

Planning Board 28th July 2021	Agenda Item: 7 Reference No: 19/2733/O, 20/2000/NM, 20/2331/1106, 20/2172/1106
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Applicant: Knight Dragon Developments Limited and L&Q Group
Agent: Lichfields

Site Address: Greenwich Peninsula Masterplan and Plots 18.02 and 18.03. London SE10	Ward: Peninsula Application Type: Hybrid Application Outline Planning Application and Full Planning Application, S96A and s106A
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2nd Addendum Report

1.0 Introduction

- 1.1 Members resolved to grant conditional outline planning permission with detailed consent as well as an approval for a non-material amendment and a modification to the s106 Agreement for the '2015 Masterplan' and the s106 legal agreement for 'Plot M0121' on the 17th November 2020. The original Planning Board Report, Appendices and Addendums (and relevant minutes of the meeting) are appended.
- 1.2 The resolution to grant was subject to the conditions set out in the documents above and the prior completion of a consolidated section 106 legal agreement as set out in the Heads of Terms in the main Planning Board report and addendum report (dated 17th November 2020).
- 1.3 The Addendum report (dated 17th November 2020) noted that a 'rolling minimum' of affordable housing would be maintained across the site as market homes came forward. Since the applications and proposed modifications were reported to Members at the 17th November Planning Board, s106 discussions with the applicant have moved significantly in regard to the rolling minimum from the position set out in section 9 of the Addendum report. The applications and modifications are therefore being brought back to Members again for consideration on the proposed changes to the Heads of Terms in regard to the rolling minimum.
- 1.4 Members are asked to refer to the original main report and addendum dated 17th November 2020 and appended in respect of the history of the site, planning policy, consultee responses, considerations and background papers.

2.0 **Rolling Minimum:**

2.1 Paragraph 9 of the 17th November 2020 Addendum report set out the rolling minimum as being as follows:

'A total of 28% affordable housing will be secured in the s106 for the whole of the Peninsula Masterplan. A clause will be included which requires a rolling minimum of 28% of affordable housing to be maintained as the site is developed. The exception to this would be if there were any delays or amendments to the Silvertown Tunnel which would impact on the delivery of development which would allow the developer to drop to 25%. This would not remove the requirement of the developer to deliver 28% overall for the site. The applicant is seeking more caveats to allow the percentage to drop to 25%, however what these would be and the justification for them is still being discussed. The final wording to be included in the s106 legal agreement is to be agreed.'

2.2 Section 10 of the 17 November 2020 Addendum report therefore recommended the following additional head of term for the s106 agreement:

"Rolling Minimum of 28% is maintained as the site is developed with a fallback position drops to 25% in the event of delays to the Silvertown Tunnel."

2.3 The Addendum report (dated 17th November 2020) stated that a rolling minimum of 28% would be required to be maintained across the whole of the Peninsula Masterplan, as the site was developed with the one exception of the Silvertown Tunnel which would allow the rolling minimum to drop to 25%. The delegated authority was intended to agree further caveats associated with the Silvertown Tunnel delays, as long as they did not take the rolling minimum below 25%. This (and the 25% minimum) was reflected in the Heads of Terms in section 10 of the addendum report (dated 17th November 2020) in the table on Affordable Housing.

2.4 The applicant is now seeking to ring fence the 6 affordable free plots in Meridian Quays from the affordable housing triggers in the new s106 legal agreement.

2.5 Members may be aware that in February 2013, the Planning Board resolved to allow the variation to the s106 legal agreement for the '2004 Masterplan' (refer to Relevant Planning History, section 4 of the main report). The Deed of Variation (DofV) was signed in August 2013 and is known as the '11 plot deal'. There were two main elements to the DofV:

- The first was to allow for the accelerated delivery of 7 plots in Lower Riverside (namely Plots M0101, M0103, M0104, M0114, M0115, M0116 and M0117) to maximise the drawdown of available affordable housing grant.
- The second was to bring forward four plots in Meridian Quays (reconfigured into 6 smaller plots under the 2015 Masterplan) with no affordable housing. The increased values that this would generate were to be used to cross subsidise the provision of more affordable housing on the seven plots to the south. To date, 951 affordable housing units have been delivered as part of the Greenwich Peninsula Masterplan, of which 746 affordable units are located in Lower Riverside.

2.6 The 2015 Masterplan s106 continued to allow the 6 affordable free plots in Meridian Quays to be delivered independently of the housing triggers for the rest of the scheme (Ref: 15/0716/O - refer to Relevant Planning History, section 4 of the main report). To date, no residential units including affordable housing has been delivered under the 2015 Masterplan.

2.7 The main changes to the rolling minimum since the November 2020 Planning Board are as follows:

- The rolling minimum will be set at 28% across the whole of the Peninsula Masterplan.
- The 6 Affordable Free Plots (namely Plots 1.01, 1.02, 1.03, 2.01, 2.02 and 2.03) will not have any affordable housing occupation restrictions.
- If any of the 6 affordable free Meridian Quays plots are occupied and the rolling minimum drops below 28%, twenty-eight percent (28%) is applied to the number of units occupied within the 6 affordable free plots and this number is then added to the rolling minimum for the remainder of the scheme, causing the rolling minimum to increase proportionately and ensure that 28% affordable housing for the scheme as a whole is reached by completion.
- The rolling minimum can be reduced by 3% to 25%, due to delays to Silvertown Tunnel or a Force Majeure event.

2.8 This would work as follows: if the 6 Affordable free plots were delivered first causing the 28% rolling minimum to be breached (i.e. because the affordable housing element of the wider scheme was not being delivered at the same time), this would generate 875 homes of 'credit' (3125×0.28) These would all be added to the 28%, which would result in an overall uplifted rolling minimum of 35% for the remainder of the scheme. This will ensure that there is sustained delivery of higher levels of affordable housing later in the scheme where the 6 plot deal has resulted in a deficit against the 28%.

- 2.9 The exclusion of the 6 Meridian Quays plots (MQ) from affordable housing occupation restrictions would mean that the developer could build up to c. 3125 private units (based on the illustrative scheme) without providing any additional affordable housing. In addition, due to the credit the developer gains for the affordable housing already delivered on the Peninsula (37% by unit), this would allow the developer to build up to between c.140 - 824 private units outside of the 6 affordable free MQ plots, without any additional affordable housing being provided, depending on when the 6 affordable free MQ plots are delivered. In effect the change allows the sequence of delivery between market and affordable housing to potentially change.
- 2.10 As stated above under the 2015 Masterplan s106 Legal Agreement, there were no affordable housing restrictions on the 6 affordable free MQ plots. The situation regarding the c. 3125 private units mentioned above, remains the same as per the 2015 Agreement. It must also be remembered that there was no rolling minimum obligation under the 2015 Legal Agreement. The rolling minimum is a new requirement for the new consolidated legal agreement to ensure a steady delivery of affordable housing alongside market with the exception of 6 affordable free plots in Meridian Quays.
- 2.11 The main difference between the current arrangement and the previous 2015 Masterplan is the ability to provide, at worst case scenario, an additional c.824 units without providing any additional affordable housing. Under the 2015 s106 Legal Agreement affordable housing was required on every plot (with the exception of the 6 affordable free MQ plots) however, it should be noted that there was no minimum number of affordable housing units to be provided on each plot.
- 2.12 Through the Committee resolution in November 2020, the principle that affordable housing may not be delivered on every single plot as required under the 2015 Masterplan legal agreement (with the exception of the 6 MQ plots) was accepted. Instead, there will be an affordable housing range for each neighbourhood which will be secured in the s106 legal agreement. The s106 legal agreement will also include a mechanism that if any affordable free plots are proposed, a least one adjacent plot must contain affordable housing. This mean any plots that lies north or south to the plot but does not include diagonally or cross neighbourhoods or the park.
- 2.13 The applicant has previously stated that the delivery of homes will be accelerated through the new partnership with L&Q which will diversify the housing offer by both the developer and L&Q delivering homes at the same time.

2.14 L&Q have a position to deliver 55% affordable units (60%hr) within the Brickfields neighbourhood. It must also be remembered that if Members are resolved to grant planning permission for this hybrid application, it includes detailed consent for 476 new homes of which 56% by unit (60%hr) will be affordable which L&Q have stated that they are ready to deliver. In order to ensure the scheme is deliverable:

- L&Q is allocating a significant quantum of grant to deliver a substantial amount of affordable housing within Brickfields (2090 homes).
- The GLA in its land-owning capacity is deferring land value receipts in order to aid viability.
- The applicant has given L&Q the option to develop 20 acres of the site.

The above paragraph 2.14 is not a material planning consideration. It relates to the commercial arrangements between the GLA, KD and L&Q. It nevertheless provides background information in relation to the commercial arrangements currently in place to deliver substantial affordable housing on the Peninsula.

2.15 If Brickfields is not delivered by L&Q, the changes requested by the applicant will allow it to progress the delivery on the Peninsula in a similar way as it can under the 2015 consent on Meridian Quays - a critical commercial requirement for Knight Dragon if for some reason their registered provider (L&Q) does not progress as at present, L&Q would only have detailed consent for the delivery of Plot 18.02 and 18.03, subsequent reserved matters applications would need to be submitted for the remainder. The existing 2015 outline planning permission remains valid and implementable. Given the above whilst it is a risk, L&Q are committed to delivering the detailed Plot 18s and the further reserved matters plots in Brickfields. Members need to aware of the possible sequence of the development on the Peninsula Masterplan and its implications.

2.16 This proposed change to the rolling minimum should be considered in the context of the other benefits of the revised scheme which is considered to be as follows:

- The proposal increases the overall quantum of units to be deliver across the Peninsula from up to 15,730 to up to 17,487 which is beneficial for meeting the Borough's Housing Delivery Target at 2824 p.a.
- The proposal will result in an uplift in affordable homes across the Peninsula from 25% to 28% which is a positive of the scheme. Over the lifetime of the scheme, at least 4,870 affordable homes will be delivered.
- There will be no loss of any London Affordable Rent units.
- 30% of the LAR units with be 3+ bed within Brickfields neighbourhood.

- Up to 950 (54%) of the additional homes will be Intermediate affordable product.
- New public routes and spaces including:
 - Pedestrianised Brickfields Street connecting St Mary Magdalene and Plot 18.02 and 18.03 in the south to the new transport interchange to the north.
 - New east-west connections from central Park to the Gas Holder Site.
 - A widened and improved Edmund Halley Way providing a new piece of public realm directly connecting Central Park to the Design District.
 - Five play streets are provided within Brickfields providing green pocket parks.
- A new Bus Station configuration with a new Station Square.
- A Health Facility centrally located and increased in size to cater for the increase in population.
- Multi-level sports and wellbeing centre.
- Leisure and recreation use proposed on the roofs of the multi-storey car parks.
- A new 2FE Primary school on Plot 22.02.
- Nursery provision

3.0 **New London Plan**

3.1 During the assessment of the application by Members on the 17th November 2020, significant weight was attached to the Intend to Publish London Plan (December 2019) given its advanced stage in its process towards adoption. The London Plan has now been adopted (March 2021) and forms part of the development plan against which the application must be assessed.

3.2 There has been no material change from the Intend to Publish London Plan to the New London Plan for the purposes of assessing this application.

4.0 **Public Sector Equality Duty (PSED) and Human Rights**

4.1 Under the Equalities Act 2010, the Council must have due regard to the need to eliminate discrimination, harassment or victimisation of persons by reason of age, disability, pregnancy, race, religion, sex and sexual orientation. This planning application has been processed and assessed with due regard to the PSED. The application proposals are not considered to conflict with the Duty.

4.2 The application has also been considered in the light of the Human Rights Act 1998 and it is considered that the analysis of the issues in this case, as set out in this report and recommendation, is compatible with the Act.

5.0 **Heads of Terms (Amendments to section 44 of the main report and Addendum dated 17th November 2020)**

5.1 Amendment to the following Heads of Terms:

Clause/Contribution	Details/Amount
Rolling Min. of Affordable Housing	<p>Rolling Minimum of 28% is maintained as the site is developed <u>with the exception of the 6 affordable free plots on Meridian Quays (namely Plots 1.01, 1.02, 1.03, 2.01, 2.02 and 2.03). If any of the 6 affordable free Meridian Quays plots are occupied, 28% is applied to the number of units occupied and this number is then added to the rolling minimum for the remainder of the scheme, causing the rolling minimum to increase proportionately depending on when these 6 Meridian Quay plots are delivered.</u></p> <p><u>This can fall by 3% to 25% in the event there are delays to the Silvertown Tunnel or a Force Majeure event that directly impact on the delivery of specific plots.</u></p> <p><u>An enforcement cascade if the rolling minimum is not complied with.</u></p>
<p><u>6 Affordable free plot in MQ. (namely Plots 1.01, 1.02, 1.03, 2.01, 2.02 and 2.03).</u></p>	<p><u>Carry over from the 2015 s106 legal agreement:</u></p> <ul style="list-style-type: none"> • <u>No requirement for affordable housing on the 6 Affordable Free MQ plots.</u> • <u>No affordable housing occupation restrictions.</u>

6.0 Recommendation A-D

6.1. Recommendation A (Ref: 19/2733/O)

The Board is requested to resolve to grant conditional consent for planning permission as outlined below:

Outline planning permission with all matters reserved, for the demolition of buildings and mixed-use redevelopment up to a maximum of 737,100sqm comprising:

- up to 533,900sqm of residential development which could include:
 - i up to 5,813 residential dwellings
 - ii up to 25,000sqm student accommodation (up to 500 rooms) and/or co-living units
- up to 19,600sqm Class A1-A5 use (food and non-food retail, restaurants, bars and cafes);
- up to 68,700sqm Class B1 (a) (b) (c) (business);
- up to 24,200sqm Class C1 (hotel) for up to 350 rooms;
- up to 13,200 sqm Class D comprising D2 (Sport and Recreation), Class D1 (health care facilities/ nursery/ creche);
- up to 4,200sqm D1 (education facilities)
- up to 8,000sqm Theatre (Class Sui Generis);

residential and non-residential car parking, as well as a minimum of 2000 AEG parking spaces (for the O2), cycle parking; associated community facilities; public realm and open space; hard and soft landscaping; a new transport hub and associated facilities; realignment of the cultural route traversing the site (The Tide); highway and transport works and associated ancillary works (proposals to revise part of the approved Greenwich Peninsula 2015 Masterplan (15/0716/O

AND Detailed planning permission, for a residential development comprising 476 residential units, up to 100sqm (GEA) A1/A2/A3/B1/D1/D2 floorspace plus ancillary car parking, access, landscaping and public realm works and associated infrastructure works.

- i) The Conditions set out in Appendix 2 (as amended by Appendix 2 Addendum November 2020) of the main report.
- ii) The prior completion of a consolidated agreement under Section 106 of the Town and Country Planning Act 1990 (as amended) containing the planning obligations as summarised in the heads of terms set out in the main report (see section 44 of the main report 17th November

2020), modifications to planning obligations (Ref: 20/2331/1106 and 20/2172/1106 - see section 41 of the main report November 2020), 17th November 2020 Addendum, 28th July 2021 Addendum and the minutes of this Planning Board meeting.

- iii) Referral of the application to the Mayor of London as required under the terms of The Town and Country Planning (Mayor of London) Order 2008
- iv) Members confirming in their decision that account has been taken of environmental information, as required by Regulation 26 of the Town and Country Planning (Environmental Impact Assessment) Regulations 2017.
- v) A statement being placed on the statutory Register confirming the main reasons and consideration of which the Planning Board decision was based were those set out in the report of the Director of Regeneration, Enterprise and Skills as required by Regulations 30 (1) (d.) of the Town and Country Planning (Environmental Impact Assessment) Regulations 2017.

6.2 To authorise the Assistant Director of Planning & Building Control to:

- i) make any minor changes to the detailed wording of the recommended conditions as set out in the main report (Appendix 2 November 2020), its addendums and the minutes of this and the 17th November 2020 Planning Board meeting, where the Assistant Director of Planning & Building Control considers it appropriate, before issuing the decision notice;
- ii) finalise the detailed terms of the planning obligations pursuant to Section 106 of the Town and Country Planning Act 1990 (as amended), as set out in this report, its addendums and the minutes of this Planning Board meeting
- iii) consider, in the event that the Section 106 Agreement is not completed within two (2) months of the date of this Planning Board meeting, to authorise the Assistant Director of Planning & Building Control to consider whether permission should be refused on the grounds that the proposals are unacceptable in the absence of the benefits which would have been secured, and if so, to determine the application with reasons for refusal which will include the following:

In the absence of a legal agreement to secure financial and non-financial contributions towards Affordable Housing, Transport, Highways works, Education Provision, Employment and Training, Environmental Sustainability, Open Space Provision, Sport and Leisure Facilities, Community Facilities is contrary to policies H3, H(e), EA(c), E1, E(c), CH1, CH2, IM1, IM4, and IM(c) of the Royal Greenwich Local Plan: Core Strategy with Detailed Policies (Adopted July 2014) and the Planning obligations (s106) Guidance SPD (Adopted July 2015).

6.3 Recommendation B - Non-Material Amendment - Section 96a (Ref:20/2000/NM)

The proposed Section 96a application, as detailed in full in Section 45 and Appendix 4 of the main report (17th November 2020) is considered to be non-material in nature and therefore recommended for approval.

The application consists of amendments to:

- Condition 3 (Approved Drawings);
- Condition 4 (Compliance with the Development Specification);
- Condition 10 (Phasing);
- Condition 14 (Reserved Matters Applications);
- Condition 16 (Housing Mix);
- Condition 30 (Flood Risk Assessment);
- Condition 36 (Wastewater);
- Condition 37 (Water);
- Condition 51 (Parking);
- Condition 60 (Lifetime Homes Standards and Wheelchair Housing);
- Condition 69 (Environmental Noise);
- Condition 73 (Boreholes);
- Condition 82 (CEEQUAL);
- Condition 90 (Wayfinding);
- Condition 91 (Lighting);
- Condition 104 (Noise Assessment);
- Condition 105 (Victoria Deep Water Terminal); and
- Condition 121 (Internal Noise and Lighting Assessments)

Along with the Removal of:

- Condition 6 (Control Parameters);
- Condition 15 (Provision of Affordable Housing);
- Condition 17 (Density);
- Condition 57 (Greenwich Riverside Transit);
- Condition 115 (Restrictions on Occupation of Parcels 15, 16, 17, 21 and 22; and
- Condition 116 (Restrictions on Occupation of Parcel 18 (Parcel 01)

6.4 Recommendation C (20/2172/1106) and D (20/2331/1106)

Modifications to Section 106 Agreements.

It is recommended that the Board grant the request to modify the S106 Agreement for:

- 1) the '2015 Masterplan' (reference: 15/0716/O dated 08/12/2015) (Recommendation C) and
- 2) the legal agreements for 'Plot MO121' (reference: 13/2865/F dated 31/03/2014 as varied on 20/09/2016 and the original S.106 Agreement dated 23 February 2004)) (Recommendation D).

for the reasons set out within the body of this report (see section 41 of the main report 17th November 2020) and subject to the approval of the masterplan (19/2733/O), such modifications to be contained within the consolidated S106 Agreement referred to in Recommendation A above.

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