments on this case will be made available on the GLA website www.london.gov.uk.

Site description

- Dock Street is located to the east of the Tower of London and just to the north of St Katherine's Dock. It is the southern section of the Commercial Street-Leman Street-Dock Street route. The street and surrounding area contains a mix of uses including a residential estate, a hostel, a nursery, a pub, warehousing and other commercial uses. The site is 500 metres from Tower Gateway DLR station and 600 metres from Tower Hill Underground Station.
- The site is 0.11 hectares and currently comprises three separate buildings. At the northern end, ten–fourteen Dock Street is a late Victorian four-storey building accommodating an estate agent at ground floor level, and three residential flats above. Sixteen-eighteen Dock Street comprises 745 sq.m. of floorspace within a late Victorian three-storey building, a former rag trade store that has been vacant since 1997. Twenty Dock Street comprises 1300 sq.m. of floorspace within a four-storey late Victorian building, is a partially vacant/partial office building. Flank Street runs through the site between number twenty and sixteen–eighteen Dock Street.
- To the immediate rear of the site, through Flank Street, is a Peabody Estate, while across the other side of Dock Street is the listed St. Paul's Church which features an elegant spire.

Details of the proposal

7 It is proposed to demolish all three buildings on the site and replace them with three new blocks. The details of the scheme are as follows:

Block A height	7 storeys (34.5m)
Block B height	13 storeys (52.9m)
Block C height	7 storeys (34.2m)
No. of residential units	95
Commercial floor space	595 sq. m.
Studios	25
1-bed	39
2-bed	22

3-bed	9
Density (habitable rooms - per hectare)	1385
Affordable housing level (habitable room basis)	17% or 17.5% or 0% or 28%
Parking	nil

- Block A is located to the south of Flank Street, while to north of Flank Street are Blocks B and C. Commercial uses will be provided on part of the ground and lower ground floors of Block A and the majority of the ground and lower ground floors of Block B. The remainder of space will be residential with the exception of entrance reception areas, cycle and refuse and plant rooms. Although blocks A and C are both 7 storeys tall, there is a minor difference in overall height of the these blocks given a slightly different design approach and building style.
- 9 The applicant wishes the commercial floorspace to have a flexible use class and has accordingly applied for retail (A1), financial and professional services (A2), food and drink (A3) and business (B1).

Case history

- As mentioned, this application was referred to the Mayor over a year ago. Since the initial submission, there has been a significant amount of discussion on the scheme, but it has not previously been reported to the Mayor for several reasons. Firstly, several other applications have been submitted in respect of this site and it has been unclear which scheme the applicant was pursuing. These other schemes were named scheme B, C and D. The design of these alternative schemes is largely the same as that now being considered, however, the height varied within each scheme and levels of affordable housing were different. These alternative schemes have subsequently either been withdrawn or are not referable to the Mayor. Secondly, as negotiation was, and still is, occurring on the appropriateness of the affordable housing offer, it was not considered appropriate to provide comments on the scheme, when the overall level of affordable housing was so fluid.
- The applicant has already lodged an appeal against non-determination on this scheme. It will be considered by the Planning Inspectorate on the 13 December 2005. Given this appeal status, Tower Hamlets Council will not be issuing a decision on the scheme. However, the Mayor's comments are sought in relation to the scheme. Tower Hamlets Council is expected to consider the application on the 2 November 2005, which will allow it to formalise the contents of its statement to be used in the appeal.

Strategic planning issues and relevant policies and guidance

12 The relevant issues and corresponding policies are as follows:

• Affordable housing London Plan; PPG3; draft Affordable Housing SPG

• Housing London Plan; draft Housing Provision SPG

• Density London Plan; PPG3; draft Housing Provision SPG

• Urban design London Plan; PPS1

• Mix of uses London Plan

• Regeneration London Plan; London's Economic Development Strategy

Transport

 London Plan; the Mayor's Transport Strategy; PPG13

 Access

 London Plan; the Mayor's Transport Strategy; PPG13

 Access

 London Plan; the Mayor's Transport Strategy; PPG13

 London Plan; PPS1; SPG "Accessible London: achieving an inclusive environment"; ODPM Planning and Access GPG
 Sustainable development

 London Plan; PPS1, PPG3; PPG13; PPS22; the Mayor's Energy Strategy; draft SPG on sustainable design and consturuction

For the purposes of Section 38(6) of the Planning and Compulsory Purchase Act 2004, the development plan in force for the area is the 1998 Tower Hamlets Unitary Development Plan and the 2004 London Plan.

Affordable housing

- The Mayor's stated position in the London Plan is that boroughs should seek the maximum reasonable amount of affordable housing, setting an overall target for the highest reasonable number of affordable homes taking account of regional and local assessments of need. The regional assessment of need has set a strategic target that 50% of all new dwellings should be affordable, split to achieve 35% social rented housing and 15% intermediate housing (i.e. a ratio of 70:30). The proportions of social rented to intermediate housing should be shaped by the borough housing needs priorities, the characteristics of the residential proposal, the level of affordable housing in the surrounding area and the economic viability of the proposal, including the availability of public subsidy. The 'emerging' Tower Hamlets Unitary Development Plan seeks 35% affordable housing.
- Recently the applicant has run an analysis of the level of affordable housing that the scheme could offer without jeopardising the viability of the scheme. Using the GLA's 'Three Dragons' toolkit, the valuation information, however, is from 2002. It is understood, that before this application is heard at the public inquiry, a new valuation will be undertaken and the toolkit analysis will be updated accordingly. The results of this updated work will be available shortly. However, as it currently stands the scheme offers the following options for affordable housing:
 - 17.5% affordable housing of which 70% is social rent and 30% shared ownership; or
 - 17% affordable housing of which 80% is social rent and 20% shared ownership; or
 - 28% affordable housing of which all is shared ownership; or
 - 0% on-site provision, with a £1,900,000 cash contribution towards off-site provision elsewhere in the borough.
- Regardless of which option is selected, the scheme offers a low level of affordable housing relative to the London Plan objective of 50%. The applicant has put forward the high quality of design as a reason that would further push up the costs of the scheme and would thus push it beyond the costs outlined in the GLA toolkit. The applicant also states that the high existing values also have the effect of making a high level of affordable housing difficult to be achieve.
- Additionally, the lack of a social housing grant has a significant impact upon the ability of the scheme to deliver an acceptable level of affordable housing. This issue is wider than just the assessment of this scheme, as it is a policy stance taken by Tower Hamlets Council to seek to achieve 35% affordable housing outputs without social housing grant. The financial

appraisal demonstrates that this is not achievable in this case. Tower Hamlets Council position, limits the amount of affordable housing that is delivered on new build schemes within the borough.

- Of the four options for affordable housing mix that have been put forward by the applicant, the preferred *on-site* option is the 17.5% affordable housing of which 70% is social rent and 30% shared ownership. However, given concerns with the internal layout of the flats and the quality of some the housing that is being created, as discussed in section 29 of this report, the option of *off-site* affordable housing appears appropriate in this instance. However, officers at Tower Hamlets Council have expressed concerns with the off-site approach as they perceive difficulties in finding development sites elsewhere in the borough. Off site provision, should be a suitable site be identified, would nevertheless achieve a higher level of affordable housing output of up to 25 homes (compared to 19 on site) and would provide a better output in terms of mix.
- 19 Tower Hamlets Council officers have expressed a view that the scheme could better provide more affordable housing despite the appraisal undertaken.
- In summary, the amount of affordable housing is low but the tool-kit analysis as currently presented using 2002 valuations, has demonstrated it is reasonable in light of the site-specific considerations and the lack of social housing grant. This statement is made, however, in light of the expectation that an updated toolkit analysis, which will more accurately demonstrate the current position, will be submitted shortly. It is expected that values should have increased since 2002, and accordingly affordable housing output might be increased. The provision of off-site family-sized accommodation may be the most appropriate response to the limitations of the site and the resulting design of the units. However, Tower Hamlets Council is unlikely to support this option.
- The bedroom mix of the *affordable units* has not been provided. However, the overall bedroom mix of the entire scheme has been provided as listed in the above table in paragraph 7 of this report. The provision of such a high proportion of studios (26%) and one-bedroom flats (41%) would not generally be supported in terms of the overall housing mix as endorsed by the Mayor's draft supplementary planning guidance on housing provision. The SPG seeks a much higher proportion of 2/3-bedroom and some 4-bedroom units in order to ensure that new developments meet London's current unmet demand and projected household growth. The lack of larger units that could accommodate families is not acceptable. It is accepted, however, that there could be some variation from the mix promoted in the supplementary planning guidance given the site limitations, in particular the small size of the site.

Density

The scheme proposes a density of 1385 habitable rooms per hectare (hr/ha). This density sites above the density range in table 4B.1 of the London Plan, which suggests that a density range of 650 – 1100 hr/ha would be appropriate for a flatted development within a site within ten minutes walking distance of a town centre. It is expected that schemes above the density range be adequately justified. The justification for such a high-density scheme, in this instance, will be a very high quality design that adequately provides a suitable living environment for future occupiers in a very central location in a tight urban grain. Tower Hamlets Council should also consider whether schemes have an acceptable impact on the surrounding community in terms of local services and infrastructure.

In this instance the scale and density of development is appropriate in this setting. There are, however, real concerns with the quality of several of the residential units that will be created in this development.

Design

- The urban context of the site is part of the Whitechapel/Aldgate Opportunity Area (otherwise referred to as the City Fringe, in conjunction with the Bishopsgate/South Shoreditch Opportunity Area). The London Plan states that Opportunity Areas have been identified on the basis that they are capable of accommodating substantial new jobs and homes and their potential should be maximised. The specific location of the site is suitable for an increase in density of people, homes and uses.
- The prevalent building height on the east side of Dock Street is currently inconsistent, while the west side of the street is more uniformly 4 and 5 storeys. In spite of a prevalent building height, however, the west side of Dock Street is not a coherent set piece townscape. Therefore, the relevant question is whether a significantly taller element is detrimental or beneficial to the local and intermediate townscape.
- Given the characteristics of the site (busy road, and proximity to the City, popular tourist attractions, and public infrastructure), a more dynamic structure of building heights is appropriate. A lesser height would render the proposal apologetic and insignificant. The tower element is consistent with spatial planning policies of the London Plan. The success of the proposal will then depend on the architectural detailing, the quality of the materials, the housing mix and internal configurations.
- Besides the proposal being a logical reflection of the location of the site, the proposal is also a useful regeneration tool to connect two already ongoing regeneration 'streams': one around Aldgate and one along the River Thames. The proposal would jump-start an upgrading of this section of Tower Hamlets, thereby better connecting the City Fringe with St. Katharine's Dock and the River Thames.
- Number 10 14 Dock Street has considerable architectural merit and both it and 20 Dock Street add character and distinctiveness to the area. Neither of these structures, however, are statutory listed buildings or inside a conservation area. Nonetheless, in the case of demolition, the replacement building should be of equal architectural interest and should be equally able to stand the test of time. The architecture of the proposal is very well considered and will add character and distinctiveness to the area. Careful consideration should be given to ensure that the facades have depth, a good composition and an intricate level of detailing.
- Unfortunately, the high quality of the external appearance of the building and the interest it would add to Dock Street are not matched by the quality and size of the accommodation created within the development. Of particular concern are the flats located at basement/ground floor level and those units within block B orientated towards Flank Street.
- The duplex flats located over basement and ground floor level are nearly all single aspect, and the bedrooms at basement level only benefit from windows onto narrow light wells and thus suffer from a very limited outlook and natural ventilation. The flats within block C that are orientated towards Flank Street are also single aspect and have windows looking out on to the flank wall of building A only 3.6 metres away. This situation is worsened by the fact that this flank wall of block A contains the windows for both bedrooms and living rooms. Unfortunately,

section-through drawings do not adequately address the relationship between the facing windows of the flats and those buildings to the rear.

- Additionally, although the planning statement refers to communal amenity space at ground floor level, this space is small, has an awkward shape and it is unclear how they will be accessed or managed. Given the presence of flats at ground floor level, the relationship between the rear facing windows of these flats and the communal amenity space will need to be carefully considered.
- The planning statement also makes reference to some of the flats having balconies. This is not evident on the plans, as none of the flats appears to have doors onto balconies. At best, it would appear that a maximum of eleven flats within the whole scheme has access to balconies. No provision has been made for children's playspace.
- In summary, whilst in urban design terms the building would be a welcome addition to the streetscene and would add to the character of the area, concerns over the quality of the accommodation and access to amenity space are raised. A solution to this may be the creation of fewer but larger units that benefit from larger internal sizes and outdoor amenity space.

Mix of uses

The mix of commercial and residential accommodation in this location is supported.

Inclusive design

- Unfortunately, contrary to London Plan policy 4B.5, an access statement has not been submitted in support of the application. The access statement should provide important information demonstrating the inclusive design principles that have been incorporated in the scheme, and compliance with the Mayor's policies relating to wheelchair housing and 'lifetime home' standards. The applicant has confirmed that 10% of the units will be wheelchair accessible. The applicant has not been able to confirm that all units will be built to 'lifetime home' standards, however, the architect has confirmed they are carefully looking into the matter in order to achieve 100%. The applicant should note that, given the presence of five duplex units over ground and basement level, it could be difficult to meet the standards as there should be provision of space for a stair-lift or lift within these flats.
- 36 Similarly, the duplex layout of the commercial units does not illustrate that inclusive design principles have been incorporated into the scheme. To allow compliance with Part M of the building regulations, provision for a lifting device should be illustrated on the plan.

Sustainable design and construction

The London Plan seeks to improve the sustainability and environmental performance of London's built environment by requiring a reduction in carbon dioxide emissions through improvements in energy efficiency and securing renewable energy technologies in developments (Policies 4A.7-4A.9), in support of the Mayor's Energy Strategy. Under these policies, applicants should submit an energy demand and carbon dioxide emissions assessment for the proposed development; investigate the feasibility of a range of energy efficient and renewable energy technologies, incorporating those that are feasible, and demonstrate the proportion of carbon dioxide emissions that have been offset by the incorporation of energy efficient and renewable energy technologies.

Applicants should also select heating systems in line with the Mayor's hierarchy in Policy 4A.8. At present, this aspect of the scheme does not appear to have been explored to an appropriate extent to accord with the London Plan. Further information is required (see appendix A) to ensure the scheme achieves the highest standards of sustainable design and construction.

Transport for London

- The proposed site has a Public Transport Accessibility Level of six, on a scale of one to six where six is excellent. The site is located within walking distance of Tower Gateway DLR Station (550 m) and Tower Hill Underground station (600m). Fenchchurch Street National Rail Station (1km) and Shadwell DLR station (800m) are also in close proximity. The number 100 bus service runs nearby along Vaughan Way and East Smithfield.
- The car-free approach to development is supported. However, any on-street parking around the site should be controlled (in dedicated parking bays) so that is does not interfere with the general traffic flow.
- As the development will be car-free, a comprehensive travel plan, aimed at both residents and businesses, should be prepared for the entire site. This should be secured, enforced and monitored through the Section 106 agreement.
- The provision of cycle parking should be in line with Transport for London's 'London Cycle Design Standards'. For this development that would equate to a minimum of 101 cycle parking spaces, one for each of the residential units, with an additional six spaces for the 595 sq.m. of commercial floor space. The submitted plans do show an allocated area for cycle parking, but this space seems too small to provide the required number of spaces.
- The proposed improvements to the highway and pedestrian footways along Flank Street should be to a high standard, adding to the quality and safety of the public realm as well as taking account of TfL's Streetscape Guidance and the Disability Discrimination Act requirements.

London Development Agency comments

- In principle, the Agency supports the redevelopment of this site for a residential scheme with commercial floorspace on most of the ground and lower ground floors. However, in this particular case, it shares the concerns set out above about proposed dwelling mix and the size and nature of the units. Additionally, it expects that an up-to-date valuation of the scheme would enable improved affordable housing provision to be made.
- The applicant should suitably address the future of the existing residential and commercial tenants ahead of demolition of the existing buildings on the site. In response to London Plan policies 3B.1 and 3B.12, the applicant should also incorporate appropriate measures within its proposals to enable local people and businesses to access the opportunities that will arise, during construction and subsequently.

Local planning authority's position

As the scheme has been appealed, Tower Hamlets Council will not be able to issue a decision on the scheme. The formal position of the Council is not yet known.

Legal considerations

As the application has already been appealed on non-determination grounds, the Mayor has lost his opportunity under article 3 of the Town and Country Planning (Mayor of London) Order 2000 to make representations to the Tower Hamlet's Council. The Mayor's views will, nevertheless, be relevant to the planning inspector's consideration of the scheme.

Financial considerations

There are no financial considerations at this stage.

Conclusion

- 49 The proposed building will have a high quality external appearance and would be a welcome addition to the streetscene of Dock Street. Despite this, concerns are raised over the quality and size of some of internal accommodation that will be provided.
- The amount of affordable housing is low, but could be improved upon when more up-to-date information is applied to the GLA toolkit analysis. To speculate on the amount of affordable housing this could yield is difficult without up to date viability information. The mix of the units, in particular the provision of so many studios and the lack of family accommodation, is far from ideal in strategic policy and guidance terms.
- Only a small area of outdoor amenity space is provided and this has an awkward shape and a potentially difficult relationship with the basement/ground floor flats. No children's playspace has been provided and cycle parking areas should be clarified.
- The scheme has not demonstrated compliance with the London Plan policies relating to use of renewable energy technologies and efficiency measures. Similarly, the incorporation of inclusive design principles in the design of both the commercial and residential units have not be demonstrated.

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APPENDIX A – ENERGY

Energy demand assessment:

- Predicted average annual heat and electricity demand (see toolkit chapter for advice) in Kilowatt hours (kWh)
- Where the feasibility of a technology is determined by the variations of heat and/or electricity demand through the year, a graph to show this predicted variation.

Energy efficiency – design

Where standards exceed building regulations:

- A baseline figure for carbon dioxide emissions for the scheme built to building regulations standard.
- A figure for carbon dioxide emissions for the scheme with energy efficiency measures included.
- The percentage of carbon emissions savings against building regulation standards.
- Details of the energy efficiency design measures incorporated.
- A figure for the capital cost/saving of including energy efficiency measures and predicted annual savings

Energy efficiency – plant

- Details of how the Mayor's heating hierarchy has been followed.
- Justification for rejecting those technologies higher up in the hierarchy.

CHP and renewable energy:

- For each technology in policy 4A.7, detail the technical considerations, namely the aspects of the site and scheme that offer the potential to include the technology, or those that constrain that potential. Refer to the toolkit for detailed support.
- For those technologies that are technically feasible, set out the economic
 considerations, including capital costs of inclusion, any reduction in capital costs of
 other technologies/plant (for example if a renewable technology enables smaller
 capacity plant to be installed), running costs, payback period and cost as a % of build
 costs.
- Where a decision has been made not to include a technology this should be fully justified.