Preliminary Planning Application Assessment Supplementary report on behalf of Stop the Blocks Community Action Group

3 November 2022

Applicant: Anthology Kennington Stage Ltd

App Ref: 21/04356/FUL

Site Address: Land at Woodlands Nursing Home, 1 Dugard Way, London, SE11 4TH

Introduction

- 1. All matters relate to planning application reference number 21/04356/FUL (the Application) at the site address above. Stop the Blocks Community Action Group (STB) have prepared this preliminary supplementary report to demonstrate why the additional documents opened to a public consultation by Lambeth Planning on 28 October 2022 do not address the fundamental issues of the Application (the revised development scheme and all its iterations) by Lifestory Group (the Applicant).
- 2. This supplementary report should be read in conjunction with the <u>original report</u> submitted on this application by STB in December 2021 and the addendum issued on 6 October 2022.

Key Findings

- 3. The Financial Viability Assessment October 2022 (FVA) Addendum is not fit for the purposes of public examination. The FVA fails to justify why the maximum amount of affordable housing that the Applicant can viably provide on this former public land site is only 20% on a habitable room basis (which is less than 14% of the total 126 units proposed) where the policy expectation is that 50% affordable housing on a habitable room basis is expected to be provided (London Plan Policy H5). The reduction in the number of units since August 2021 (from 155 to 126) has primarily come from the affordable housing allocation of units while there has been a 7% increase in the number of private market units. The FVA does not disclose how the current amount of proposed apartment square footage by tenure and dwelling mix compares to the previous 40% affordable housing allocation proposed in 2021l. The reduction in overall units and the absence of grant funding has been offset disproportionately at the expense of the affordable housing allocation by the Applicant in this current 2022 version with the 7% increase in private market units narrowing the substantial viability deficit that the Applicant was previously willing to absorb. The Applicant's profit allowance has not been disclosed which is a reversal of publishing their original estimate.
- 4. There have been no significant changes to the external design of the Applicant's proposed buildings; internal and external separation distances, building heights, floor plans and elevations which could mitigate the harms of the flawed proposals.
- 5. STB recommends that the Council refuses this scheme on the grounds of all the issues previously identified in two previous reports submitted by STB on this scheme on the grounds of non-compliant

national, strategic, and regional policy issues, conflicts with the development plan and harms and deficiencies in information. The harms and disbenefits of the scheme do not outweigh the benefits and alter the planning balance in favour of approval.

Additional Documentation submitted with the Application

- 6. On 24 October 2022 Lambeth Planning published online sixteen planning application documents relating to the Application, which included a Financial Viability Assessment (FVA) Addendum, eight revised Architectural drawings for various elevations of the main and perimeter blocks, two revised Design and Access Statements (DAS), four revised floor plans and one drawings issue sheet. The comments in this supplementary report will focus solely on the documents published on 24 October 2022 which are relevant in the context of the Application and all previous examinations of the Application consulted upon with the public.
- 7. On 28 October 2022 Lambeth Planning issued a letter notifying interested parties that Lambeth Planning were to commence a reconsultation on the Application because of the financial viability appraisal submitted. The deadline for comments to Lambeth Planning is 11 November 2022.

Financial Viability Assessment Addendum

8. The FVA fails to justify why the maximum amount of affordable housing that the Applicant can viably provide on this former public land site is only 20% (less than 14% of the total 126 units proposed) where the policy expectation is that for former public land 50% affordable housing on a habitable room basis is expected to be provided (London Plan Policy H5). We would refer to the Parkhurst Road Limited v Secretary of State case which concluded that if an applicant has overpaid for a site, that is not a reason to seek to avoid obligations under planning policy. Also, London Plan 2021 Policy D3 at para 3.3.5 states (our italicised):

Developers should have regard to designated development capacities in allocated sites and ensure that the design-led approach to optimising capacity on unallocated sites is carefully applied when formulating bids for development sites. The sum paid for a development site is not a relevant consideration in determining acceptable densities and any overpayments cannot be recouped through compromised design or reduced planning obligations.

9. The Financial Viability Assessment (FVA) dated 21 October 2022 and issued by Montagu-Evans reflects a reduction in unit numbers from 155 to 126 and discloses that grant funding is no longer available to subsidise the originally proposed quantity of affordable housing. Montagu-Evans states that the absence of the grant funding and reduction in number of units overall has resulted in the Applicant revising the affordable housing allocation offer downwards to 20% (from 40%) by habitable room basis (17 units) resulting in the Applicant now proposing to provide 11 units (75%) for London Affordable Rent and 6 units for Intermediate (25%) tenure. The number of affordable housing units proposed is now under 14% of the total number of 126 units proposed.

- 10. It should be noted that although the Applicant has reduced the original number of units overall from 155 to 126, the number of private units and private habitable rooms has been increased from the 2021 proposal by 7% from the 102 units originally proposed to 109 units. All the reduction in the number of units has come from the affordable housing allocation. Due to the number of redactions in the FVA addendum it is not possible to ascertain the scale in the reduction in private market area square footage of this current proposal with that of the original 2021 (155 unit) proposal.
- 11. The viability of a scheme is assessed by comparing the residual land value of the proposed development with an appropriate Benchmark Land Value (BLV). The BLV is considered as the value below which it is unlikely that a reasonable landowner would release a site for development. If the residual land value is lower than the BLV then the scheme is not technically viable. The residual land value of the proposed development is arrived at by summing the revenues derived from the development and deducting from these from the costs of development (including their profit allowance).
- 12. In this case the residual land value is stated to be £3,960,196 which is below the Benchmark Land Value of £4,025,000 for the 126-unit development with a 20% affordable allocation (17 units) by habitable room basis. This current projected viability deficit of -£64,804 compares favourably with the -£2,204,691 viability deficit the Applicant was willing was absorb when it was offering 40% affordable housing provision with grant funding. The Applicant was willing to deliver that 155-unit scheme even though it claims it had a sub-market margin of circa 13.50% on the Gross Development Value. The FVA addendum does not disclose what margin on GDV or profit allowance it is currently expected to secure with this proposal. Without reasonable disclosure of the many of the fixed and variable cost and revenue elements provided in previous financial viability submissions it is impossible for a member of the public to be assured that the proposed affordable housing allocation can be judged to be the maximum viable amount that can be offered by the Applicant.
- 13. Also, in reviewing the FVA addendum (October 2022), Montagu-Evans overstates the number of private habitable rooms by one compared to calculations in other planning application documents. Montagu-Evans states that there will be 254 habitable private rooms in the FVA apartment type schedule on page 7. This inconsistency in quantity of private habitable rooms is common in many of the Applicant's documents which have been previously flagged to the Applicant and remain unrectified. The Planning Statement (August 2022) denotes there are 243 private habitable rooms¹, the Design and Access Statement Part 2 (October 2022) denotes there will be 253 private habitable rooms and zero four bed accommodations in total which contradicts its own information in the underlying affordable rented table on the same pages which states that the applicant is

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¹ Anthology Kennington Stage Planning Statement August 2022, paragraph 9.6.2

- proposing to offer two x 4 bed accommodation units at affordable rent levels, a figure which is confirmed in the Planning Statement. The confusing and contradictory information are examples of many issues which reflects our low-level of confidence in the accuracy and consistency of the Applicant's planning application documents.
- 14. It is unsatisfactory to conduct a public consultation where the Applicant is aware that there is inaccurate and uncorrected information in their planning application documents. It also defeats the purpose of a public consultation on the FVA addendum (October 2022) which discloses inadequate information, redacts current pertinent information that was provided in the original FVA (October 2021), and which is required to ascertain the validity of the Applicant's claim of the maximum amount of affordable housing that can be viably provided is the case. The FVA addendum (October 2022) is not fit for purpose.

Recommendations

- 15. We request that the Applicant updates the original FVA (October 2021) and provides a current updated version with the information previously provided with the current estimates/information as an absolute minimum. This updated information should include the results of the viability appraisal, results and conclusions provided in Section 9.0 of the FVA (October 2021).
- 16. The viability results and conclusions updated information for this 126-unit proposal should clearly identify the price per square foot, acquisition costs, finance costs, the percentage of sales agent (private) fees and sales legal (on all units), the percentage of the developers return on the private residential of the Gross Development Value (GDV) and affordable residential GDV, finance costs, total costs (including developer's return).
- 17. We also recommend that the Applicant publishes the original area schedule which was redacted in the original FVA (October 2021) to enable an objective comparative assessment to be made with the area schedule provided in the FVA (October 2022). It is unclear as to why the area schedule in the FVA (October 2021) was deemed too sensitive for public disclosure, yet the schedule in the 2022 is not commercially sensitive information. It is impossible to make a comparative objective assessment without the 2021 original area schedule which details the square footage by tenure and dwelling mix.

Design And Access Statement (DAS) Part 1

- 18. The only discernible difference between the DAS Part 1 (October 2022) and the DAS Part 1 (August 2022) is the use of a less striking green colour in the Masterplan on page 27 of the DAS Part 1 (October 2022). The issues identified with the arrangement of the blocks, building heights and unacceptable façade to façade distances which are less than the 18m stipulated in the design brief remain and have not been addressed.
- 19. The proposed massing of the 14-storey 2022 design of Block A has only marginally improved the daylight and sunlight to Wilmot House and the gardens to Castlebrook Close when compared with

the 2021 design.

20. It is unclear and remains unconfirmed as to whether the 8-storey notional scheme which was examined to test possible improvements in daylight effects on neighbouring buildings was based upon using the redesigned slimmer 14-storey 2022 version of Block A or the bulkier, larger footprint version of Block A originally presented in September 2021.

Design And Access Statement (DAS) Part 2 (October 2022)

- 21. Jeff Holt has received three detailed submissions from Kim Loddo RIBA on other internal technical shortcomings with the plans submitted (refer to emails of 4, 5 and 31 October 2022).
- 22. As before, there are no sectional drawings to Blocks A, B, C and D, E and F provided for public examination.
- 23. Upon reviewing the DAS Part 2 (October 2022) Kim Loddo RIBA has also identified:

 Wheelchair Accessible Dwelling Layouts
 - a) The Applicant has now relocated several the wheelchair (WC) units to the upper floors of Block D, because the original layouts did not meet Building Regulations (despite the assurances in their reports to the contrary). The units are however still compromised.
 - b) The landings outside the front door to the revised WC units are not wide enough (Part M4(3) requires a clear landing 1500x1500 outside flat entrances this is not the case in a number of case annotated on the relevant plans). Also, the wheelchair transfer zones in the upper floor WC flats are blocked by furniture, and the remaining ground floor units, now located in blocks F, E, C and B, are still undersized; the combined kitchen living areas are too small they are 3m2 short of the 25m2 requirement. As a consequence, the kitchens are not large enough M4(3) requires 6.13m of worktop space, whereas what is indicated is just 4.2m. Were the kitchens to be enlarged, then there would be no space for the wheelchair transfer/charging area required. In the GF WC unit in Block F, the width provided for the wheelchair storage and its access is just 1950mm, 350mm too small.
 - c) It is still the case that these units are simply too small and convoluted, partly due to the 45degree chamfer introduced to try and avoid direct overlooking to adjacent units.

Direct Overlooking

24. Further to the above, the re-located wheelchair units are now being provided on the internal corner of the perimeter block, where the living rooms and bedrooms are overlooked directly at a distance of approximately 10m from the units opposite. These are not 'secondary windows' so this is not acceptable. The occupiers would need to keep their curtains shut at all times to maintain privacy, as there is no view out of the kitchen because of the privacy screen needed to prevent overlooking to Castlebrook Close. It is notable that this relationship is omitted from the developers Design & Access

Statement diagram dealing with privacy.

- 25. There are other examples of direct overlooking issues, some internal to the development and some to the surrounding houses, in addition to the direct overlooking to the Renfrew Road living rooms and gardens noted in previous comments submitted. These are more instances of direct overlooking as close as 10m in a number of cases a significant shortfall on the 18m standard than the Applicant claims, and even less than the minimum 20m distance cited by the Planning Inspector at the Public Inquiry Appeal. These distances are all to primary windows in the affected rooms, and so cannot be dealt with by the use of curtains. These infringements include direct overlooking Between Block F and Castlebrook Close, between the tallest tall building section of Block A and the perimeter block and across the internal corner of the perimeter block
- 26. Separation distances are related to privacy and overlooking, and this is different from the actual distances between buildings which the normal relevant distance measure is usually gauged by window to window or window to balcony. The 18/ 20/ 21m separation distances usually relate to overlooking and privacy, the window/window or balcony/window is the relevant measure, not the distance between buildings. Whilst there may be more flexible standards for separation distances within any proposed development itself (as residents would know about compromised privacy before choosing to live there) 18m is often the standard within a new development, and 21m separation distance is more typical distance to existing buildings surrounding the site. Therefore, we recommend Lambeth Planning officers also examine the window/window or balcony/window distances as an additional measure to examine the appropriateness of distances between buildings internally within the development and externally to existing buildings surrounding the site.

Recommendations

27. The Applicant should address the issues identified with the wheelchair accessible dwelling layouts, adhere to the minimum separation distances set out by the Planning Inspector and update and provide Lambeth Planning with revised planning application documents to enable them to publish online consistent and accurate versions of the Design and Access Part 2 statement, the FVA and the Planning Statement; not least to show an accurate illustration of the tenure and dwelling mix by unit and habitable room basis across all the planning application documents.

Elevation Drawings

28. The 14-storey tallest section of Block A is <u>not</u> a "mid-rise" building (definition of building heights for a building in the area which are between 15m and 45m) as the Applicant continuously seeks to claim and reinforce. It is in fact a tall building (45m) in policy terms which should be tested against the relevant policy requirements of London Plan Policy D9 and Lambeth Local Plan Tall Buildings Policy Q26. The Applicant frequently and misguidedly refers to planning policies in Southwark and the Elephant and Castle Opportunity Area which are not relevant. However, where they wish to do so they should be aware that Southwark denotes tall buildings as being over 30m in height.

- 29. Examining Lambeth's Tall buildings policy (Q26) building height thresholds are indicative. Our view is that the height of the tower should be taken in relation to the existing levels on the site, not the Applicant's proposed reference levels. This adds approximately 1m to the Applicant's figures, depending on where you take ground level from. Increasing the ground level around the building which is what the Applicant has done to mitigate flood risk does not make the tower less tall, which is what the Applicant is effectively saying by giving the height in relation to the proposed ground levels (they are raising the ground level to deal with the future flood datum). Even though it is at best a few centimeters short of 45m (44.945m) this is irrelevant by any sensible and meaningful measure. The tallest section of Block A is in effect 45m high which means it is required to be scrutinised and meet the policy tests for a tall building in this part of Lambeth borough.
- 30. The existing ground level on the site (as on most other sites) is not flat. There is a certain amount of variation across it, and the Applicant is cherry-picking spot heights to make the tall building look as low as possible. They have selectively only shown the highest existing ground survey datums on their latest plans.
- 31. If one takes the existing survey datums in their Topographic survey and examining their Flood and Drainage Strategy Report 2912156, (pages 23 to 26) then there are ground levels of broadly 2.66 to 2.85 around the nursing home on the site. Also, when examining Elevation 13 from Grid architects' Existing Site Elevations LSK-GRID-ZZ-ZZ-DR-A-PL030 Rev / it shows the levels around the back of the existing nursing home building to be at 2.82-2.83. One can therefore consider the height of the proposed tower to be more accurately described from their calculation of 47.605m (from the level datum on their latest revised North elevation Block A drawing LSK-GRID-00-ZZ-DR-A-PL300 Rev P03) minus the 2.660 to give 44.945m.
- 32. Presumably to reinforce claim that the tallest section of Block A does not meet the threshold of being a 'Tall Building' in the borough of Lambeth, in examining the revised sections, it has become clear that the Applicant is trying to conceal the existing levels on the site.
- 33. As the actual overall height of the tower is 44.955m only 4.5cm short of the 45m mark., the fact that there is variation in the existing ground levels, and allowing for reasonable building tolerances, it is meaningless to claim that this is anything other than a 45m high tower, and it should therefore be considered in relation to the tall buildings policy
- 34. We also recommend that Lambeth Planning officers ascertain whether the lift overrun, and any plant required is included within the overall building envelope shown on their revised elevations.

Ground levels and Overall Height

35. The ground line on LSK-GRID-00-ZZ-DR-A-PL307 rev P03 is inconsistent with the other drawings, the plans, and the detail sections from the Landscape DAS. The proposed drawings do not therefore accurately represent the height of the buildings facing Renfrew Road.

- 36. The section through the existing Grade II Listed Master House (home to the Cinema Museum) is incorrect (LSK-GRID-00-ZZ-DR-A-PL305 Rev P03) and shows the Listed building to be 0.5m higher than the survey datums suggest. This action minimises the perception of the visual and actual impact of the proposals on the listed building.
- 37. The Applicant has again chosen to ignore previous requests and has still not provided any sections though the main, or perimeter buildings, and the updated drawings are still incorrect. They have also 'cranked' their Section lines through the site on their Elevations and avoided cutting through the most representative and coincidentally the tightest areas.

Floor Plans

- 38. Revised floor plans are provided for the ground, first, second, and roof plan. The floor plans show some changes to the internal layouts for the perimeter blocks and the roof plan shows the removal of 260 square meters of communal amenity space.
- 39. The removal of the communal amenity space from the roof would appear to further diminish the preexisting non-compliant and deficient urban greening factor requirement identified in our previous reports of the development.
- 40. Additionally, the south lawn adjacent to The Masters House has been included by the Applicant in their urban greening factor calculations and potentially their amenity space calculations. However, this south lawn is under the exclusive lease arrangements of the occupiers of The Masters House (The Cinema Museum) and solely for their commercial/leisure offering. This space is not under the ownership/tenure of the Applicant or available for shared utilisation of the residents of the Applicant's development scheme.

Additional Issues

- 41. It is disappointing that the Applicant has not taken the opportunity to address the requirements of the Mayors London Plan Fire Safety Guidance published in May this year which requires that a Planning Fire Safety Strategy (PFSS) be submitted. The PFSS is supposed to demonstrate how the number of common stair cores should be rigorously assessed based on the evacuation strategy, mitigation measures should occupants spontaneously self-evacuate, the fire safety measures included in the development, height of the building, likely number of occupants, any characteristics of the occupants that make it more difficult for them to evacuate via the stairs and the requirement for fire fighters to access each floor in the event of a fire.
- 42. The original Fire report simply assumes a 'stay put' strategy for block A i.e., that people will not use the escape stair but will wait for rescue by the fire brigade. A tragic precedent matter illustrates that this approach is not suitable. The London Mayors policy requires an assessment of what would happen if everybody tried to escape at once this requirement that has led to other proposed towers

being redesigned to add an additional staircase. This assessment and mitigation have not been included or addressed.

Conclusions

- 43. Our findings from the FVA addendum and revised additional planning application documentation do not shift the planning balance in favour of recommending and granting approval for the Application. What the latest information shows is the complete disregard to the concerns and points raised by residents and interested parties.
- 44. The absence of key information in the FVA addendum means it is not fit for the purpose of completing an objective assessment or shifted the concerns that this scheme has raised.
- 45. We have made some recommendations in this report of how the issues of the poor-quality documentation and inconsistencies could be addressed. However, this supplementary report and the two previous reports of December 2021 and October 2022 have all demonstrated that the scheme is inconsistent with national policy and the policies of the development plan.
- 46. All the issues demonstrate that the Applicant is trying to cram 126 units onto a development space of 0.54ha which results in a non-policy compliant proposal where the public harms will exceed the proposed public benefits. For comparison, the neighbouring Bellway Water Tower development is nearly 17% larger at 0.64ha and successfully negotiated the same constraints that the Applicant is stating they face with their site with an optimised design which made efficient use of the land. This comparison development provides a mixed and balanced community with the maximum number of developed possible on the site being 112 units, with 40% affordable housing, no building exceeding five stories in height, comprise of neighbouring residential amenity, or harm to heritage assets.
- 47. The Council is urged to refuse the scheme.