1390-1

Item No.	Classification:	Date:	Meeting Name:		
	OPEN	9 October 2012	PLANNING COMMITTEE		
Report title:	e: Development Management planning application: Application 12/AP/1784 for: Full Planning Permission SCANNED OF				
	Address: -1 OCT 2012 1-16 BLACKFRIARS ROAD LONDON SE1				
	Proposal: Application made under the provisions of the Town and Country Planning (Environmental Impact Assessment) (England and Wales) Regulations 2011 for the erection of three buildings (a 50 storey tower plus basement levels to a maximum height 170m Above Ordnance Datum (AOD), a 6 storey building - 'The Rennie Street Building', and a 4 storey building - 'The Podium Building') which together provide a mixed use development totalling 74,905sqm gross external area comprising: 11,267sqm of Class C1 use (hotel); 52,196sqm of Class C3 use (274 flats); 1,316sqm of retail uses (Class A1 to A5); and 9,648sqm of basement, ancillary plant, servicing and car parking with associated public open space and landscaping.				
Ward(s) or groups affected:	Cathedrals				
From:	HEAD OF DEVELOPMENT MANAGEMENT				
Application Start Date 31/05/2012			Application Expiry Date 14/12/2012 (PPA application)		

#### RECOMMENDATION

- 1. a) That planning permission is GRANTED subject to conditions and the applicant entering into an appropriate legal agreement by no later than 14 December 2012, and subject to referral to the Mayor of London;
  - b) If it is resolved to grant planning permission, that it is confirmed that the environmental information has been taken into account as required by Regulation 3(4) of the Town and Country Planning (Environmental Impact Assessments) Regulations 2011;
  - c) That it is confirmed that, following issue of the decision, the Head of Development Management should place a statement on the Statutory Register pursuant to Regulation 24 of the Town and Country Planning (Environmental Impact Assessments) Regulations 2011 which contains the information required by Regulation 21 and that for the purposes of Regulation 24(1)(c) the main reasons and considerations on which the Planning Committee's decision was based shall be set out as in this report;
  - d) In the event that the requirements of (a) are not met by 14 December 2012, the Head of Development Management be authorised to refuse planning permission, if appropriate, for the reasons set out under paragraph 263.

#### **BACKGROUND INFORMATION**

# Site location and description

- 2. The application site is located 60 metres south of the Thames, and bounded by Blackfriars Road to the east, Upper Ground to the north, Rennie Street to the west and Stamford Street to the south. It is currently cleared of all buildings to basement level and the centre of the site is excavated to approximately 6m below surrounding ground levels.
- 3. Prior to demolition in 2003, the site was occupied by 2 inter-linked office buildings, both of which were used by Sainsbury's as their main office headquarters. One was Drury House, an office building dating from the 1960's, 12 storeys high with a 4 storey wing, the other was Stamford House, fronting Rennie Street, which was an Edwardian (1912) 5 storey office building.
- 4. The area is characterised by a mix of uses and building types. To the north is the 1970s Doggetts public house, and River Court (9 storey residential block on the river) and Rennie Court (12 storey residential block on Rennie Street) are from the same period.
- 5. To the east of the site is Ludgate House which is a 10 storey office building from the 1980's occupied by United Business Media. Immediately to the south is 1 Stamford Street, a Victorian commercial building, 3 storeys in height with dormers to mansard (c1870) and 3 Stamford Street (c1875) is a four-storey commercial building (Mad Hatter Hotel).
- 6. To the south east is a new 15 storey office building under construction at 240 Blackfriars Road which is to be occupied by United Business Media. Further to the west of the site is the Kings Reach tower and associated mid-rise office buildings, which have an implemented planning permission for refurbishment and extension works.

#### Implemented scheme

- 7. Planning permission was previously granted in 2009 following a 'Call-In' Inquiry for a redevelopment of the application site. That scheme was known as 'Beetham Tower' and was brought forward by the Beetham Organisation; the Jumeirah Hotel Group was also notionally linked with the development.
- 8. The permission has been technically implemented although building works did not continue. That permission included a 170m high tower building of virtually identical appearance to that proposed in the current application. Whilst the implemented permission is a material consideration with some weight, the new application should be determined on its own merits when assessed against current adopted and emerging policy.

## **Details of proposal**

- 9. The proposed development involves the erection of three buildings:
- The Tower is 50 storeys (170m) in height comprising 274 market sale (private) flats together with a public viewing lounge at level 32 and associated facilities at ground level.

Unit type	Quantity	
Studio	13	
1 bedroom	78	
2 bedroom	120	
3 bedroom	56	
4 bedroom	6	
Triplex	1	
Total	274	

- 11. The tower is intended to be a slender building with a curved leading edge facing NNE towards Blackfriars Bridge. A distinctive profile is created where the north-south cross-section of the building increases in depth from a small footprint to its widest point at levels 32 to 34 and then tapers to its summit at floor level 50.
- 12. At level 32, a publicly accessible viewing lounge is proposed that is to occupy 260sqm on the northern half of the floorplan. The lounge is accessed from a 216sqm reception area on the lower ground floor and is served by a dedicated lift. Details of the use of the lounge are set out at paragraph 157.
- 13. The design of the tower involves a double-skin facade incorporating a double-glazed inner layer set in from a single glazed outer layer. A series of 'winter garden' amenity spaces for the flats sit between the two layers of the façade.
- 14. The Rennie Street building is 6 storeys in height and is located along the western edge of the site. It is to comprise a 152 room hotel with associated bar and restaurant facilities on the ground floor and a retail unit on the corner of Rennie Street and Stamford Street.
- 15. The Podium building is on the corner of Stamford Street and Blackfriars Road. The ground floor is made up of retail space whilst there are resident's facilities located on the first floor together with a resident's garden. There is plant located within a second floor element.
- 16. A part three/part four level basement is proposed comprising:
  - Plant
  - Hotel conference facilities
  - · Hotel back of house
  - Residential facilities
  - Residential swimming pool
  - 110 parking spaces (equating to 0.4 parking provision for the flats)
  - 334 cycle storage spaces
- 17. Between the three buildings is a new public plaza known provisionally as Blackfriars Place. The space measures 33m by 28m and has access points from Stamford Street, Upper Ground, and Blackfriars Road; it is surrounded by retail uses to the south in the podium building, the hotel restaurant to the west in the Rennie Street building, and the base of the tower to the north. Within the space is proposed landscaping to provide planting, seating, and water features.
- 18. The scheme proposes substantial improvements to the public realm around the site including:

- Revised junction layout at Stamford Street and Blackfriars Road
- High quality new paving to the kerb edge on all sides of the main site
- Paving of the carriageway in Rennie Street creating a 'shared space'
- High quality new paving to the western Rennie Street pavement and northern Upper Ground pavement
- 19. As part of the proposed junction improvements, the current left turn slip lane on the south eastern corner of the site is to be removed and replaced with landscaped open space.
- 20. A commuted sum payment is proposed in lieu of affordable housing, linked to the Direct Delivery programme through which the Council will provide new affordable housing.

# Planning history

- 21. <u>0100649</u>: Planning permission was granted on 8 January 2002 for the redevelopment of the site to provide a part 19 storey (90m high AOD) building, and part 7 and part 5 storey building for office use with supermarket use on the ground floor together with the creation of a public open space on the north west corner of the site, with the provision of car, cycle and motor cycle parking and service area and other works. Designed by Foster and Partners, the new building would have comprised 43,856 square metres of office space and a 2,418 sqm supermarket. There would also be associated servicing with 25 car parking spaces, 35 motorcycle spaces and 200 bicycle spaces in the basement.
- 22. <u>06-AP-0974</u>: planning permission was granted (under Section 73 of the Planning Act 1990) for the same development as above but with modified conditions from those imposed on the 2002 planning permission. The revised conditions allowed for the implementation of the development before some details were submitted and approved. The 2006 permission was implemented by foundation works having been carried out on site.
- 23. <u>05-AP-1545</u>: In July 2005 a planning application was submitted for the redevelopment of the site for a similar development to that now being considered but with a 69 storey tower (maximum height 226m AOD) with 218 flats and a hotel, with 109 of the flats being in the lower buildings. This development comprised three buildings: a tower and two podium buildings linked as one continuous 'U' shaped block around the west, south and east sides of the site. This application was withdrawn.
- 24. <u>06-AP-2117</u>: On 30 October 2006 a revised planning application was submitted for a 52 storey development. The height and form of the tower and design of the low-rise buildings and plaza had been redesigned following advice from Southwark, GLA, and consultees. The proposal was for a 180m (AOD) remodelled tower, enlarged plaza and a single smaller low-rise building. This created a public plaza on a raised podium deck. The application was subsequently revised to reduce the height of the tower to 170m AOD to reduce the impact on Strategic Views. The Council resolved to grant planning permission, however, the application was called in by the Secretary of State. Following a Public Inquiry in September 2008, which also heard an application for tall buildings on the site at 20 Blackfriars Road (see para 28) planning permission was granted in March 2009. The application was implemented by carrying out groundworks. The development company went into administration October 2010 and the site was subsequently purchased by St George in December 2011.
- 25. <u>11-AP-2743</u>: Certificate of Lawful Development granted for the construction of 2 no. rotary bored piles from basement level in accordance with planning permission 06AP2117 dated 25 March 2009 for the erection of two buildings on a podium

providing a mixed use scheme comprising a hotel, associated facilities including a business centre, spa, wellness centre/gym, restaurants and bars; residential use comprising 96 flats; Class D2 use as a Sky Deck for observation and function areas; Class A uses, Class A3 uses, ancillary plant, servicing and car parking. This certificate gives effect that the 06-AP-2117 scheme has been implemented.

- 26. <u>12-AP-1950</u>: planning permission granted for the erection of a single storey building for use as an 'Information Centre' for temporary period of 1 year, together with associated car parking and landscaping, in conjunction with the proposed mixed use redevelopment of land at 1-16 Blackfriars Road (ref 12-AP-1784).
- 27. 12-AP-2608: planning permission is sought for the erection of a three storey building for use as a marketing suite in connection with the redevelopment of the main site (ref 12-AP-1784) for a temporary period of 5 years, together with associated car parking and landscaping. See 'Other Matters' at paragraph 221 for consideration of this application.

# Planning history of adjoining sites

- 28. 20 Blackfriars Road (07-AP-0301): Demolition of existing buildings and redevelopment to provide a mixed use development comprising 286 residential flats (Class C3), 25,769sqm of office floorspace (Class B1), 1,710sqm of retail floorspace (Class A), 562sqm of Class D1 (community) uses, creation of new open space, reconfigured vehicular and pedestrian access and works to the public highway together with associated works including landscaping and the provision of a basement car park for up to 82 cars, plus servicing and plant areas. The development consists of two towers: an office tower of 23 storeys (maximum height 105m Above Ordinance Datum), a residential tower of 42 storeys (maximum height 148m Above Ordinance Datum) and lower rise buildings of up to 7 storeys fronting Stamford Street and Paris Gardens.
- 29. Planning permission was granted in March 2009 following a joint public inquiry with the implemented 1 Blackfriars scheme. The permission has been implemented by the demolition of buildings on the site, and this was confirmed by the Council by the issue of a Certificate of Lawful development (12-AP-0413).
- 30. 240 Blackfriars (06-AP-1800): planning permission granted for erection of a 15-storey building (plus a basement) comprising 25,293m² of office (Use Class B1) floorspace, with 468m² retail/ restaurant use (Class A1/A3) floorspace at ground floor level; Erection of a separate 5-storey building (plus basement) comprising 10 residential flats with retail/ restaurant (Class A1/A3) at ground floor level; provision of car parking, landscaping and ancillary works. This development is currently under construction.
- 31. Sea Container's House (11-AP-1955): planning permission granted for erection of a new nine storey building in the rear parking/servicing area (maximum height AOD 42.895m) to provide retail at ground and offices above; refurbishment of existing Sea Containers House and change of use of floors 5-14 of the rear wing plus three floors of the main building from offices to a 358 bedroom hotel, including the erection of new roof extension at part 12th floor level to provide a bar ancillary to the hotel use. Extension and conversion of the ground floor area to provide new restaurant (Class A3), cafe (Class A3), service (Class A2) and retail uses (Class A1) together with new service bay, landscaping, new access arrangements and associated car and cycle parking. This development is currently under construction.
- 32. <u>King's Reach (11-AP-1071)</u>: Refurbishment and re-cladding of the tower and podium buildings, erection of six additional storeys to the tower for residential use [132.2m AOD to top of core] and change of use of floors 11 to 30 of the tower from offices to

residential [to provide a total of 173 flats]; erection of a series of extensions and additions for office use including the erection of a ten storey infill atrium building between the tower and T shaped podium, erection of a part one, part three storey roof extension to the podium building and a series of other extensions to the north, east and west of the podium building to accommodate plant and stair cores. Creation of retail (Class A1, A2, A3 and A4) space, pool and gym (Class D2) on the ground floor, provision of new and refurbished landscaping, plant and equipment, formation of new accesses, including formation of a new pedestrian route linking Stamford Street to Upper Ground, and public realm improvements.

#### **KEY ISSUES FOR CONSIDERATION**

# Summary of main issues

- 33. The main issues to be considered in respect of this application are:
  - a) changes in the scheme from the Implemented planning permission
  - b) principle of the development in terms of land use
  - c) Environmental Impact Assessment
  - d) Affordable housing and the principle of a payment in lieu
  - e) Design, including site layout, impact on local and strategic views
  - f) Housing mix and density
  - g) Quality of accommodation
  - h) Impact on the amenities of occupiers of adjoining properties
  - i) Transport
  - j) Sustainable development implications
  - k) Flood risk
  - 1) Planning obligations

# 34 Planning policy

The statutory development plans for the borough comprise the London Plan 2011, the Southwark Core Strategy 2011, and saved policies of the Southwark Plan (2007).

- 35 The site is located within the:
  - Central Activities Zone (CAZ)
  - Bankside, Borough and London Bridge Opportunity Area
  - Borough, Bermondsey and Rivers Archaeological Priority Zone
  - Air Quality Management Area
  - · Borough and Bankside District Town Centre
  - Bankside, Borough and London Bridge Strategic Cultural Area
- It has a Public Transport Accessibility Level (PTAL) of 6b where 1 is the lowest level and 6b the highest.
- 37 The following Grade II listed buildings are adjacent to the site:
  - 1 Stamford Street
  - 3 Stamford Street (Mad Hatter Hotel)

### Core Strategy 2011

38 Strategic Targets Policy 1 - Achieving growth Strategic Targets Policy 2 - Improving places Strategic Policy 1 - Sustainable development Strategic Policy 2 - Sustainable transport

Strategic Policy 3 - Shopping, leisure and entertainment

Strategic Policy 5 - Providing new homes

Strategic Policy 6 - Homes for people on different incomes

Strategic Policy 7 - Family homes

Strategic Policy 10 - Jobs and businesses

Strategic Policy 11 - Open spaces and wildlife

Strategic Policy 12 - Design and conservation

Strategic Policy 13 - High environmental standards

Strategic Policy 14 - Implementation and Delivery

### Southwark Plan 2007 (July) - saved policies

### 39 Policy 1.1 Access to employment opportunities

Policy 1.7 Development within town and local centres

Policy 1.8 Location of developments for retail and other town centre uses

Policy 2.5 Planning obligations

Policy 3.1 Environmental effects

Policy 3.2 Protection of amenity

Policy 3.3 Sustainability assessment

Policy 3.4 Energy efficiency

Policy 3.6 Air quality

Policy 3.7 Waste reduction

Policy 3.9 Water

Policy 3.11 Efficient use of land

Policy 3.12 Quality in design

Policy 3.13 Urban design

Policy 3.14 Designing out crime

Policy 3.18 Setting of listed buildings, conservation areas and world heritage sites

Policy 3.19 Archaeology

Policy 3:20 Tall buildings

Policy 3.28 Biodiversity

Policy 4.2 Quality of residential accommodation

Policy 4.3 Mix of dwellings

Policy 4.4 Affordable housing

Policy 5.1 Locating developments

Policy 5.2 Transport impacts

Policy 5.3 Walking and cycling

Policy 5.6 Car parking

Policy 5.7 Parking standards for disabled people and the mobility impaired

## London Plan 2011

#### 40 Policy 2.5 Sub-regions

Policy 2.9 Inner London

Policy 2.10 Central Activities Zone – strategic priorities

Policy 2.11 Central Activities Zone - strategic functions

Policy 2.12 Central Activities Zone - predominantly local activities

Policy 2.13 Opportunity Areas and Intensification Areas

Policy 2.15 Town Centres

Policy 3.1 Ensuring equal life chances for all

Policy 3.3 Increasing housing supply

Policy 3.4 Optimising housing potential

Policy 3.5 Quality and design of housing developments

Policy 3.6 Children and young people's play and informal recreation facilities

Policy 3.8 Housing choice

Policy 3.10 Mixed and balanced communities

Policy 3.11 Definition of affordable housing

Policy 3.12 Affordable housing targets

Policy 3.13 Negotiating affordable housing on individual private residential and mixed use schemes

Policy 3.14 Affordable housing thresholds

Policy 4.1 Developing London's economy

Policy 4.7 Retail and town centre development

Policy 4.8 Supporting a successful and diverse retail sector

Policy 4.12 Improving opportunities for all

Policy 5.1 Climate change mitigation

Policy 5.2 Minimising carbon dioxide emissions

Policy 5.3 Sustainable design and construction

Policy 5.5 Decentralised energy networks

Policy 5.6 Decentralised energy in development proposals

Policy 5.7 Renewable energy

Policy 5.9 Overheating and cooling

Policy 5.10 Urban greening

Policy 5.11 Green roofs and development site environs

Policy 5.12 Flood risk management

Policy 5.13 Sustainable drainage

Policy 5.15 Water use and supplies

Policy 5.18 Construction, excavation and demolition waste

Policy 5.21 Contaminated land

Policy 6.1 Strategic approach (Transport)

Policy 6.3 Assessing transport capacity

Policy 6.5 Funding Crossrail and other strategically important transport infrastructure

Policy 6.9 Cycling

Policy 6.10 Walking

Policy 6.11 Smoothing traffic flow and tackling congestion

Policy 6.12 Road network capacity

Policy 6.13 Parking

Policy 7.1 Building London's neighbourhoods and communities

Policy 7.2 An inclusive environment

Policy 7.3 Secured by design

Policy 7.4 Local character

Policy 7.5 Public realm

Policy 7.6 Architecture

Policy 7.7 Location and design of tall and large buildings

Policy 7.8 Heritage assets and archaeology

Policy 7.11 London View Management Framework

Policy 7.14 Improving air quality

Policy 7.15 Reducing noise and enhancing soundscapes

Policy 7.18 Protecting local natural space and addressing local deficiency

Policy 7.19 Biodiversity and access to nature

Policy 8.2 Planning obligations

Policy 8.3 Community infrastructure levy

### Supplementary planning guidance

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- Ministerial Statement, Planning for Growth, 23 March 2010
- Section 106 Planning Obligations SPD (July 2007)
- Design and Access Statements SPD (September 2007)
- Sustainable Transport Planning SPD (September 2008)
- Residential Design Standards SPD (October 2011)
- Affordable Housing SPD (September 2008)
- Draft Affordable Housing SPD (June 2011)
- Sustainable Design and Construction SPD (February 2009)
- Sustainability Assessment SPD (February 2009)

- Draft Bankside, Borough and London Bridge SPD (February 2010)
- London View Management Framework (2012)
- Use of planning obligations in the funding of Crossrail (2010)

## National Planning Policy Framework (NPPF)

- 42 The NPPF came into effect on 27 March 2012 and is a material planning consideration.
- 43 Section 1: Building a strong, competitive economy
  - Section 2: Ensuring the vitality of town centres
  - Section 4: Promoting sustainable development
  - Section 6: Delivering a wide choice of high quality homes
  - Section 7: Requiring good design

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- Section 8: Promoting healthy communities
- Section 10: Meeting the challenge of climate change, flooding and coastal change
- Section 11: Conserving and enhancing the natural environment
- Section 12: Conserving and enhancing the historic environment

# Changes in the scheme from the Implemented planning permission

- The applicant purchased the site in December 2011 after the previous owner went into administration. St George retained the previous architects (lan Simpson) and have proposed a new scheme that retains the external appearance of the tower but proposes the following changes from the implemented scheme:
- Relocating the hotel from the lower floors of the Tower to the Rennie Street Building:
  - Replacing the hotel floor space within the Tower with private flats;
  - Separation of the Tower, Rennie Street and Podium Buildings into three distinct elements through removal of the raised Podium;
  - Changes to the external appearance of the two lower buildings;
  - Alterations to the public realm, to reflect the wholly residential use of the Tower and reconfigured hotel and retail uses; including the removal of the Podium the creation of a new public square on street level;
  - Removing the 'pay to visit' sky deck visitor attraction from the Tower and replacing it with a managed 'viewing lounge' on the 32nd level, which would be made available to the public by prior arrangement;
  - Removal of shared ownership units from the proposal and provision for a financial payment in lieu to go towards the Direct Delivery program;
  - Amendments to servicing and parking strategy to reflect the revised land use mix; and
  - Revisions to the energy strategy to reflect the latest policy position of the London Plan and alteration to the mix of uses in the development.

Land use	Proposed	Implemented consent 26,864 sqm
Residential	52,196 sqm	
Retail Class (A1-A5/D2)	1,316	911
Hotel	11,267	35,348
Sky deck/viewing lounge	478	993
Ancillary	9,648	11,944
Total	74,905sqm	76,060sqm

Whilst there are physical similarities with the implemented scheme, particularly the external appearance of the tower, the proposed development is a fresh application not simply a revision to the previous scheme.

## Principle of development

### 49 Opportunity Area

London South Central is a strategic regeneration priority area identified in the London Plan. It stretches across the northern part of three boroughs of central London south of the Thames (Southwark, Lambeth, and Wandsworth) and contains four Opportunity Areas, one of which is the Borough and Bankside Opportunity Area within which the application site is located.

- Policy 2.13 of the London Plan states that developments within Opportunity Areas in London should:
  - a) support the strategic policy directions for the opportunity areas and intensification areas
  - seek to optimise residential and non-residential output and densities, provide necessary social and other infrastructure to sustain growth, and, where appropriate, contain a mix of uses
  - c) contribute towards meeting (or where appropriate, exceeding) the minimum guidelines for housing and/or indicative estimates for employment capacity
  - d) realise scope for intensification associated with existing or proposed improvements in public transport accessibility, such as Crossrail, making better use of existing infrastructure and promote inclusive access including cycling and walking
  - e) support wider regeneration (including in particular improvements to environmental quality) and integrate development proposals to the surrounding areas
- Annex 1 of the London Plan provides the following for London Bridge, Borough, and Bankside Opportunity Area:

This Area has considerable potential for intensification, particularly at London Bridge station and its environs, complemented by improvements to public transport and interchange facilities, better pedestrian integration with the surrounding area and greater use of river passenger transport. There is scope to develop the strengths of the Area for strategic office provision as well as housing, especially in the hinterland between Blackfriars and London bridges. Mixed leisure and culture related development should enhance its distinct offer as part of the South Bank Strategic Cultural Area, and partners should work to develop and accommodate synergies with the existing centre of medical excellence. Account should be taken of the Tower of London World Heritage site and proposals for open space networks and transport and community infrastructure should be co-ordinated with those in the Waterloo and Elephant and Castle Opportunity Area and across borough boundaries.

The Core Strategy and saved policies of the Southwark Plan underpin the London Plan in terms of Opportunity Areas and states that Southwark's vision for Blackfriars is:

There are development opportunities throughout the area, but the largest developments will be around Blackfriars Road and Bankside .... Blackfriars Road will continue to have a mix of shops, services and offices serving both a local and wider need. There will be a cluster of tall buildings around the northern end of Blackfriars Road providing high quality offices, housing, hotels and shops. These buildings will be of exceptional design and will enhance the look of the area and provide new public spaces.

- Central Activities Zone (CAZ) and Borough and Bankside District Town Centre

  The site is located within the Central Activities Zone which covers a number of central boroughs which form London's geographic, economic, and administrative core. In addition, the site is part of the Borough and Bankside District Town Centre where saved policy 1.7 states that within the centre, developments will be permitted providing a range of uses, including retail and services, leisure, entertainment and community, civic, cultural and tourism, residential and employment uses. In addition, the policy states that any floorspace currently in A Class use should be retained or replaced. Strategic Policy 3 of the Core Strategy advises that the network of town centres will be maintained and that at Borough and Bankside district town centre, the
- The proposed development includes 875sqm of retail space within the building on the corner of Stamford Street and Blackfriars Road. The space has been indicatively split into 4 units with extensive glazed frontages onto the open space on the corner of the junction and to the plaza in the centre of the site. In addition, there is a double height retail unit on the southern end of the Rennie Street building comprising 190sqm.
- The Rennie Street building comprises a 152 room upscale/lifestyle hotel together with a ground floor restaurant as well as a first floor bar area and a terrace overlooking the plaza.
- The proposed mix of uses and intensity of development is considered to be in conformity with the aspirations of the Opportunity Area, Central Activity Zone, Town Centre and Strategic Cultural Area providing a mix of retail and hotel uses, together with the residential use, within this rapidly changing area.
- 57 Bankside, Borough and London Bridge (consultation draft) SPD

Council will support the provision of new shopping space.

The Council consulted on the above SPD in February 2010 and again in September 2010. Further work on the above SPD/OAPF has been on hold while the Bankside Neighbourhood Forum prepares a Neighbourhood Plan in line with the Government's Localism Act. Following this, the intention is to review the SPD in collaboration with the GLA and produce a joint document which the Mayor of London can endorse as an Opportunity Area Planning Framework (OAPF).

- The draft SPD has been subject to considerable consultation, however it is likely to be subject to review prior to adoption. Whilst it is a material consideration, limited weight that can be attached to the guidance contained within the SPD. However, it is useful to consider the general provisions, which are consistent with higher level policy, to see how the site should be developed as summarised below:
- Land use: the development should provide an appropriate mix of hotel, office (B class), retail (A class), leisure, entertainment and cultural (D class) uses with active uses at several of the lower levels; this should include the provision of viewing platforms and a major leisure, arts, cultural or entertainment facility to provide public benefit and take advantage of its prominent location; residential uses should also be provided.
- The proposed development provides a mix of uses including retail, hotel, and residential; the retail provision covers both restaurant and shopping use classes. Whilst a 'viewing platform' has not been proposed, it is considered that the viewing lounge supports this aspiration and is acceptable. Whilst a strict D Class use has not been proposed, the viewing lounge is considered to be a community use that will be available to local residents. In addition, the applicant has had initial discussions with Tate Modern in relation to potential art installations within the plaza which contributes to the cultural interest of the area. No office space has been provided; whilst this will

limit the potential employment on the site, it is recognised that the lack of any recent office use here would mean that there is no policy requirement for replacement floorspace. The format of the proposed buildings would limit their potential for office use. Given the limited weight to be attached to the SPD, it is considered that the failure to provide office space would not be of overriding concern.

- Movement: development should provide new pedestrian links through the site which relate and link to nearby open spaces, including those on the adjoining Kings Reach and 20 Blackfriars Road sites; development should help improve the pedestrian and cycling environment on Blackfriars Road and Stamford Street including through provision of an improved road crossing.
  - 62. The creation of the plaza with its three access points is considered to provide excellent permeability across the site providing links to adjoining sites, the Thames Path, and the Blackfriars station entrance. The current layout (which avoids the raised podium) is a significant improvement on the implemented scheme in this respect. The S106 agreement would secure works to the junction of Blackfriars Road/Stamford Street/Southwark Street including improved crossing points.
- 63. Built form: development will need to be sensitive to its riverside location and take into account important views; the site is identified as having potential for a tall building element; development should provide definition to the corner; the building line along Blackfriars Road should provide strong enclosure to the street and a continuation of the established building line of the street; along Stamford Street the building line should help enclose the street; residential accommodation will be expected to be of the highest standard and provide a good internal living environment; the form of the building must be appropriate to accommodate substantial amounts of publicly accessible active uses.
- 64. The detailed design aspects of the scheme are addressed later in the report, however, the layout of the buildings is considered to be in line with the aspirations of the draft SPD in terms of building lines, quality of accommodation, and public access. In addition, the proposed development provides significant active frontages with very minimal blank facades for a scheme of this size.
- 65. Public realm: development should provide pleasant and welcoming public space on the site which relate and link to nearby open spaces, including those on the adjoining Kings Reach and 20 Blackfriars Road sites; development should help improve the streetscape of Blackfriars Road and Stamford Street; active frontages should be provided along all street elevations and onto public spaces.
- 66. The applicant has proposed significant improvements to the public realm with upgrades to all four surrounding street pavements, the carriageway in Rennie Street, as well as the adjoining pavements in Rennie Street and Upper Ground. This is in addition to the new public plaza being created at the centre of the site.
- 67. The proposed development is considered to be in general conformity with the provisions of the draft SPD in terms of key topics and issues.

## <u>Hotel</u>

- 68. The implemented scheme included the provision of a 261 room luxury hotel within the lower half of the tower. Whilst Jumeirah expressed an interest in taking the entire hotel space when planning permission was granted in 2009, no actual agreement was signed and they are no longer associated with the development.
- 69. Evidence has been submitted by the applicant demonstrating that without the commitment of a hotel operator, the development would not be capable of

implementation, and that increased supply in the luxury hotel category meant that an operator was less likely to come forward. It was considered that room rates in this location would be lower than an equivalent offer in an established West End location, and this would impact negatively on overall viability. Conversely, the market for upscale/lifestyle hotels is currently strong with interest in the sector from hotel operators.

70. The proposed development therefore involves relocating the hotel element from the tower to the Rennie Street building providing a 152 room upscale/lifestyle hotel that incorporates rooms at an average size of 29sqm. It is considered that the provision of the hotel within a single building element is a logical outcome meaning services and back of house facilities can be co-located. In addition, there are benefits of including the hotel in this building in that it animates the ground floor, provides a visual link to Rennie Street from the plaza through the hotel restaurant, and provides for an outdoor terrace off the first floor bar overlooking the plaza.

### **Employment** use

- 71. Whilst there was previously an office use on the site, it has been cleared for nine years and so saved policy 1.4 (which would require the replacement of any office space lost through redevelopment) does not apply. However, in approving the original scheme, the Inspector's report stated that the mix of uses was a material consideration and was given considerable weight in determining the acceptability of the scheme. Some key extracts from his report include: "The hotel and sky deck would bring hundreds [283] of jobs in a location which is entirely consistent with regenerative policy....... And a new public space for London would draw people back from the busy Thames Path into the hinterland, to share in the vibrancy of the open space, cafes and bars". Also, "An exception to the presumption [of re-providing office space] may, however, be made where a proposal involves the provision of tourist facilities. The hotel and sky deck proposal is thus compliant with policy, notwithstanding the absence of replacement office floorspace."
- 72. With the removal of the sky deck and the larger, high-grade hotel element, the level of employment within the development will be reduced. There is a calculated shortfall of 72 jobs from the implemented scheme. The applicant has agreed to make an enhanced financial contribution in the S106 agreement in recognition of this shortfall, which will go towards funding employment schemes within the borough. This is identified in the planning obligations at graph 214 and is considered to adequately address the shortfall in employment compared with the implemented scheme.

## Conclusion on land use

73. The proposed development includes a mix of uses that are considered to be appropriate for the site's location within the CAZ, Opportunity Area, Strategic Cultural Area and town centre. As well as the hotel and retail/restaurant uses, which will support the cultural and visitor functions of the area, it will provide a significant number of new homes, which is a priority of the current Government as well as local and London-wide planning policies.

#### **Environmental impact assessment**

74. Applications where an Environmental Impact Assessment (EIA) is required will either be mandatory or discretionary, depending on whether they are found in Schedule 1 (mandatory) or Schedule 2 (discretionary) of the Town and Country Planning (Environmental Impact Assessment) (England and Wales) Regulations 1999 (the 'EIA Regulations').

- 75. In this case, the proposal falls within Section 10(b) of Schedule 2 of the Regulations. The threshold for 'urban development projects' is a site area exceeding 0.5ha. The site is 0.67h and the development is likely to generate significant environmental effects by virtue of its size, based on a review of the Schedule 3 selection criteria for screening Schedule 2 Development.
- 76. Prior to the submission of the planning application, the applicant requested a 'Scoping Opinion' under Regulation 10 of the EIA Regulations (then 1999) to ascertain what information the Local Planning Authority considered an Environmental Statement (ES) should include (LBS ref 11-AP-4129).
- 77. Regulation 3 of the EIA Regulations 2011 precludes the granting of planning permission unless the Council has first taken the 'environmental information' into consideration. The 'environmental information' means the ES, including any further information, any representations made by consultation bodies, and any other person, about the environmental effects of the development.
- 78. In accordance with the EIA Regulations, an Environmental Statement (ES) comprising a Non-Technical Summary, Environmental Statement (Volume 1), Townscape Conservation and Visual Impact Assessment (Volume 2) and Technical Appendices (Part 4) accompanies the application. The assessment of the ES and further information and the conclusions reached regarding the environmental effects of the proposed development are set out in Appendix 3.
- 79. Following mitigation measures, there are likely to be some adverse impacts in relation to the development with regards to transportation and access, air quality, noise and vibration, views, daylight, sunlight, and overshadowing, and ecology. However, the impacts are considered minor and not significant enough to warrant refusal of the application. Information on the specific impacts is included, where relevant, in the various sections of this report.

#### Affordable housing

- 80. The NPPF was adopted in March 2012. Paragraph 50 states that local planning authorities should set policies for affordable housing need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.
- 81. The policy context relating to the delivery of affordable housing is contained within London Plan Policy 3.13 'Negotiating affordable housing in individual and private residential and mixed use schemes', Saved Policy 4.4 of the Southwark Plan, and Strategic Policy 6 'Homes for people on different incomes' of the Core Strategy. Further advice is contained within the Council's adopted Affordable Housing SPD (2008) and the draft Affordable Housing SPD (2011).
- 82. London Plan (2011) Policy 3.13 'Negotiating affordable housing in individual and private residential and mixed use schemes' states that affordable housing provision is normally required on-site. In exceptional circumstances it may be provided off-site or through a financial in lieu contribution ring fenced, and if appropriate 'pooled', to secure efficient delivery of new affordable housing on identified sites elsewhere. These exceptional circumstances include those where, having secured an alternative site, it would be possible to:
  - secure a higher level of provision

- better address priority needs, especially for affordable family housing
- secure a more balanced community
- better sustain strategically important clusters of economic activities, especially in parts of CAZ and north of the Isle of Dogs where it might be part of a land 'swap' or 'housing credit' (Policy 2.11).
- 83. Saved Policy 4.4 of the Southwark Plan and Strategic Policy 6 of the Core Strategy set the targets in relation to the provision of affordable housing. For the application site, the minimum policy requirement is for the provision of 35% affordable housing with a 70:30 ratio of social rented to intermediate housing. If, however, an applicant maintains that they cannot afford the minimum affordable housing provision, the Affordable Housing SPD (2008) and Draft 2011 allows for justification to be provided by way of a financial appraisal that is used to assess the viability of the scheme.
- 84. The Council's adopted Affordable Housing SPD (Section 3.6) together with the draft Affordable Housing SPD 2011 expands on the Southwark Plan and Core Strategy policy framework and sets out the approach in relation to securing the maximum level of affordable housing from developments. Specifically, it sets out the sequential tests relating to the delivery of affordable housing, firstly relating to securing on site provision, secondly off site provision and thirdly an in lieu payment. The sequential test in the 2011 SPD, is summarised below:
  - On site provision: All housing, including affordable housing should be located on the development site.
  - Off-site Provision: In exceptional circumstances, where affordable housing cannot be provided on site or where it can be demonstrated that significant benefits will be gained by providing units in a different location in the local area, the affordable housing can be provided on another site.
  - In lieu payment: In exceptional circumstances where it is accepted that affordable housing cannot be provided on-site or off-site, a payment towards the delivery of affordable housing will be required.
- 85. It is therefore expected that the applicant demonstrate that the steps as set out above are followed in order to demonstrate that exceptional circumstances exist sufficient to support the provision of an in lieu payment.

#### 86. On site provision

The implemented scheme included 32 shared ownership apartments within the Rennie Street building with no social rented units provided on site. A planning obligation required the applicant to deliver off-site affordable housing up to the value of £15.62m. In determining the 'Called-In' application, the Secretary of State concluded that it was appropriate not to provide social rented housing on site, and that an in lieu payment was an acceptable means of securing additional affordable housing.

- 87. In the reconfigured proposed scheme, the hotel has been moved from the tower to the Rennie Street building thereby replacing the previously proposed shared ownership units. The applicant has argued that the implemented scheme is currently unviable given the mix of uses proposed and that, in order to deliver the scheme, the tower had to be wholly residential with the hotel moved to the Rennie Street building. The applicant has opted to bring forward the scheme utilising the broad layout and scale of the implemented consent which is generally supported since it maintains the iconic design of the tower. As such, there are significant constraints in the options for incorporating a mix of land uses and tenures.
- 88. Given the need for lift core separation for management purposes, it is accepted that it is impractical to provide social rented affordable housing within the tower. The

introduction of a second core in the tower building would result in a significant loss of floor space currently given over to market sale homes which would have a substantial impact on the value of the proposed development. The cost of construction would also increase with the introduction of additional cores, impacting on the overall viability, and therefore the ability to support affordable housing. In addition, any affordable homes sharing the same access or facilities as the market sale homes would be obliged to pay the same level of service charge, which would be apportioned based on the size of the property. The service charge (assumed in the appraisal as £200pcm) to occupiers would be excessive for those whose income levels would make them eligible for either social rent or intermediate housing.

89. The policies relating to the CAZ and the BBLB Opportunity Area expect schemes to have a mix of uses, including uses which create employment and support the economic, cultural, and tourist life of the area. With the omission of the hotel from the tower, the Rennie Street building offers the best opportunity to provide alternative hotel space, and maintain a range of employment and active uses within the development. If this building were to be maintained in residential use, then the development overall would be so residentially-focussed that it would not make an appropriate contribution to the economic vitality of Bankside. It is therefore concluded that in order to maintain an acceptable mix of uses; and as a consequence of the high cost of shared ownership housing here; and the cost of service charges for all occupiers, it would not be appropriate to provide affordable housing on this site. The exceptional circumstances of this site, and this development, properly justify the provision of affordable housing off-site or through an in lieu payment.

### 90. Off site provision

Throughout pre-application discussions, officers explored with the applicant the option of off-site delivery of affordable housing. The draft SPD states that off-site affordable housing is required to be delivered on a site near the main development; it goes further to state: "we will only consider off-site affordable housing where an appropriate site or sites have been identified near to the development site." As such, the search area was initially limited to Chaucer and Cathedrals wards.

- 91. In terms of delivery, the draft SPD requires:
  - The applicant to have secured planning permission for the required amount of offsite affordable housing before any occupation of the market housing;
  - No more than 50% of the development will be occupied before the affordable housing units are completed and handed over to the registered provider;
  - The off-site affordable housing to be built and ready for occupation at the same time as the on-site market housing;
  - That off-site affordable housing is additional to what would have come forward through a standard development on that site.
- 92. The only example where off-site delivery by a developer has occurred in Bankside has been the affordable housing delivery for Bankside 4 (Neo Bankside) which was granted permission in June 2007 (06-AP-1481). No sites were identified for off-site affordable housing delivery prior to permission being granted, so the procurement, design, planning process, and construction have to be carried out in tandem with the main development. So far 5 sites have been identified or delivered to accommodate affordable housing. The delay in securing sites post planning has resulted in variations to the legal agreement to adjust occupation restrictions, and accept the provision of a proportion of the affordable homes through an in lieu payment. The experience illustrates that the mechanism only works effectively if sites are identified and secured before planning permission is granted, and that without identified sites, there is a risk to the programme to deliver the main development.

- 93. This issue is recognised in the Affordable Housing SPD, and in the GLA's Stage I report which states: "the off-site provision of affordable housing should be confirmed before any consent is granted. Once a suitable site is identified, the applicant should complete a feasibility study to demonstrate how it is able to accommodate the agreed number of affordable units on the identified site."
- 94. Taking account of the formula in the SPD for calculating the number of habitable rooms in a development, a 35% affordable housing delivery off-site would equate to 355 habitable rooms. Given the highly urbanised nature of the northern part of the borough, it is unlikely that such a quantum could be delivered on one site particularly since these rooms would be in addition to the 35% affordable housing required as standard.
- 95. The applicants site search utilised databases such as the Councils Strategic Housing Land Assessment, and listings from commercial agencies. Reports on the potential of a long-list of sites were produced during pre-application discussions, and investigations have continued concurrently with the consideration of the application. Currently, although a number of sites have been listed and explored, no suitable sites have been firmly identified as available and deliverable within the required timescale, or secured by the applicant. St George have stressed that, if planning permission is granted, they would commence development in 2013. Failure to secure sufficient sites prior to commencement could delay the delivery of this major investment in Southwark, including the delivery of a significant number of new homes and jobs which will act as a catalyst for development in the wider area. It is therefore recommended that, in the exceptional circumstances of this case, the Council accepts a commuted sum in lieu of affordable housing units. Funds from an in lieu payment, paid in stages from implementation of any permission, could therefore become available quickly to support the delivery of the Council's key policy commitment to provide new Council homes through the Direct Delivery Programme.

### Commuted sum payment (Direct Delivery programme)

- 96. Earlier in the year, the Leader announced the Council's plan to deliver 1,000 new Council homes in the borough over the next ten years. A report was subsequently agreed by Cabinet in July that gave in principle agreement to the creation of the Direct Delivery programme. A further series of reports on programming and delivery mechanisms are expected, with the second report programmed to go to the 23 October Cabinet meeting.
- 97. The Direct Delivery programme is intended to deliver affordable housing on sites across the borough including within the Borough and Bankside Community Council area. Whilst the applicant would be limited to procuring sites on the open market, the Council can also provide housing on small sites in Council ownership, or within existing estates, that are not appropriate to dispose of in the open market. It therefore has the potential to provide homes in a series of small developments with lower land costs, and therefore make efficient use of funds to deliver homes of the size, type, quality and mix which best meets the priority needs of Southwark residents.
- 98. It is proposed that the new affordable housing would be council-funded and managed, which will subsequently allow greater control over rent levels and management. This could also potentially allow for local lettings where new housing is let to local residents in priority need, enabling the council to re-let existing homes and create better mobility on estates, and provide people with appropriate housing to suit their needs. It is also proposed that the provision of specialist housing such as accessible, or wheelchair adapted homes, be delivered through the Direct Delivery programme.
- 99. The site identified for pilot purposes is the site of the former Housing Office on Long Lane, SE1 in Grange Ward but immediately adjoining Chaucer ward. A register of

other potential sites is being developed by the Council with the next stage in the process being an assessment of initial capacity followed by appropriate consultation with residents.

100. The NPPF (at para 50) continues to require boroughs to set policies for meeting the need for affordable housing on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified and would contribute to creating mixed and balanced communities. This is also the case within the London Plan (2011) which sets out that affordable housing is normally required on-site, but recognises that there may be exceptional circumstances where other options, including in lieu payments, may offer the best means of delivering the maximum number of affordable housing units. The Councils Direct Delivery mechanism aims to provide a significant quantity of new homes, often on under-utilised land, which could be a highly costeffective means of delivering affordable housing. The programme will rely on funding from affordable housing commuted sums to deliver its outputs. It is considered that the particular circumstances, being the high cost of delivering affordable housing on the 1 Blackfriars site, the difficultly in the developer procuring sufficient sites in the short term to deliver the required number of units, and the emergence of the Council's Direct Delivery programme, collectively provide a strong justification for accepting a payment in lieu of on-site affordable housing in this case. Such a payment would offer better prospects for meeting priority needs whilst enabling a development comprising a suitable mix of uses in this strategic cluster in the CAZ. All these considerations are consistent with the policies of the development plan.

The proposed payment would comply with the statutory tests under CIL Regulation 122 in that it is necessary to make the development acceptable in planning terms, is directly related to the development, and is fairly and reasonably related in scale and kind to the development.

The Mayor's Stage I report states that, if affordable housing is delivered off-site, the identification of a site for the off-site provision of affordable housing should be confirmed before any consent is granted. As highlighted above, sites have not been identified and it is recommended that the scheme deliver a commuted sum towards the Direct Delivery programme. The programme is designed to deliver additional affordable units and there are reasonable prospects that units can be delivered within a reasonable timescale. The obligation on the Council to use the funds only for the purposes of creating new, additional affordable housing units in line with the Council's Direct Delivery programme (or successor programmes) will be contained in the S106 agreement. As such, it is considered that the use of the commuted sum to deliver housing is in accordance with Policy 3.12 of the London Plan.

# The Mechanism for Calculating the commuted sum

- 147. The draft SPD makes clear that new housing developments may, in exceptional circumstances, provide affordable housing by making a pooled contribution instead of providing the affordable housing on-site or off-site. A minimum of £100,000 per habitable room is required and, to ensure that the maximum reasonable proportion of affordable housing is negotiated on each development, the exact amount required will be determined (above £100,000 per habitable room) using a robust viability assessment. The SPD goes on to state that 25% of the contribution should be paid prior to implementation, 50% should be paid prior to practical completion, and the remaining 25% should be paid prior to first occupation of the development.
- 148. As highlighted above, the policy requirement is the delivery of 355 habitable rooms (being 35% of the total habitable rooms in the development) and, accordingly, using the minimum £100,000 per habitable room, the policy compliant commuted sum equates to a minimum of £35.5m.

149. Current policy at all levels, including clear policy statements from the Coalition Government, make it clear that the viability of development is a key concern, and Council's should take into account the viability of schemes in negotiating affordable housing. The NPPF recognises this at para 173 which stresses that the scale of obligations, including affordable housing, should provide competitive returns to the developers to enable the development to be deliverable. Affordable housing contributions should therefore be agreed at a level which will enable developments to be delivered. This approach would extend not just to the percentage of units delivered on site in mixed tenure schemes, but also to the commuted sums secured for off-site affordable housing.

The application was accompanied by a detailed financial viability appraisal which was assessed on behalf of the Council by the District Valuation Service (DVS). There have been lengthy negotiations relating to the various inputs to the appraisal. There are few useful comparables in terms of the sales values of the flats; the appraisal looked at the sales in Neo Bankside, which shares a similar location but has less units with high level views. It also looked at the tower being built by St George at Vauxhall, which has direct access to the River, but arguably a poorer general location. The build costs have also been heavily scrutinised; the build costs attributed to the distinctive tower, with its curved glass facade, were assessed by specialists within the DVS who found them high but not necessarily unreasonable. Subsequent changes to the scheme, including the reduction in carparking spaces from 0.7 to 0.4 per unit, further impacted on the overall viability.

150. Following negations, the applicant has made an offer of £29m which is considered to be an acceptable level of contribution whilst maintaining the scheme's viability. On the basis of a contribution of £100,000 per defaulted habitable room, this would equate to 29%, which compares well to the level of affordable housing secured in other schemes agreed in the borough in recent years.

If agreed, the sum would be payable in four equal payments, with the first 25% being payable on implementation, and three subsequent payment at the end of each calendar year following implementation. On the basis of St Georges currently planned programme, this would mean that all payments would be received by the end of 2016. The draft Affordable Housing SPD expects that payments would normally be triggered by stages in the build process, eg practical completion, or by occupation of the completed building. St George anticipate a four year build programme; tying the payments to calendar dates from implementation gives greater certainty of funding for the direct delivery programme, and not delay the receipt of the final payment.

This sum would <u>not</u> be index-linked. However, as with other major developments, it is recommended that if there is a significant delay in implementation, beyond 18 months from the issue of the permission, the S106 agreement would be reviewed, to determine whether any improvement in viability (for instance through increased expected sales prices) could support an additional affordable housing payment. This would be secured through the S106 agreement.

The value of the overall scheme has been impacted in part by other works and contributions which would be delivered by the scheme.

One notable benefit of the scheme, the public viewing lounge, effectively occupies the space of two medium sized flats, as well as space on the ground floor which would otherwise be available for commercial uses. The location of the viewing lounge on the 32nd floor, with views north over the river and the city would mean that these flats would have commanded high purchase prices. The cost of providing the viewing lounge and making it available to the community at a low charge, has been calculated as £5.5m.

In addition, as detailed at para 258, other S106 and CIL payments are considerable. The S106 contribution, in terms of payments and works in kind, exceeds the toolkit default figure by a considerable margin.

The overall contributions, works in kind and other benefits arising from the development can be summarised as:

£6,575,629 S106 planning obligations £5,500,000 value of the space providing the viewing lounge £2,458,785 Mayoral CIL £29,000,000 affordable housing commuted sum

Total value = £43,534,414

151. In the context of this range of contributions, and taking into account the viability of the scheme, it is considered that the sum of £29 million is a reasonable contribution in lieu of affordable housing.

### Affordable housing summary

- 152. The acceptability of a commuted sum payment is based on the specific merits of this proposal taking account of all the material considerations highlighted above. Weight can be attached to the difficulties in managing affordable housing within a single core tower, the achievement of a mix of uses on site within the CAZ, and the quality and mix of homes which could be created using funds from an in lieu payment.
- 153. Given the above, it is considered that a contribution to the Direct Delivery programme is the most effective way of providing the maximum quantity of affordable housing which meet the particular housing needs of the borough. Collectively, these issues comprise 'exceptional circumstances' which would justify the acceptance of an in lieu payment in this case.

#### Design, including site layout, impact on local and strategic views

- 154. In urban design terms the most noticeable change from the implemented scheme is at the ground floor where the three parts of the development (the tower, the hotel and the retail block previously all linked by a single podium building) have been separated and now stand as individual buildings surrounding a new public space at ground level. This change has not only placed a renewed emphasis on the architectural qualities of each building but also delivered a meaningful and accessible new public space at the heart of the development.
- 155. The other significant change is the omission of a ticketed viewing gallery in the top floor of the building which is to be substituted by a publicly accessible viewing lounge on floor 32 of the building. The viewing gallery was an important part of the consented scheme and its appearance in many of the views was considered in detail during the public inquiry.
- 156. As a new application on this site, the proposal will need to be considered against all the requirements of saved Policy 3.20 which requires that all tall buildings should:
  - Makes a positive contribution to the landscape; and
  - ii. Is located at a point of landmark significance; and
  - iii. Is of the highest architectural standard; and
  - iv. Relates well to its surroundings, particularly at street level; and
  - v. Contributes positively to the London skyline as a whole consolidating a cluster within that skyline or providing key focus within views.

## 157. Taking each of these in turn:

## i) Makes a positive contribution to the landscape

Landscape and the public realm are an important part of any proposal for a tall building. It will not only create a setting for the tower, allowing it to 'land' appropriately but also an opportunity for such a development to demonstrate the benefits that can flow from expanding vertically so freeing up more space at grade in a congested part of the city. This part of Southwark is characterised by busy arterial routes overlaid with important pedestrian thoroughfares. The site is located close to the Thames footpath at the important Blackfriars bridgehead, with its recently completed elevated station which includes a new entrance from the south bank.

- 158. The implemented scheme included a substantial public space albeit at an elevated level on a podium. This public space was designed as a destination space, a place of arrival and a calm space removed from the busy roadways that surround the site. It was generous in proportion, took up a large proportion of the site and was designed to accommodate the influx of people wanting to use the public viewing gallery at the top of the tower. The main challenges to the original scheme lay in its limited accessibility and its separation form the public footway. Elevated one floor above the pavement level it took the character of an elevated podium and required lift and stair access for the public.
- 159. The revised scheme seeks to address these challenges more deliberately. The proposal makes a significant contribution to the landscape by creating a new public space at grade which will be a point of destination worthy of the tallest building in the area. This new public space at the centre of the site can be accessed from Blackfriars Road, Stamford Street and Upper Ground and allows permeability for pedestrians across the site encouraging north-south access as well as east-west connections to the nearby Blackfriars railway station. This public space allows the three separate parts of the development to stand as pavilions in space to be experienced and appreciated in the round. The three buildings are lined by active frontages (retail and restaurant uses) which will animate the space and establish a good balance between containment/enclosure and permeability. The landscape scheme is complex and attractive, and includes mature planting and water features.
- 160. Landscaping and public realm are addressed further at paragraph 223.

### 161. ii) Is located at a point of landmark significance

The definition of a point of landmark significance was the subject of extensive discussion at the public inquiry, and the Inspector and Secretary of State concurred with the Council's view that this is an appropriate location for a tall building at the confluence of these important routes, as well as the significance of the bridgehead and the river crossing in this location. There have been no changes in local policy or the physical context that would alter this conclusion in relation to the current application.

#### 162. iii) Is of the highest architectural standard

Much was said at the public inquiry about the architectural qualities of the permitted scheme. The elegant tapering form of the tower and its unique 'double-skin' facade which extended to the roof-top viewing gallery, were considered of exemplary quality justifying its position on the skyline and the local setting. The challenge in this case is to safeguard the fundamental characteristics of the consented design given the revised use and functional requirements of the scheme.

The key aspects of the architectural expression of the scheme include: