



PLANNING COMMITTEE REPORT

Development Management Service
 Planning and Development Division
 Environment and Regeneration
 Department
 PO Box 333
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 LONDON N1 1YA

PLANNING COMMITTEE		
Date:	13 September 2016	NON-EXEMPT

Application number	P2016/0488/FUL
Application type	Full Planning Application
Ward	Bunhill & Clerkenwell
Listed building	Grade II listed vaults lie beneath the site. The listed Whitbread Brewery lies immediately to the south of the subject site.
Conservation area	Within 50 metres of St Luke's & Chiswell Street Conservation Areas
Development Plan Context	CS7: Bunhill and Clerkenwell Key Area Site Allocation BC31 & partly within BC32 Within Employment Priority Area (General) Archaeological Priority Area Central Activities Zone (CAZ) City Fringe Opportunity Area Finsbury Local Plan Policy BC8 Lamb's Passage Development Brief 2006
Licensing Implications	Restaurant / café use (A3 use class) sought for lower basement and upper basement vaults
Site Address	Shire House Whitbread Centre [including Car Park & Service Yard], 11 Lamb's Passage, London EC1Y 8TE.
Proposal	Demolition of the existing 'works' building at the northern end of the site and redevelopment of the existing surface level car park, along with the conversion of existing Grade II listed underground vaults, to provide a mixed use development comprising of a 4 to 7 storey building providing 35 residential units (15 affordable and 20 market rate) (Class C3), a 61 bedroom hotel (Class C1), office floorspace (Class B1a), restaurant (Class A3), retail (Class A1) and ancillary gym (Class D2), along with associated landscaping and alterations to the existing access arrangements (in association with Listed Building Consent Ref: P2016/0536/LBC).

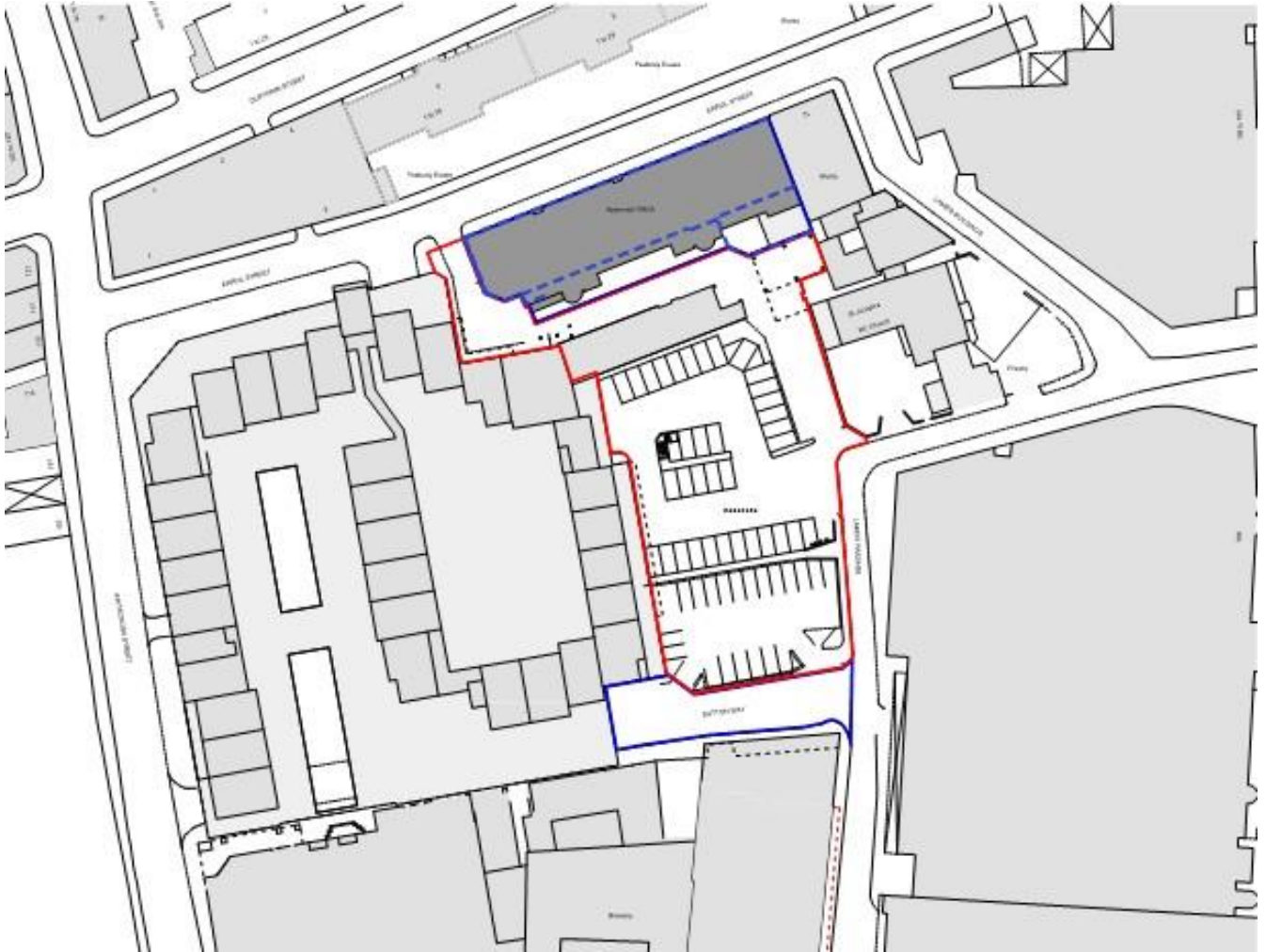
Case Officer	Matthew Duigan
Applicant	London City shopping Centre Ltd & Lamb's Passage Real Estate Ltd
Agent	Barton Willmore

1. RECOMMENDATION

The Committee is asked to resolve to **GRANT** planning permission subject to:

1. The conditions set out in Appendix 1; and
2. Conditional upon the prior completion of a Deed of Planning Obligation made under section 106 of the Town and Country Planning Act 1990 securing the heads of terms as set out in Appendix 1.

2. SITE PLAN (site outlined in red)

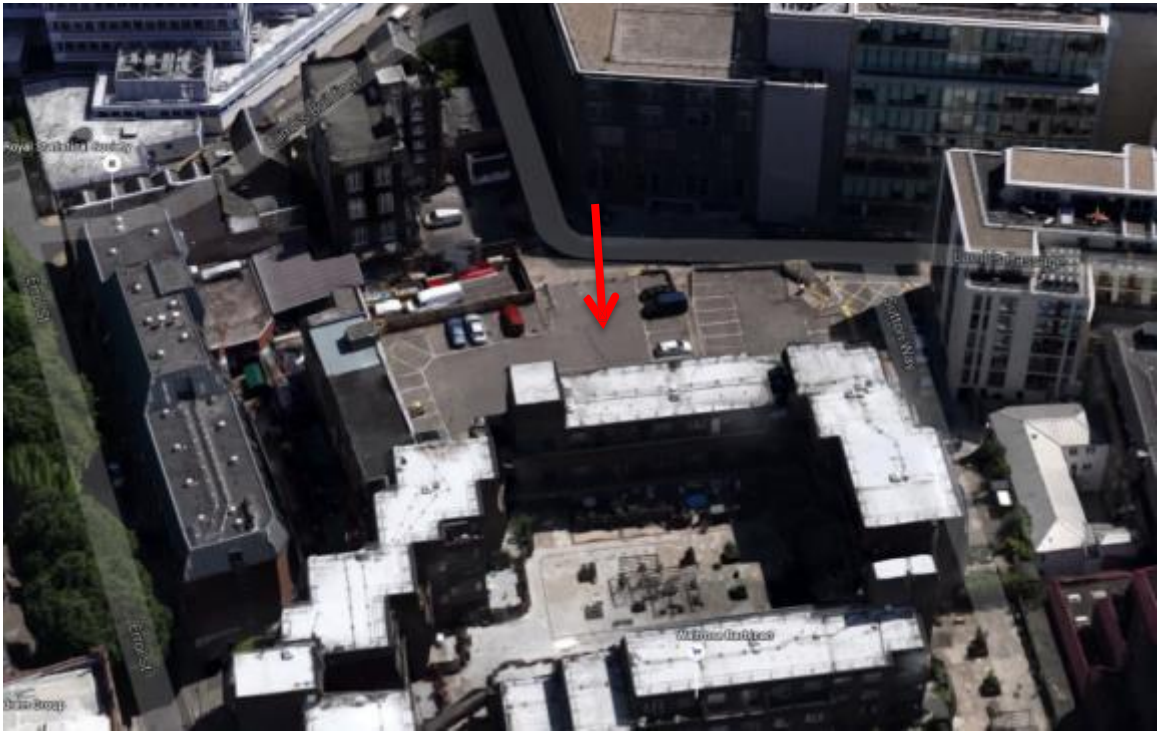


3. PHOTOS OF SITE/STREET



View of site looking from the North to the South





View of site looking from the West to the East



View of site looking from the South to the North



View of site looking from the East to the West



View of the application site and Shire House viewed from Lamb's Passage near the junction with Bunhill Row



View of the rear of Shire House facing onto the application site from Lamb's Passage



View of adjoining buildings facing the application site with Lamb's Passage to the left and Sutton Way to right.



View of the application site from Lamb's Passage just past bend in the road.



Internal view of existing grade II listed vaults



Internal view of existing grade II listed vaults at upper basement level.

4. SUMMARY

- 4.1 The site has a planning history which is directly relevant to the current scheme. A similar scheme was considered at appeal in March 2015. This application is a resubmission which seeks to overcome the reason the appeal was dismissed as well as addressing changes in policy guidance introduced since the appeal.
- 4.2 A key reason the appeal was dismissed was concern that the Planning Inspector had over the mechanism to review the financial viability of the scheme. Since the previous scheme was considered at appeal, the Council has adopted the Viability SPD, which requires any uplift identified in a review to be shared between the Council and the developer (a 60% to 40% split in favour of the Council).
- 4.3 The proposal involves 35 new homes, 15 (43% by unit number) of which are to be affordable. Of the 15 affordable units, 11 (73%) units would be social rented and 4 (27%) would be intermediate. This is compared to the appeal scheme which involved 38 units, of which 14 were to be affordable units (37% by unit number). Of the 14 units 9 (64%) were to be social rented and 5 (36%) were intermediate.

Tenure	1 bed	2 bed
Market	9	11
Intermediate	1	3
Social Rented	6	5

Table 1. Proposal housing mix

- 4.4 The level of affordable housing proposed in this application is less than 50% of the total units proposed (as required by Development Plan policy), and the applicant has provided a financial appraisal to demonstrate that this level of affordable housing is the maximum that

the scheme can provide and remain viable. The financial appraisal was examined by the Council's financial consultant (BPS) who has confirmed that the appraisal is accurate.

- 4.5 The applicant has agreed to a review mechanism which would allow the scheme viability to be re-examined at a later stage to see if a higher level of affordable housing could be provided. The review mechanism accords with the requirements set out in section 7 of Islington's Development Viability SPD. Any identified uplift will be dealt with as per the Viability SPD requirements. This will be secured as part of a S106 legal agreement associated with any permission granted. The current application is considered compliant with the Viability SPD, and overcomes the concerns raised by the Planning Inspector in this regard.
- 4.6 Since the appeal in March 2015, new policy guidance has been adopted, including the Mayor of London's Central Activities Zone Supplementary Planning Guidance (March 2016) (the CAZ SPG) and the City Fringe Opportunity Area Planning Framework (December 2015) (CFOAPF). The new guidance places a greater emphasis on the provision of business floor space in the CAZ. To better align with the new guidance, the proposal has been amended to increase the proportion of business floorspace in the scheme, including affordable workspace and space suitable for small and micro sized enterprises.
- 4.7 Other changes in adopted policy guidance include the Council's Basement SPD. The scheme involves creation of additional basement space. The Basement SPD requires various investigative works to be carried out and studies undertaken to ensure that the proposed basement does not undermine the structural stability of nearby buildings or result in unacceptable impacts on groundwater hydrology. The applicant has undertaken the investigative analysis and provided requisite engineering studies and reports and it is considered that the proposal would accord with the Council's Basement SPD.
- 4.8 The main concern that the Council had about the previous application was that the new building would reduce the sunlight/daylight and outlook to nearby residential dwellings. The current proposals have been revised to reduce the height of the southern residential block by 1 storey. The reduction in height results in the scheme having less of a daylight/sunlight impact when compared to the appeal scheme.
- 4.9 The current scheme would be less harmful to the amenity of neighbours, and provide enhanced planning benefits when compared to the scheme considered at appeal. The current scheme addresses the reason the previous scheme was dismissed at appeal, it also responds adequately to changes in policy guidance since the appeal (in March 2015), and as such approval is recommended.

5. SITE AND SURROUNDING

- 5.1 The site is located on the western side of Lamb's Passage and comprises a car park connected to the Whitbread Centre and a derelict three storey 'works' building along its northern boundary. The site area, with the inclusion of the space taken up by the extensive series of underground vaults that are situated both directly below and beyond the surface level site boundary, measures 0.51 hectares.
- 5.2 There are 2 levels of basements (vaults) beneath the site, referred to in this report as the lower basement and upper basement levels. These extend below the adjacent Waitrose demise and London City Shopping Centre (which in effect is also below Shire House). The upper basement level historically formed part of the Grade II listed Whitbread Brewery building located to the south of the application site and remain intact. Given their attachment to and location within the historic curtilage of Whitbread Brewery, these vaults are subject to the Grade II listing.
- 5.3 The application site contains a redundant building to the north of the site known as 'the works' building (adjacent to the YMCA building) with the remainder of the site currently being used as a car parking area, which includes car parking for the adjacent flats in Shire House. Beyond Sutton Way is the recently constructed seven storey building of 1 Lamb's Passage, which is a residential development.

- 5.4 Access through to Errol Street to the north is currently obstructed by the rear elevation of 'the works' building.
- 5.5 The application site is not located within a designated conservation area but adjoins two conservations areas notably, the St Luke's Conservation Area to the north/north east of the site and Chiswell Street Conservation Area to the south.
- 5.6 There are a variety of building designs in the immediate locality with the modern CASS college building, modern 1 Lamb's Passage and more traditional yet visually distinctive finishes to St Joseph's RC Church Building and Shire House itself. St Joseph's RC Church is located within the adjacent St Luke's Conservation Area.
- 5.7 In terms of accessibility, the site is well connected to public transport with Barbican, Moorgate, Old Street and Liverpool Street overground and underground stations and various bus routes all within a short walking distance. A Barclays Cycle Hire docking station is also located nearby along Bunhill Row. Vehicular access is provided by Lamb's Passage, which is a one-way street that links Chiswell Street (south) (B100) with Bunhill Row (B144). As a result, the application site has a Public Transport Accessibility Level (PTAL) of 6b (with 1 being the lowest and 6b being the highest).

Land ownership:

- 5.8 The southern half of the car park is owned by Lamb's Passage Real Estate Ltd, whilst the northern half is owned by London City Shopping Centre Ltd. The northern half of the car park has been leased to the London Borough of Islington and provides car parking for existing residents of the adjacent flats and the Whitbread Centre. To the north of the car park is a derelict works building, also owned by Lamb's Passage Real Estate.
- 5.9 At the north-east corner of the application site is the rear of a Victorian building on an L-shape footprint belonging to St Joseph's Roman Catholic Church. On the eastern side of Lamb's Passage and directly opposite the application site are the three 6-8 storey components of the City University's CASS Business School building and 3 Lamb's Passage.
- 5.10 To the west is the rear of Shire House, which forms part of the Whitbread Centre and is a dark brick 1960s building between 4-5 storeys in height. The building comprises a brick façade on stilts (i.e. plus the equivalent of two storeys below), with retail uses on the ground floor and residential properties above. The residential flats on the rear (east facing elevation) of Shire House benefit from balconies, windows and verandas that overlook the application site.
- 5.11 Shire House provides social housing for Council tenants, although a number of the properties have now been privately acquired through use of the 'Right to Buy' scheme.

6. PROPOSAL (IN DETAIL)

The application is a resubmission of a previously refused scheme (ref: P2013/3257/FUL) and proposes the demolition of the existing 'works' building at the northern end of the site and redevelopment of the existing surface level car park, along with the conversion of existing Grade II listed underground vaults, to provide a mixed use development comprising of a 4 to 7 storey building, accommodating 35 residential units (15 affordable and 20 market rate) (Class C3), a 61 bedroom hotel (Class C1), office floorspace (Class B1a), restaurant (Class A3), retail (Class A1) and a small gym (Class D2), along with associated landscaping and alterations to the existing access arrangements (in association with Listed Building Consent Ref: P2016/0536/LBC).

Use	Sqm	%
Residential	3,508	35%
Hotel	2,759	27%
Restaurant	1,536	15%
Offices	1,954	19%
Retail	80	1%
Gym	263	3%

Table 2. Proposed and mix of uses

- 6.1 The development would create an inverted C shaped building footprint with frontages onto Lamb's Passage and Sutton Way creating two distinct residential blocks to the north and south of the site. The 7 storey southern block would accommodate 16 residential units on the upper levels and at ground level there would also be a small amount of retail space. A small gym is proposed for residents in the basement levels below the southern residential block (accessed via lift from the southern residential block).
- 6.2 Adjoining the southern residential block to the north would be a part 4, part 5 storey structure accommodating a 61 bed hotel. At ground level, there would be the hotel entrance and lobby as well as separate areas for commercial office space.
- 6.3 Adjoining the hotel to the north would be another residential block accommodating 19 units on the upper levels and office space at ground floor level accessed from the proposed new public open space.
- 6.4 The affordable housing units would be provided within the northern residential block, which has frontages onto the proposed new public open space and Lambs Passage. This element of the proposal would rise to a height of 6 storeys. The northern residential block contains 2 lifts, with refuse storage and cycle storage all located at ground floor level.
- 6.5 The central portion of the proposed new development (containing the hotel) would utilise the upper level basement level (which is Grade II listed) to create a restaurant.
- 6.6 Lifts from the ground floor of the hotel and commercial office spaces would lead to the basement levels and provide access to the restaurant. In addition to the restaurant, there would also be commercial office space in the remainder of the upper and lower basement levels, including affordable workspace and space suitable for small and micro enterprises.
- 6.7 Planning permission is sought for the change of use of the existing Grade II statutorily listed vaults on the site for restaurant uses, gym facilities, office space and associated areas. The majority of the proposed physical alterations to these vault areas do not require planning permission but do require listed building consent and are considered within the associated listed building consent report (ref: P2016/0356/LBC).

Revisions

- 6.8 The applicant amended the proposal in June 2016 in response to concerns over impacts on the amenity of existing neighbours (due to a loss of light). The applicant amended the scheme by reducing the height of the southern residential block by 1 storey. Changes were also made to landscaping to ensure access to Shire House is not impeded.



Eastern elevation (reduction in height shown dotted in pink)

6.9 Additional concerns were raised over the mix and balance of uses proposed, given the emphasis in newly adopted guidance on provision of business floor space in the CAZ. The applicant revised the scheme to include a greater proportion of business floor space, including affordable workspace and space suitable for use by small and micro enterprises.



7. RELEVANT

HISTORY: Planning

Applications:

7.1 The following previous planning applications relating to the application site are considered particularly relevant to the application:

P060839 – Listed building consent application for the erection of a 4-storey office building (B1a) with basement to provide 1,617sqm of B1 floorspace, including demolition of the basement area. The application was withdrawn by the applicant.

P060838 – Listed building consent application for the erection of a 4-storey office building with basement to provide 1,617sqm of B1 floorspace, including the demolition of the basement. The application was appealed for non-determination.

The Council's statement of case indicates the scheme would result in the unacceptable loss of the grade II listed vaults. The appeal was withdrawn.

P060460 – Planning application for the erection of a 4-storey office building with basement to provide 1,617sqm of B1 floorspace. The application was withdrawn.

P060458 – Planning application for the erection of a 4-storey office building (B1a) with basement, to provide 1,617sqm of B1 floorspace. The application was appealed for non-determination. The Council's statement of case provided four reasons for refusal, namely the unacceptable loss of the grade II listed vaults, the design and impact on townscape, the impact on residential amenity and the risk posed to the security of pedestrians and future occupiers. The appeal was withdrawn.

P2013/3297/LBC dated 31 July 2014 was an application for Listed Building Consent seeking approval for the following: *"The conversion and alterations to the existing grade II listed underground vaults to provide a mixed use development comprising of a part 4, part 8 storey building providing 38 residential units (19 affordable, 19 market rate) (Class C3), a 61 bedroom hotel (Class C1), office floor-space (Class B1a), restaurant (Class A3), retail (Class A1) and gym (Class D1), along with the creation of new public realm, associated landscaping and alterations to the existing access arrangements."*

The application was refused for the following reason:

"In the absence of a valid planning permission for the associated redevelopment of the site, the granting of listed building consent is considered to be premature. Without an associate planning permission there is no justification for the works to the listed vaults and it is therefore considered that the provisions of section 12 of the NPPF 2012 are not met."

7.3 The Listed Building application had accompanied an application for full planning permission (ref: P2013/3257/FUL). The Council's decision was contested at a co-joined appeal (along with decision ref: P2013/3257/FUL), where the Planning Inspectorate dismissed the appeal.

P2013/3257/FUL dated 31 July 2014 refused permission for the following: Demolition of existing works building and re-development of the existing surface level car park, along with the conversion of existing Grade II listed underground vaults to provide a mixed use development comprising of a part 4, part 8 storey building providing 38 residential units (19 affordable, 19 market rate) (Class C3), a 61 bedroom hotel (Class C1), office floor-space (Class B1a), restaurant (Class A3), retail (Class A1) and gym (Class D1), along with the creation of new public realm, associated landscaping and alterations to the existing access arrangements.

The application was refused for the following reason:

"The proposed development, by reason of its inappropriate layout, height, massing and proximity to facing residential properties would result in unacceptable harm to the amenity of nearby residential buildings through loss of daylight receipt experienced by those properties, loss of outlook and sense of enclosure. This harm makes the proposal contrary to policy 7.6 of the London Plan (2011), policy DM2.1 of the Development Management Policies (2013) as well as BRE 'Site layout planning for daylight and sunlight: a guide to good practice' (Second Edition 2011) and the Lamb's Passage Development Brief dated 2006. The benefits of the scheme are not considered to outweigh this harm."

7.4 The Council's decision was contested at a co-joined appeal (co-joined with the appeal against the decision to refuse the application for listed building consent ref: P2013/3297/LBC), where the Planning Inspectorate dismissed both appeals, and noted the following:

"The building proposed on the appeal site would reduce the amount of daylight reaching widows in No.1 Lamb's Passage and flats in Shire House, with the residential units on the lower levels being affected most. Similarly, the proposal would radically close off the outlook from windows facing the appeal site, and the resulting visual impact would be significant. On that basis, there would be something of a detrimental impact on the living conditions of

affected residents in No.1 Lamb's Passage and Shire House through loss of daylight, and visual impact.

However, that is not the end of the matter, for two reasons. First, the fact that living conditions of some residents would be undermined, to a degree, does not necessarily mean that the proposal would conflict with LP Policy 7.6 Architecture which refers to unacceptable harm (my emphasis), or DMP Policy DM2.1 which requires a good standard of amenity to be maintained. In my view, the harmful effect on living conditions would not be so great that there would be conflict with either policy.

Secondly, the appeal site is clearly under-used in its current guise as a car park. It will almost certainly be developed in some shape or form, as borne out by the fact that is allocated for 'redevelopment to provide a mixed use development including small scale business uses and residential uses alongside open space' in FLP7 Site BC 31."

7.5 The Inspector acknowledged that the site is allocated for redevelopment within the Development Plan and that given demand for housing and job creation the best use must be made of the site. The Inspectors report went on to make the following statement:

"Some harm to living conditions through loss of daylight and visual impact will be inevitable if the site is to be developed. The central question is whether the harm caused would be outweighed by the benefits that the proposal would bring forward."

7.6 The Inspector then went on to evaluate the benefits of the scheme, including provision of jobs and affordable housing. The Inspector noted that the S106 legal agreement made provision for the submission of an 'Updated Viability Assessment' in the event that the proposal is not implemented after 18 months from any grant of planning permission. If this assessment showed up a 'surplus', the appellant had the option of giving half of that surplus to the Council (to be used for the provision of additional affordable housing), and retaining the rest.

7.7 Although the Council had been satisfied with the form of the viability review mechanism, the Planning Inspector concluded that the approach to the financial viability review mechanism (which involved sharing any uplift identified in an 'Updated Viability Assessment') was unacceptable as it would not ensure all of the uplift would be directed to affordable housing. The co-joined appeals were dismissed.

7.8 The current application is a resubmission of the refused scheme (ref: P2013/3257/FUL). Since the appeal, the Council has adopted the Viability SPD, which requires any uplift identified in a review to be shared between the Council and the developer (a 60% to 40% split in favour of the Council). The applicant has agreed to this, and this would be secured through a legal agreement.

7.9 The other key differences between the current scheme and the appeal scheme are:

- The southern residential block has been reduced in height by 1 storey (done to reduce amenity impacts);
- Alteration to the mix and amount of space (to better align with policy guidance adopted since the appeal).

7.10 A comparison table, showing the proportions of the overall floor space by use, is set out at Table 3. It should be noted the scheme is not identical, although it is very similar to the previously refused scheme. The situation is not one whereby the Council could decline to determine the application.

	Appeal scheme	Current scheme
Use	(%) floor area	(%) floor area
Residential	35%	35%
Hotel	29%	27%
Restaurant	19%	15%
Offices	13%	19%
Retail	1%	1%
Gym	3%	3%

Table 3. Comparison between current scheme and the previous appeal scheme

7.11 In the assessment of this current scheme, it is important to determine if alterations made by the applicant to the current scheme change the planning balance, i.e. whether (given the appeal history) the harm caused would be outweighed by the benefits that the proposal would bring forward.

Relevant Planning Applications for Adjoining Sites

1 Lamb's Passage - planning permission (ref. P052334) was granted on 9th October 2006 for the redevelopment of 1 Lamb's Passage to provide a seven storey building accommodating 87 residential units and 564 sqm of office floorspace. This development has now been completed.

YMCA, Errol Street - planning permission (ref. 2012/0637/FUL) was granted on 7th May 2014 for the demolition of the existing YMCA building and the redevelopment of the site to provide a seven storey building with a new hostel facility with associated facilities and commercial uses.

8. CONSULTATION

Public Consultation

8.1 Letters were sent to occupants of 290 adjoining and nearby properties, including along Errol Street, Dufferin Street, Whitecross Street, Sutton Way, Chiswell Street and Lamb's Passage on the on 10 March 2016. A site notice was erected near the site and a press advert displayed in the Islington Gazette. In summary 23 objections were received raising the following issues:

- There has been insufficient time to respond to consultation **(See para. 8.8)**;
- The new building will block light, outlook and result in visual impacts. The loss of light should raise mental and psychological concerns **(See para. 11.91)**;
- The size of the building would be overly dominant in appearance creating an undue sense of enclosure. Any benefits such as affordable housing do not outweigh the impacts **(See para. 11.91)**;
- There will be overlooking of nearby residential properties resulting in a loss of privacy **(See para. 11.92 to- 11.95)**;
- The height of the building will disrupt wireless signal, and the developer should pay for relocating the antenna to prevent this from occurring **(See para. 8.9)**;
- Construction impacts will affect air conditioning units in nearby existing buildings. **(See paras. 11.97, 11.187, 11.194)**;
- Bollards should be installed on Lambs passage to stop construction vehicles causing damage **(See para. 11.187)**;
- Construction vehicles will generate noise, smells and air pollution and damage internet lines **(See para. 11.187)**;
- Construction impacts will be disturbing including drilling. If noise disrupts meetings in nearby buildings the developer should pay for neighbouring businesses to use meeting room space elsewhere **(See paras. 8.9, 11.187)**;

- Damage may be caused to power and water cables and this may disrupt nearby businesses **(See paras. 8.9, 11.187)**;
- The developer should be made to take out insurance to cover the cost of disruption to nearby businesses **(See paras. 8.9, 11.187)**;
- There is concern that deliveries will take place from inappropriate locations **(See para. 11.178)**;
- Staff in nearby businesses should have access to the affordable housing **(See para. 11.156)**;
- The street will become a truck depot, hotel guests and other deliveries will impact on traffic flow **(See para. 11.187)**;
- A traffic management plan should be required **(See para. 11.187)**;
- Hotel guests will leave litter **(See para. 11.98)**;
- Noise from occupiers of nearby student and other similar accommodation is disturbing to residents. The proposal will exacerbate the issue **(See para. 11.98)**;
- The proposal will add to congestion, and reduce available parking **(See para. 11.185)**;
- There will be reduced access for emergency vehicles **(See paras. 8.14, 11.209)**;
- The proposed building will make disabled access more difficult **(See paras. 6.8, 8.22)**;
- The overall project will impact the quality of life for the residents, many of who are elderly **(See paras. 11.70 to 11.100)**;
- There is an objection to the loss of the parking (which is affordable) **(See para. 11.1)**;
- There is an objection to the destruction of the historic basements **(See paras. 11.115 to 11.116)**;
- This application is exactly the same as the application last put forward for this site **(See paras. 6.1 – 6.9)**;
- The building would hide Shire House from sight; visitors wouldn't be able to find it **(See para. 8.29)**;
- The hotel would disgrace the spirit of the Whitbread Centre **(See para. 8.9)**;
- There is already an oversupply of gyms and hotels **(See para. 11.64)**;
- Night time businesses will generate noise and disturbance when residents are wanting to sleep **(See para. 11.98)**;
- Collection of refuse generated by the new uses will result in noise and disturbance and vermin issues **(See paras. 11.97, 11.98)**;
- There should be controls over what can be put on display in the gallery (i.e. no shocking and unnecessarily sensational art pieces) **(See para. 8.9)**;
- There are already impacts on amenity from people staying in the YMCA creating noise and disturbance, the proposal will exacerbate existing issues **(See paras. 11.97-11.98)**.

8.2 The Whitbread Centre Tenants' and Residents' Association also provided a formal submission in relation to the proposal, which in summary raised the following objections:

- This application is identical to previously refused Planning Application (dismissed at appeal). As such, Islington Council should not be entertaining this new application **(See para. 7.10)**;
- The scheme is unacceptably high density and overdevelopment of the site: **(See paras. 11.128-11.131)**;
- There is already a concentration of cafés, restaurants and drinking establishments in the local area. Further restaurant and drinking establishments (for example in the hotel) will impact negatively on amenity due to noise and disturbance (including from servicing activities) **(See paras. 11.96 to 11.99)**;
- The proposed hotel and office uses (with associated occupiers) will impact negatively on amenity due to noise and disturbance (including from servicing activities) **(See paras. 11.96 to 11.99)**;
- Office workers, residents, possibly hotel workers and guests and possibly restaurant workers and guests may congregate near existing residential dwellings to smoke and converse (resulting in adverse impacts to amenity) **(See paras. 11.96 to 11.99)**;
- There would be an over concentration of hotel and restaurant uses in the area **(See paras. 11.20 to 11.28, 11.48 to 11.52)**;
- The proposed development adversely impacts on residential amenity including

cumulative impacts by reason of noise, disturbance, overlooking, loss of privacy, outlook and overshadowing. Access to Shire house will also be blocked at ground level **(See paras. 6.9, 11.70 to 11.100)**;

- There will be reduced access for emergency services to Shire House post development **(See para. 8.14, 11.209)**;
- There will be reduced access for refuse and recycling collection from underneath Shire House. **(See para. 11.181)**;
- The scheme will result in confusion in terms of the mailing address. Shire House will no longer directly front Lamb's Passage. The address may even change **(See para. 8.29)**;
- There is no evidence of how any impacts on residential amenity will be mitigated **(See paras. 11.70 to 11.99)**;
- There is concern that the proposal of a 61-room hotel will result in over-concentration of hotels and similar uses in the area **(See paras. 11.20 to 11.21)**;
- The proposed development would adversely affect highway safety and/or the convenience of road users **(See para. 11.185)**.

8.3 In relation to the previously refused scheme, the Appeal Inspector did not consider that the impacts on residential amenity would be unacceptable. Notwithstanding this, the current scheme was revised to reduce the height of the southern block (to reduce impacts to the light received by nearby residents). In addition, new policy guidance has been adopted since the scheme was considered at appeal (i.e. in March 2015). For example, the Mayor of London's Central Activities Zone Supplementary Planning Guidance (March 2016) (the CAZ SPG) places a greater emphasis on the provision of office space in the Central Activities Zone (CAZ).

8.4 The applicant was requested to reconsider the balance of uses on site to better align with the newly adopted guidance. In response, the applicant provided revised plans and documentation on 15 June 2016.

8.5 The revisions to the scheme included reducing the height of the southern residential block and increasing provision of office space (including the provision of affordable workspace, along with workspace suitable for small and micro enterprises). Following receipt of the revised plans and details a second round of consultation was undertaken on 20 June 2016 (expiring on 14 July 2016). While the consultation period ended on 14 July 2016, it is the Council's practice to continue to consider representations made up until the date of a decision.

8.6 At the time of the writing of this report a total of 8 (3 of which were from the same respondent) responses had been received from the public with regard to the revised details, which reiterated earlier concerns:

- The revised scheme does not adequately address the key concern relating to loss of light **(See para. 11.91)**;
- More weight should be given to the 2006 planning brief for the site **(See para. 9.5)**;
- The operation of the hotel (24 hours a day) will impact on residential amenity through noise and disturbance. **(See paras. 11.98)**;
- The scheme will allow overlooking to occur, resulting in a loss of privacy **(See paras. 11.92 to 11.95)**;
- The building is too bulky and the density is excessive **(See paras. 11.104 to 11.106, 11.128-11.131)**;
- Access for emergency vehicles will be impeded **(See para. 8.14)**;
- The loss of the car park will inconvenience those who currently use it **(See para. 11.1)**;
- The proposal results in harm by blocking the outlook of existing residents **(See para. 11.94)**;
- The development will result in fumes, pollution, vibration, which will adversely impact on amenity **(See paras. 11.189 to 11.194)**.
- Construction traffic may be forced to drive over the pavement, and cause damage to fibre optic cables below the pavement, and this would lead to substantial costs to affected businesses, bollards should be installed on Lamb's Passage to prevent

construction vehicles driving on the footpath.

Planning officer comment: Compensation for any damage caused by the developer would be a Civil issue between the affected parties and could not be controlled via the Town and Country Planning Act. Conditions are recommended to control construction traffic and impacts. Condition 25 requires the Demolition and Construction Management Plan (DCMP) and Construction Logistics Plan (CLP), which includes a requirement for the developer to introduce measures to prevent construction vehicles driving onto footpaths at any time. Recommended condition 26 requires a Construction Environmental Management Plan (CEMP) to assess and mitigate the environmental impacts of the construction phase. In this case it is considered that the concern can be dealt with via the recommended planning conditions.

8.7 The Whitbread Centre Tenants' and Residents' Association also provided a formal submission in relation to the amended proposal, which in summary raised the following objections:

- The revised scheme provides less than 50% of units as affordable housing and is therefore contrary to policy **(See para. 11.151)**;
- The density of the scheme is excessive **(See paras. 11.128 to 11.131)**;
- The balance and mix of uses does not accord with the site's allocation **(See para. 11.65)**;
- The scheme will unacceptably impact on light reaching nearby dwellings **(See paras. 11.75 to 11.91)**;
- The scheme will unacceptably impact on outlook enjoyed by neighbouring occupiers **(See para. 11.94)**;
- The scheme will result in the loss of privacy enjoyed by neighbouring occupiers **(See paras. 11.92 to 11.95)**;
- The cut through to Errol Street should not be construed as open space **(See para. 11.179 to 11.180)**;
- The materials proposed are inappropriate **(See paras. 11.107 to 11.108)**;
- There are already cafes and restaurants in the area, and the proposal will cause an over concentration **(See para. 11.46)**;
- A hotel operating 24 hours a day will cause impacts on residential amenity **(See paras. 11.96 to 11.99)**;
- Noise and disturbance associated with servicing and deliveries will have unacceptable impacts on amenity **(See paras. 11.96 to 11.97, 11.187)**
- There are a number of sensitive sites near by which would be adversely impacted by the proposed restaurant/bar **(See para. 11.98)**;
- Activity associated with guests coming and going from the hotel will generate noise and disturbance **(See paras. 11.98 to 11.99)**;
- The extra noise, traffic and commotion is unacceptable **(See paras. 11.96 to 11.99, 11.187)**;
- Hotel, restaurant and office staff as well as hotel guests will smoke outside Shire House and cause disturbance **(See paras. 11.98 to 11.99)**;
- There will be a lack of access for emergency vehicles. Refuse collection will also be impeded **(See paras. 8.14, 11.209, 11.178)**;
- The delivery of mail, post and parcels will become confused as Shire House would no longer have a street presence **(See para. 8.29)**;
- The loss of parking will inconvenience existing users of the car park **(See paras. 11.1)**;
- The additional hotel represents an overconcentration of hotels in the area **(See paras. 11.31-11.33, 11.48-11.51)**;
- The cut through to Errol Street is contrary to policy **(See paras. 11.179 to 11.180)**;
The proposed development would adversely affect highway safety and/or the convenience of road users **(See para.11.185)**.

8.8 The scheme has been subject to 2 rounds of consultation, the consultation has been undertaken in accordance with statutory requirements. A meeting was held with representatives of the Whitbread Centre Tenants' and Residents' Association to make sure that objections were clearly understood. Bearing in mind that it is the Council's practice to continue to consider representations made up until the date of a decision, it is considered that sufficient time has afforded to residents to make submissions.

8.9 When a decision is made on a planning application, only certain issues are taken into account; these are often referred to as 'material planning considerations'. There are however matters which the Council is unable to take into account in the planning assessment. Examples of matters which cannot be taken into account include compensation for damage to private property or matters controlled by other non-planning legislation.

External Consultees

8.10 **Historic England** raised no objection and stated that the scheme should be determined in accordance with national and local policy guidance, and on the basis of the Council's specialist conservation advice.

8.11 **Historic England (Greater London Archaeology Advisory Service)** raised no objection to the proposal, subject to conditions and informatives.

8.12 **LAMAS – Historic Buildings and Conservation Committee:** No objection.

8.13 **Environment Agency:** No objection subject to conditions.

8.14 **London Fire and Emergency Planning Authority:** Satisfied with the proposals in relation to fire precautionary arrangements. No objection is raised.

8.15 **Metropolitan Police (Crime Prevention):** No objection. Offer the following comments:

- The increased permeability through the site increases access to the building and therefore the potential for criminals to access the site.
- The proposed use of double sets of doors makes the proposal more secure.
- Fire exits are potential entry points to the building.
- Security lighting and CCTV are required, doors and windows should meet PAS24 standards.

8.16 **Thames Water:** No objection subject to informative and conditions.

8.17 **Transport for London:** The application was referred to TfL who raised no objection subject to conditions and planning obligations to secure:

- A planning condition seeking a taxi rank for at least one cab.
- Blue badge parking is provided in accordance with London Plan (2015) standards.
- A Delivery and Service Plan and Construction and Logistics Plan and Travel Plan.
- Cycle parking in accordance with London Plan standards.

Internal Consultees

8.18 **Policy officer:** The application was referred to the Council's Policy Advisor who, in summary, provided the following advice:

There is a need to provide for a significant amount of additional office floorspace over the next 20 years, particularly in the part of the borough that the site is situated within. A key consideration in this case is whether the mix and balance of uses and if the business floorspace element can be considered to have been maximised.

The recently adopted mayoral SPGs (CAZ and CFOAPF) are relevant to the determination of planning applications. There is a clear emphasis on business floorspace on this site – through the site allocation, the site's location within an employment priority area as well as being within a Commercial Core Area within the CFOAPF.

Whilst the Finsbury Local Plan Inspector's Report allowing some flexibility for other uses, the emphasis is on delivery of business (employment uses) as well as residential uses. Whilst the modification to the site allocation introduces flexibility to include hotel use this should not undermine the emphasis on priority uses.

The site's location within the Employment Priority Area (in the Finsbury Local Plan) and Core Commercial Area (within the CFOAPF), its high levels of public accessible, its location bordering the City and high demand for business floorspace all strongly emphasise the suitability of business uses in this location.

The amended proposal does provide for an increase of office floorspace over that originally submitted, taking the office element to around 20% of the overall scheme. Whilst this is an improvement, the business element would still be subservient to both to the residential and hotel elements. The applicant refers to some scenario testing around the amount of hotel floorspace needed to increase office or residential floorspace, they suggest that they are delivering the maximum viable amount of employment/commercial floorspace and that the amount of hotel space now proposed is necessary for the viability of the scheme. No evidence to support the statement has been submitted.

Design of the business floorspace

Some concerns are raised over the viability of the business floorspace at basement level, for example – the lack of natural light and desirability of the space. A letter has been submitted from a prospective company interested in taking on the space, the letter suggests that the levels of light are unlikely to be an issue. It is not clear if the SME space will have any natural light.

Affordable/SME Workspace

Two separate units are provided at ground floor level (96m² and 134m²). These spaces are relatively small in size and could be considered "grow-on" spaces to support growing businesses.

334m² of affordable workspace is identified at lower basement level. Consistent with policy DM5.4 the affordable workspace provider should be approved by the council. In line with council's affordable workspace guidance the head lease should be secured by the council. The details of this should be set out in a legal agreement.

It is suggested that workspace for SMEs will also be secured at lower basement level. Conditions and/or planning obligations would be required to secure the affordable and SME space (to prevent the space being used as larger floorplate office accommodation). The way in which workspaces are managed is of critical importance for SMEs. Some management companies specifically promote and work with SMEs. Further information should be provided about how the space will be specifically secured for and used for SME provision – this could include lease terms, management arrangements and target sectors.

If the full amount of lower basement space (circa 1,100m²) proposed can be demonstrated to be genuinely suitable for and secured for SME provision, then combined with the affordable workspace this would represent a benefit to the scheme.

Housing

An initial revised affordable housing offer is for 15 units (11 social rented and 4 intermediate), with 20 private units provided was proposed, representing an affordable housing offer of 43% by number of units. This results in a tenure split of 73% social 27% intermediate.

Although this does not accord with the affordable housing tenure split of 70% social rented and 30% intermediate set out in CS12G, due to the pressing need for social rented accommodation in the borough, the acknowledged difficulties with delivering affordable intermediate products within high value locations, and that the scheme is being delivered by a registered provider of social housing the tenure split is considered acceptable in this

instance. All of the affordable units are 1 and 2 beds. This is contrary to unit size mix in Development Management Policies.

Hotel

A hotel market and viability study has been submitted with the revised application. This sets out why the site is considered appropriate for hotel provision as well as hotel market analysis, supply and demand. Consistent with Islington's evidence the applicants study highlights a high level of visitor accommodation provision within 500m of the site (2,780 bedrooms). It also highlights a significant number of hotels in the pipeline, including a number of grade 3-4 hotels. It is not apparent that there is lack of supply of 4 star hotels.

Within the updated planning statement the applicant has attempted to set out how the proposal responds to DM4.11, part C. The policy seeks to prevent hotels where they would adversely impact on amenity, as well as consideration of the impacts of the design it will also be important to consider the management and operation of the hotel (to prevent amenity impacts).

8.19 **Housing officer:**

The need is for 2 x bed 4-person units and the scheme would not deliver these. Rather 1 x bed and 2 x bed 3-person units are proposed. There are affordability issues with the intermediate housing in central London and as such a higher proportion of social rented housing would be preferable.

8.20 **S106 and Development Viability Officer:**

BPS have updated their report and it is clear that Scenario 3 is providing the maximum amount of affordable housing that is viable for the scheme. There is a surplus of £23,000 which will be secured in the S106 toward Carbon Offsetting. I understand the applicant has provided the statutory declarations and have also agreed to the review mechanism outlined in the Development Viability SPD. This means there will be an opportunity for additional financial contributions or to secure additional affordable housing should the revenue and costs change. In light of the above, I have no further comments to make.

8.21 **Infrastructure and S106 Officer:**

There is no objection to the proposed affordable workspace, which should be secured in the S106 legal agreement.

8.22 **Access Officer:**

No objection to the proposal. Acceptable accessibility levels are proposed for both private and affordable housing blocks and acceptable lift access and level thresholds to the proposed hotel and restaurant area are provided.

8.23 **Conservation and Design Officer:**

The proposals are near identical with regard to the effect on the special architectural or historic interest as those proposed under application the previous applications considered at appeal in 2015 (ref: P/2013/3257/FUL and P/2013/3297/LBC). No objections were previously raised subject to conditions. Again, there are no objections to the current proposals, subject to conditions.

8.24 **Energy Conservation Officer:**

I have now reviewed the revised energy statement, and I am satisfied with what is proposed. I note that this represents a slight (0.5%) improvement on the emissions reduction performance, compared to the previous iteration. Although the 38.1% reduction achieved falls marginally short of our 39% target, I consider that the applicant has made all reasonable endeavours to approach this target – so would not request any further changes or improvement. A condition should be imposed to ensure the commercial elements of the scheme accord with BREEAM standards and energy reduction is achieved. The latest energy statement given final emissions of 424.4 tCO₂, so x £920, comes to a final offset figure of £390,448.

PLANNING OFFICER COMMENT: The applicant has submitted a financial appraisal which shows that the scheme could not afford all the required planning obligations and remain viable. The same situation occurred with the appeal scheme, where it became necessary to reduce the carbon offset contribution (from £372,508 to £52,860) in order for the scheme to remain viable. Due to the pressing need for social rented accommodation in the borough, Officers sought to increase the provision of social rented accommodation by reducing the carbon offset contribution from £390,448 to £75,876.

8.25 **Tree Officer:** No objection.

8.26 **Public Protection Division:**

The site is in an area of poor air quality and NO₂ concentrations at the development are predicted to exceed the annual mean objective. Mitigation will be required at the development to enable ventilation, NO₂ filtration and a clean air supply for the new receptors. This should be secured by condition.

Regard shall be had to the guidance from the Association of London Government “Air quality assessment for planning applications – Technical Guidance Note” and EP-UK & IAQM’s “Planning For Air Quality” in the compilation of the report.

As set out in the noise assessment, the site is in close proximity to the Waitrose Cherry Tree Walk store. There have been complaints about building services plant at the shop and deliveries. There are no planning restrictions on the delivery hours of Waitrose and as such conditions should be imposed to secure a scheme for sound insulation and noise control measures.

8.27 **Spatial Planning and Transport (Transport Officer):** No objection in principle.

The scheme is identical (from a highway perspective) to the previous scheme (P2013/3257/FUL). As the Local Highway Authority, the Council requires the redundant crossover to be removed from Errol Street.

Greater detailed design would be required for the servicing and road layout change on Lambs Passage, and legal agreements (under S38 and S278 of the Highways Act (1980) will be required and must be secured via planning obligations.

In addition, unimpeded public access to the footway and public realm within the site must be secured by planning obligation.

8.28 **Sustainability Officer:** No objection subject to conditions

8.29 **Street Naming and Numbering:**

The present powers which control street naming and numbering matters in the Greater London Area derive from Part II of the London Building Acts (Amendment) Act 1939, which was subsequently amended by Section 43(1) of the London Government Act 1963.

If approved, the new development would be given a separate address (there will be no duplication with existing addresses). Royal Mail would be likely to allocate a separate post code; this would prevent any confusion with mail.

9. **RELEVANT POLICIES**

Details of all relevant policies and guidance notes are attached in Appendix 2. This report considers the proposal against the following development plan documents.

National Guidance

9.1 The National Planning Policy Framework 2012 seeks to secure positive growth in a way that effectively balances economic, environmental and social progress for this and future generations. The NPPF is a material consideration and has been taken into account as part of the assessment of these proposals. Since March 2014 planning practice guidance for England has been published online.

9.2 Under the Ministerial Statement of 18 December 2014, the government seeks to increase the weight given to SuDS being delivered in favour of traditional drainage solutions. Further guidance from the DCLG has confirmed that LPA's will be required (as a statutory requirement) to consult the Lead Local Flood Authority (LLFA) on applicable planning applications (major schemes).

9.3 On 1 October 2015 a new National Standard for Housing Design was introduced, as an enhancement of Part M of the Building Regulations, which will be enforced by Building Control or an Approved Inspector. This was brought in via

- Written Ministerial Statement issued 25th March 2015
- Deregulation Bill (amendments to Building Act 1984) – to enable 'optional requirements'
- Deregulation Bill received Royal Assent 26th March 2015

Development Plan

9.4 The Development Plan is comprised of the London Plan 2015, Islington Core Strategy 2011, Development Management Policies 2013, Finsbury Local Plan 2013 and Site Allocations 2013. The policies of the Development Plan are considered relevant to this application and are listed at Appendix 2 to this report.

Lamb's Passage Planning Brief 2006 and Site Allocation BC31 & BC32

9.5 The Lamb's Passage Planning Brief was adopted in February 2006. The council has however issued a specific site allocation detailing the key parameters and objectives for any redevelopment of the site as part of Islington's Development Plan contained within the Finsbury Local Plan 2013. Site allocation BC31 & BC32 identifies the application site as suitable for redevelopment to provide a mixed use development including small scale business uses and residential uses, alongside open space provision.

9.6 The justification for the allocation reflects the fact that the site is an accessible site close to the boundary of the City of London, with the opportunity to improve the frontage to Lamb's Passage, support the retail offer of the area and increased access to small-scale business floorspace in this important location within the CAZ. The allocation notes proposals should respect and, if possible, make use of the (Grade II listed) underground vaults beneath the site.

9.7 Before the site allocation could be adopted, there was a requirement for the wording of the allocation to be tested in an Examination in Public (EIP). In the report (dated 30 April 2013) by the Planning Inspectorate following the EIP, it notes that the Council proposed to:

“broaden the range of uses by referring to development “including”, rather than “comprising”, employment and residential use. Whilst it is argued that the change should go further and include hotel use as a priority, this is not necessary.

The proposed modification introduces sufficient flexibility for redevelopment to include hotel and other uses”

9.8 The wording of the site allocation (BC31 in the Finsbury Local Plan (30 April 2013)), was changed to reflect the Inspectors comments (i.e. to introduce sufficient flexibility for redevelopment at the site to include a hotel). The rationale for allowing a hotel was the recognition that there would be a need to introduce a use which would generate sufficient value to cover the costs associated with of refurbishment and preservation of the historic vaults beneath the site. At the EIP the Inspector considered that a hotel use, with associated restaurant in the basement space, could viably cover this cost.

Designations

- 9.9 The site has the following designations under the London Plan 2011, Islington Core Strategy 2011, Development Management Policies 2013, Finsbury Local Plan 2013.

Islington Local Plan

CS7: Bunhill and Clerkenwell Key Area
Site Allocation BC31 & BC32
Within Employment Priority Area (General)
Local Plan Policy BC8
Lamb's Passage Development Brief 2006

London Plan

Central Activities Zone
Archaeological Priority Area
City Fringe Opportunity Area Finsbury

Supplementary Planning Guidance (SPG) / Document (SPD)

- 9.10 The SPGs and/or SPDs which are considered relevant are listed in Appendix 2.

10. ENVIRONMENTAL IMPACT ASSESSMENT

- 10.1 EIA screening/scoping is not required. The proposal is not considered to fall within the regulations requiring an EIA.

11. ASSESSMENT

The main issues arising from this proposal relate to:

- Land use
- Achieving a balanced mix of uses and affordable business floor space
- Quality of proposed office space
- Neighbour Amenity
- Design, Conservation and Heritage Considerations (including Archaeology)
- Accessibility
- Landscaping and Trees
- Quality of Resulting Residential Accommodation
- Affordable Housing and Financial Viability
- Sustainability Energy Efficiency and Renewable Energy
- Highways and Transportation
- Air Quality and Contamination
- Basement
- Planning Obligations, Community Infrastructure Levy and local finance considerations

Land-use

- 11.1 The principle of the development (including the loss of the car park and introduction of 61 bedroom hotel, residential units in two distinct blocks, a gym, B1(a) office space, a gallery (retail use), and a proposed restaurant use within the existing vaults of the site) was examined as part of the previously refused scheme (ref: P2013/3257/FUL). Following assessment of the proposal itself and adopted policy it was considered that both the loss of the car park and introduction of the proposed uses would be acceptable in principle.
- 11.2 The National Government's Planning Practice Guidance is clear that similar cases should be determined in a consistent manner. In this context, unless here has been a change in circumstances, since the previously refused scheme was considered at appeal, then the same conclusion would be reached (i.e. that the loss of the car park and introduction of the proposed uses would be acceptable in principle).
- 11.3 In this case, there have been changes in policy guidance, namely the adoption of the City Fringe Opportunity Area Framework (CFOAPF) in December 2015 and the CAZ SPG in March 2016.

- 11.4 The City Fringe Opportunity Area is defined in the London Plan (2015) as being approximately 901 hectares of land covering parts of the London boroughs of Islington, Tower Hamlets and Hackney. The application site is identified as being a key site within the City Fringe Opportunity Area.
- 11.5 The CFOAPF notes that the City Fringe has a significant role in addressing London's housing need, and as such a key aim of the CFOAPF is to achieve a balanced, spatially nuanced approach to determining planning applications. One that allows for the residential development needed without compromising the opportunity for economic growth. The CFOAPF is clear that residential development should not be at the expense of the employment land and the commercial floorspace the City Fringe needs to support growth.
- 11.6 The CAZ SPG provides guidance on the implementation of policies in the London Plan (2015) related to London's Central Activities Zone (CAZ). As Supplementary Planning Guidance, the CAZ SPG does not set new policy, but rather explains how policies in the London Plan should be carried through into action. It is not a manual prescribing a universal format for development in the CAZ, but rather aims to give local authorities matters to consider in determining planning applications.
- 11.7 Neither the CFOAPF nor the CAZ SPG form part of the development plan, however they are material planning considerations when determining the current planning application. Set out below is an assessment of the current proposal, taking account of the guidance set out in the CFOAPF and CAZ SPG.
- Residential**
- 11.8 The National Planning Policy Framework (the NPPF) (at paragraph 47) challenges Local Planning Authorities to boost significantly the supply of housing, and further notes (at paragraph 49) that housing applications should be considered in the context of the presumption in favour of sustainable development.
- 11.9 London Plan (2015) Policy 3.4 relates to housing and seeks to optimise housing provision in areas of high Public Transport Accessibility Levels (PTAL) such as the application site. London Plan Policy 4.3 deals with mixed use development and offices and notes that within the CAZ increases in office space (above a locally set threshold) should provide a mix of uses including housing.
- 11.10 Relevant Local Plan policies include Policy CS12 of the Islington Core Strategy (2011) which encourages the provision of new housing of good quality to meet identified and pressing housing needs, particularly affordability and inclusivity needs. The application is considered consistent with Policy CS12. Policy CS7 relates to Bunhill and Clerkenwell and notes that a wide range of dwelling types will be encouraged in the area to cater for increased demand.
- 11.11 Finsbury Local Plan (2013) Policy BC8 (part D) links with London Plan policy 4.3 and requires that where a proposal would result in a net increase of office floorspace, the scheme should provide at least 20% of the total net increase in office floor space as housing. With an uplift in office space of 1,954sqm, the proposed 3,508sqm of residential floor space more than meets this requirement.
- 11.12 Reference is also made to the sites allocation (BC31 within the Finsbury Local Plan 2013) which notes that this site is allocated to provide a mix of uses, including residential dwellings.
- 11.13 In the Inspectors decision relating to the appeal against the previously refused scheme, the Secretary of State considered the provision of housing as part of the scheme on this site as being an important planning benefit. The appeal decision is an important material consideration in relation to assessment of the current application.
- 11.14 However the CAZ SPG and CFOAPF note that the supply of sufficient office floor space, in terms of type, size and cost within the CAZ to meet growing demand are central to London's economic success. Within the CAZ, differentials in office and residential values have led to concern over the loss of office space to housing.

- 11.15 The CAZ SPG notes that in some locations (including the application site) greater weight should be given (in determining planning applications) to the promotion and enhancement of the strategic functions of the CAZ (which are identified in the CAZ SPG as including office, leisure and hotel development) as compared to residential dwellings.
- 11.16 The priority attached to strategic CAZ uses (set out in the CAZ SPG) relative to residential accommodation does not mean that housing should be prohibited at the application site. A mix of housing provision, together with other CAZ strategic uses and activities will be essential, not only to maintain the mixed use character of the CAZ, but also to address housing need and contribute towards meeting borough housing targets. The CAZ SPG simply seeks to ensure, where possible, that the balance of uses within mixed use development is weighted in favour of CAZ strategic functions (and not housing).
- 11.17 While the need to ensure the strategic functions of the CAZ are promoted is recognised, in this case, there is both a planning history (including an appeal decision) and site specific policies (including the site allocation BC31) which are clear that residential development is appropriate at this site. Reference is made to the weight given to the CAZ SPG, which (as guidance) does not form part of the development plan and carries less weight than the site allocation BC31.
- 11.18 The introduction of a residential use to the application site would not involve a loss of any existing employment space and would assist with meeting housing (including affordable housing) need. Given the unique background (including the appeal) and Development Plan policy context relating to the application site, there is no objection in principle to the proposed dwellings.

Hotel

- 11.19 London Plan (2015) policy 4.5 relates to London's visitor infrastructure and notes that within the CAZ smaller scale hotels (i.e. less than 20,000sqm) should be located in CAZ fringe locations (such as the application site). The policy also makes it clear that additional hotels should not be allowed in areas where there is an over concentration.
- 11.20 Objections have been received from neighbours which raise concern about an over concentration of hotels in the area. To understand if the concern was valid the applicant was requested to examine the demand for and supply of hotels. In response a market and viability study was undertaken which examined the site's suitability for hotel use, its accessibility and location in relation to potential demand generators, both corporate and leisure.
- 11.21 The study identified that at this location there is pent up demand for a hotel providing accommodation for people visiting/working in businesses within the Islington and City of London. Additionally the site is well connected and centrally located, and would be popular with tourists/leisure visitors. The application submission includes the following note:

The proposed Hotel Indigo at Lamb's Passage to be well-positioned within the market. This is due to its strong location within proximity to key transportation links and commercial developments taking place, boutique product offer, market positioning and affiliation to the IHG reservation and marketing networks and system. The proposed hotel is located adjacent to some of London's most renowned event venues, The Brewery and Barbican Centre, which attract a large number of events throughout the year and are a source of significant accommodation demand for local hotels.

The proposed scheme is neither a budget brand nor a large hotel and therefore will provide additional rooms to a market segment that is arguably undersupplied. Our analysis of the existing and potential future hotels facilities in the area demonstrates that there is need for more 3 and 4 star hotels particularly in the boutique arena.

Whilst the number of potential or extant hotel schemes may appear significant, hotel use will always compete against other potentially more lucrative uses. Therefore the viability of schemes and the returns that developers are seeking will inevitably influence the number of hotel projects that actually commence.

Despite growing demand for quality accommodation (as opposed to budget accommodation), particularly during the midweek period, the Barbican area remains relatively under-supplied, presenting a clear opportunity for the proposed hotel to establish itself successfully in the Barbican hotel market.

- 11.22 There would be a synergy with the restaurant and overall the assessment indicates the proposed hotel would be in demand and be viable. Islington's Core Strategy (2011) Policy CS7 relates to development proposals in Bunhill Ward and notes that tourism related development, including hotels are encouraged.
- 11.23 Policy CS14 directs hotels (as a Town Centre use) to be located within town centres. While the site is not within a town centre, it adjoins a designated Local Shopping Area, and it is reasonable to assume that there would be some hotel guests spending in the nearby local shopping area (assisting with the viability of the Local Shopping Area). Additionally, the hotel use is not one which would have a competitive relationship with nearby retailers or cause any harm to the viability or vitality of the boroughs Town Centres.
- 11.24 Islington's Development Management Policies (2013) policy DM4.11 notes that hotels are acceptable on sites within the CAZ that are also within the designated City Fringe Opportunity Area (the application site meets these requirements). The Finsbury Local Plan (2013) Policy BC8 (H) also notes that visitor accommodation may be appropriate within the City Fringe Opportunity Area (again the application site meets these locational requirements).
- 11.25 Reference is again made to the sites allocation (BC31 within the Finsbury Local Plan 2013). In the report (dated 30 April 2013) by the Planning Inspectorate following the EIP relating to the wording of the site allocation, it notes that the Council proposed to:
- "broaden the range of uses by referring to development "including", rather than "comprising", employment and residential use. Whilst it is argued that the change should go further and include hotel use as a priority, this is not necessary.*
- The proposed modification introduces sufficient flexibility for redevelopment to include hotel and other uses"*
- 11.26 Taking account of the Inspectors comments and the final wording of the adopted site allocation, it is clear that provision of a hotel on site is consistent with the sites allocation (BC31) within the Finsbury Local Plan (June 2013). The site allocation also notes that there are vaults under the southern part of the site, and that any development will require a complete and proper survey. Proposals should respect and, if possible make use of the vaults. The hotel and associated restaurant space facilitate the refurbishment and reuse of the historic vaults in a sensitive way that would not be possible for other uses due to the inherent physical constraints of the vaults.
- 11.27 There is both the regional and local planning policy support (in principle) for the provision of a hotel on the application site. Additionally, no objection was raised in principle to the proposed hotel in the previous scheme (which was considered at appeal).
- 11.28 The CAZ SPG does not undermine the Development Plan Policy. It identifies hotels as being a CAZ strategic function, and highlights that on the application site greater weight should be given (in determining planning applications) to the promotion and enhancement of the strategic functions of the CAZ over residential development. Given the wording of adopted site allocation, as well the need to protect and enhance the heritage asset (i.e. the underground vaults), no objection is raised.

Office

- 11.29 The development of office space on site is consistent with Development Plan policy, including London Plan (2015) policies 2.10 (CAZ Strategic Priorities), 2.11 (CAZ Strategic Functions), 4.1 (Development London's Economy), 4.2 (Offices). At the local level, provision of office space as part of any redevelopment at the site is also consistent with the Council's

Core Strategy (2011), the Development Management Plan Policies (2013) and the Finsbury Local Plan (2013) including the sites allocation (BC31).

- 11.30 No objection was raised in principle to the provision of office space in the previously refused scheme. The CAZ SPG notes that office space and other CAZ Strategic Functions are preferred at the application site. There is no objection in principle to the provision of office space on site.

Restaurant

- 11.31 Concerns have been raised in relation to the proposed restaurant (and associated bar), due to the potential impacts on residential amenity and other sensitive receptors that may arise from noise and disturbance caused by patrons of the restaurant facility.
- 11.32 The location (below ground) and size of the proposed restaurant is determined by the fact that it would occupy the currently disused historic underground vaults. It is considered that the underground location of the restaurant would limit noise break out, as would the location of entrance doors away from the nearest residential dwellings. These factors would minimise potential noise disturbance to nearby sensitive receptors (such as residential neighbours).
- 11.33 Site allocation BC31 seeks to bring the vaults back into use while not undermining the architectural integrity of these features. The existing vaults (Grade II listed) are not well used and are not open to the public. The vaults are in need of significant refurbishment and repair. The proposed restaurant use offers minimal alterations to facilitate the refurbishment, and opening up of these vaults to the public (consistent with Site allocation BC31). The proposed restaurant would secure the ongoing preservation of the heritage asset and compliment the hotel, office and residential uses. The restaurant space would not displace any existing business floor space, and given the need to protect and restore the heritage asset, no objection is raised in principle to the provision of a restaurant.

Retail

- 11.34 A small retail component (80sqm) is proposed at ground level. Finsbury Local Plan (June 2013) Policy BC8 notes that within the Employment Priority Area (General) employment space should be accompanied by a mix of uses, including retail space.
- 11.35 The small size of the retail space (80sqm) is such that it would not be expected to cause harm to existing town centres (through trade diversion). It is also important to note that the sites allocation (BC31) within the Finsbury Local Plan (June 2013) notes that the site has the potential to support the retail offer in the area.
- 11.36 No objection was raised in principle to the provision of retail space in the previously refused scheme (nor was any objection raised to retail space by the Planning Inspector during the appeal). The CAZ SPG notes that retailing is a CAZ Strategic Functions, and as such is a use which is suitable (in principle) at the site.

Gym

- 11.37 The proposed gym space would be located below ground, acting as ancillary (complimentary) facilities to the residential use. No objection was raised in principle to the provision of gym space in the previously refused scheme. Given the small size and below ground location, no objection is raised in principle to the proposed gym space.

Achieving a balanced mix of uses and affordable business floor space

- 11.38 No objection has previously been raised to the mix and balance of uses proposed at the site. However, since the previous scheme was considered at appeal (in March 2015), new policy guidance has been adopted (i.e. the CAZ SPG and CFOAPF) and additional evidence has arisen (i.e. the Islington Employment Land Study) which is relevant to the consideration of planning applications at the site.
- 11.39 The CAZ is an internationally and nationally significant office location and protecting and promoting its strategic functions is highly important. The newly adopted guidance (i.e. CAZ SPG, the CFOAPF) and evidence from the Employment Land Study highlight increasing demand for employment space in the face of reducing supply (mainly as a result of permitted

development rights which allow (outside the CAZ) for the conversion of office space to residential space). The differentials in office and residential values have led to concern over the loss of office space to housing.

11.40 Given the need to accommodate projected growth in employment and ensure the CAZ remains globally competitive, the CAZ SPG suggests that Development Plan policy should be implemented in ways that promote and incentivise office and other CAZ strategic functions compared to residential development.

11.41 It is therefore appropriate to consider the acceptability of the balance and mix of proposed uses in light of the introduction of the CAZ SPG, the CFOAPF and more recently through the publication of the London Borough of Islington's Council Employment Land Study.

11.42 The table below highlights the mix and balance of uses proposed at the site.

Use	GIA (m ²)	(%)
Residential	3,508	35%
Restaurant	1,536	15%
Hotel	2,759	27%
Offices	1,954	19%
Gym	263	3%
Retail	80	1%

Table 4. Proposed mix and balance of uses

Residential space 35%

11.43 Finsbury Local Plan (2013) Policy BC8 requires that residential floor space should equate to at least 20% of the total proposed floor space (in order to ensure that the development is genuinely mixed use). As the table above shows, the application proposes 35 residential units, representing 3,508sqm of space and approximately 35% of the total development floor area (in accordance with Policy BC8).

11.44 The application site is identified in the CAZ SPG as a location where CAZ strategic functions should be given greater weight relative to new residential dwellings. The application proposes hotel, office and gym space equating to approximately 4,976sqm (49% of the total development floor area). These uses are identified in the CAZ SPG as being CAZ Strategic Functions (appropriate for the application site), and it is considered that the balance of uses proposed is weighted in favour of CAZ strategic functions. There is therefore no objection to the proportion of the development proposed as residential space.

Restaurant space 15%

11.45 The site circumstances are unique involving large areas of basement space which is of historical significance (Grade II listed). The restaurant space (1,536sqm) would be located below ground within the historic vaults. As has previously been highlighted, the vaults are not used, are not open to the public, they are also in a dilapidated state, and are in need of significant refurbishment and repair. The proposed restaurant use offers minimal alterations to facilitate the refurbishment, and opening up of these vaults to the public (consistent with Site allocation BC31).

11.46 The historic vaults have no natural light, curved ceilings, and are arranged in long tunnel like sections which limits the range of potential occupiers of these spaces. There is also a synergy between the hotel use and the restaurant space which assists in the viability of the restaurant, which in turn helps to offset the costs associated with the repair and refurbishment, and ongoing maintenance of the heritage asset. The underground nature of the restaurant means it will not have a street presence, and while there are restaurants nearby, there are none on Lambs Passage. It is not considered that the scheme will result in an overconcentration of restaurants.

11.47 Development Management Policies (2013) policy DM2.3 notes that Islington's historic environment is irreplaceable, and that they are to be conserved and enhanced, with appropriate repair and reuse encouraged. The proposed restaurant is considered in keeping with this policy aim. In this case, the below ground nature of the vaults, along with the historic listing are unique circumstances which are considered to justify the proportion of restaurant space proposed.

Hotel space 27%

11.48 In terms of the proportion of space that would be developed as hotel space (2,579sqm or 27%), it is noted that the CAZ SPG identifies hotels as a CAZ strategic function (which are promoted at the site over residential development). As an SPG, the document does not set new policy, but rather explains how policies in the London Plan should be carried through into action. The SPG does not form part of the development plan but has weight as a formal supplement to the London Plan (2015). The CAZ SPG notes that when considering potential impacts of new hotel development on the balance of local land uses, boroughs should consider whether additional hotel provision would:

- negatively impact the availability of local employment and commercial floorspace in the area (taking into account demand and viability);
- constrain the ability to meet conventional housing needs in a neighbourhood; or
- erode the mixed use / residential character of an area.

11.49 The Council's Policy Officer provided the following comment:

"There is a clear emphasis on business floorspace on this site – through the site allocation, the sites location within an employment priority area as well as being within a Commercial Core Area within the CFOAPF. There is therefore a clear policy and evidential basis for prioritising and maximising business floorspace in this location and on this site."

11.50 It is noted that the hotel would be built over a carpark and as such it would not displace any existing employment or commercial floorspace, nor would redevelopment of the car park constrain the ability to meet conventional housing needs. The area accommodates a mix of uses, and the proposed hotel would be a part of a mixed use development, and is not considered to erode the character of the area. The applicant's submission includes the following note:

Residential and small scale business uses are priority uses for the Site, however the Council and the Inspector agreed at the Finsbury Local Plan Inquiry that the hotel use (another CAZ function) could also form part of the mixed use scheme. The Proposed Development will deliver the main priority uses of residential, small scale business use and a hotel use. The mix of uses was also not considered an issue by the Inspector in the appeal decision for the site. This is a material consideration which cannot be ignored.

The heritage and townscape aspirations of the site allocation must also be delivered - to make use of the [listed] vaults and uses that support the retail offer of the area. These aspirations will require a use (or uses) that will enable them to be delivered. The proposed ground floor gallery space, office space and hotel frontage will not only create active frontage, the restaurant and office spaces will bring the listed vaults back into use and open them up to the public to appreciate. The hotel secures the delivery of the site allocation objectives and other benefits: Paying the cost of bringing the vaults back into use as a restaurant;

- *Providing a "footfall / income" to maintain a viable restaurant business and to ensure that the listed vaults remain in public use;*
- *Paying for the refurbishment of the vaults to be used as SME office floorspace;*
- *Paying for the provision of A-grade affordable office floorspace to be rented out at a peppercorn rent value for no less than 20 years; and*
- *Ensuring that the ground level open space is maintained and managed.*

If the hotel can't be delivered then the basement level restaurant and office floorspace cannot be delivered due to a lack of 'enabling finance' and footfall to maintain a viable restaurant business, which in turn means that the site allocation objectives cannot be delivered.

Furthermore, the hotel will:

- Not negatively impact the availability of local employment and commercial floorspace in the area on the basis that the Site is not currently occupied for local employment commercial purposes and will not therefore result in a net loss of existing employment/ commercial floorspace. The Site is not located in a primary office location. It is located within a mixed use area surrounded by residential, office, education, religious and retail and conference uses. Proposed Development will deliver the maximum viable amount of local employment and commercial floorspace in this mixed use location, which should be considered by the Council as a significant benefit;*
- Not constrain the ability of the Council to meet conventional housing needs in a neighbourhood on the basis that the Proposed Development will include 35 homes (including 15 affordable homes). This is a significant benefit of the proposal. It must also be noted that Site Allocation BC31 for the Site expects a mixed use development which means that other non-residential uses are expected to be delivered on the Site and the out of date Planning Brief for the Site assumed that approximately 18 homes would be delivered on the Site. As demonstrated above, the balance of uses proposed are appropriate for this mixed use location and the provision of more homes on this Site than expected should be considered by the Council as a significant benefit;*
- Not erode the mixed use / residential character of the area on the basis that the character of the area is mixed use in nature. If anything the mixed use nature of the scheme (comprising residential, offices, SME / affordable workspace, hotel, gallery and restaurant / bar uses) enhance the mixed use nature of the local area and should be considered as a benefit.*

11.51 It is acknowledged that there would be a synergy between the hotel and restaurant space, and that the restaurant space which would facilitate the refurbishment and long terms retention of the historically listed vaults beneath the site. The applicant has advised that the size of the hotel is related to its viability, inferring a smaller hotel would be unviable, in turn undermining the viability of the restaurant (and its benefits in refurbishing the heritage asset). No evidence has been provided to show a smaller hotel would not be viable, and little weight is therefore afforded to this argument.

11.52 No objection was raised by the Planning Inspector during the appeal against the previously refused scheme (ref: P2013/3257/FUL) to the proportion of total development floor space that would be in hotel use. It is noted that the size of the hotel has been reduced in the current scheme. The provision of hotel space in the CAZ does not conflict with newly adopted policy guidance or the planning appeal history and there is no objection to the proportion of the overall development which would be in hotel use.

Office space 19%

11.53 Finsbury Local Plan (June 2013) Policy BC8 is clear that proposals should incorporate the maximum amount of business floor space reasonably possible on the site. Appendix 1 of the Finsbury Local Plan (June 2013) defines business floorspace as activities or uses that fall within the B-use class (i.e. offices, manufacturing, or industrial/warehousing).

11.54 The application proposes 1,954sqm of office space (19%) and to understand if this level of provision represents the maximum amount of business floor space reasonably possible it is important to acknowledge that the Development Plan policy requires a mix of uses on site (not just office space). The site allocation seeks the provision of housing, additionally the wording of the site allocation was specifically drafted in order that a hotel could be provided,

with specific recognition that an associated restaurant space could facilitate the refurbishment and reuse of the historic vaults beneath the site.

- 11.55 No objection was previously raised to the amount of office space proposed in the scheme considered at appeal scheme, which at 1,421sqm (or 13% of the total space) was less than is currently proposed (1,954sqm or 19%). Finsbury Local Plan (June 2013) Policy BC8 was in place at the time of the appeal (i.e. the scheme was considered consistent with policy BC8 at the time of the appeal in March 2015). The current scheme includes over 500sqm of additional office space when compared to the appeal scheme, and therefore better aligns with the adopted Development Plan policies and the CAZ SPG than the previous scheme. In view of the planning history and the fact that the current scheme would provide a greater amount of office space (compared to the appeal scheme), no objection is raised.

Small, micro and or affordable workspace

- 11.56 Islington's Core Strategy policy CS13 requires development to provide either a proportion of small micro and or affordable workspace. The requirement is echoed in Islington's Development Management Policies (2013) policy DM5.4 which requires major development proposals for employment workspace to incorporate an appropriate amount of affordable workspace or space suitable for small or micro enterprises. Finsbury Local Plan (2013) Policy BC8 also requires provision of affordable workspace.
- 11.57 In terms of the proportion or amount of affordable workspace which should be provided, the supporting text to policy DM5.4 notes that 5% of proposed employment workspace should be either affordable or suitable for small or micro enterprises. The application would include 334sqm of affordable workspace (representing 17% of the proposed workspace). In addition there would be over 1,100sqm of space suitable for small or micro enterprises. The provision of this space accords with policy DM5.4 and is pivotal to the overall acceptability of the scheme, and would need to be secured via a planning obligation on any permission granted.
- 11.58 The proposals were examined by the Council's Infrastructure and S106 officer, who undertook a visit to the site to see the basement spaces and, following confirmation that the applicant would enter into a legal agreement to secure the affordable workspace, raised no objection to the proposals.
- 11.59 The application is accompanied by an 'Office Floor space Information Document', which sets out how the proposed affordable workspace and space suitable for small and micro enterprises in the basement levels would be managed and fitted out in order to secure tenants. The proposal to fit the office space out would mean the affordable and SME space is immediately available for the use of future office occupiers. The fit out of the space is considered important to the success of the below ground office space and would need to be secured via a planning obligation on any permission granted.
- 11.60 The workspace proposals were referred to the Council's Strategy and Community Partnerships advisor who has endorsed the proposals for affordable workspace and space suitable for small and micro enterprises. The council will take the head-lease and simultaneously under-lease it to a workspace provider from the Council's approved provider list and after a competitive bidding process. The applicant has explicitly agreed to these terms, and provided the following further advice:

"A security officer will be located at reception level within the office core whom will also be the key point of contact for the office management company.

The affordable workspace will be legally safeguarded to be sub-leased for a period of no less than 20 years at a peppercorn rent levels (the rental level is to be agreed with the Council).

A lightwell has been introduced from the ground down through the upper and lower basement areas to allow natural light to flood down into the space. Lighting can be designed to provide a high level of general and task lighting through the basement. The commercial

spaces will all have a direct link into the bar / lounge / restaurant space to create a 'hub' like setting.

When this bar provision is combined with the unique vaulted character of the basement floor space, its large floor to ceiling height, its flexible open plan nature, its low rental value and the location of the space in close proximity to public transport in the City Fringe, this floor space will create a vibrant "hub" for new start-up and co-working businesses.

Access will be provided via the lift / stair core or via the feature staircase located at the entrances to the ground floor office unit and affordable work space."

The day to day responsibility for managing and supervising access to the office floorspace by staff and visitors rests with the security officer located within the reception area at ground level. These responsibilities include ensuring that anti-social behaviour does not occur in the landscaped area located between the ground floor offices and the entrance to Shire House. For example, persons that wish to take telephone calls and smoke in this area will be asked to move away from this "designated quiet zone" to the Lambs Passage frontage or the smoking area located on the east side of the building."

11.61 It is of note that office space was also proposed in the basement areas as part of the previous scheme (ref: P2013/3257/FUL). The previous proposals (considered at appeal) did not include any affordable workspace or space suitable for small or micro enterprises. Nor did the previous proposal include fitting the office space out. The Council's Policy advisor raised concern that it is not pparent how the space is tailored to the needs of small or micro enterprises. It should be noted that the applicant submission includes the following advice:

The indicative floor plans shown in the 'Office floorspace Information Document' (June 2016) have been included to demonstrate how the large floorplate in the basement offers a flexible layout, which a range of small/micros business types and users can accommodate. This is in line with Policies CS13 and DM5.1 which advises that new business floorspace should be flexible to meet future business needs, allowing for a range of units types and sizes.

The layout shown is only one option and the applicant will work with an SME service provider/management company to deliver space which is tailored to the needs of small and micro enterprise.

The applicant is committed to providing 334 sqm affordable workspace (on a 20 year basis, with the Council taking the head lease) in the basement, with the remainder of the space available to SME. An indicative floor plan and design precedent examples are included within the 'Office floorspace Information Document' (June 2016).

11.62 The application proposes that the SME space be fitted out to an A grade specification and to include the following facilities which are integral to an SME environment: furniture, phone line and super-fast broadband, conference rooms, networking areas, printing/copying/scanning facilities and breakout/amenity spaces) prior to marketing and only lease to genuine small/micro enterprises. It is noted that the SME space in in addition to affordable workspace, and as such the scheme provides far more than the minimum 5% of workspace as affordable or SME space. The Council's Policy advisor requested further information about how the space will be specifically secured for and used for SME provision. In response the applicant provided the following comment:

The intention is for the appointed agent to partner with an experienced SME service provider such as Workspace or Wework to deliver and manage the SME space in the basement. Given the Council's involvement in the affordable workspace element, the applicant is committed to delivering genuine SME space.

An objective of the proposal is to create a "hub space" for start-up or co-working businesses located within a unique / quirky vaulted space with access to bar/hotel facilities also proposed as part of this development.

We have reviewed the proposal with the Council's Infrastructure and S106 Officer Pascal Coyne in detail, including a site meeting. Our most recent correspondence with Pascal (email dated 6 July 2016) confirms our commitment in relation to the affordable and SME workspace delivery.

- 11.63 The Council's Infrastructure and S106 Officer has been to the site and seen the basement spaces, and has raised no objection to the proposals for affordable workspace and the spaces suitable for small and micro enterprises. The current application is considered to comply with Development Management Policies (2013) policy DM5.4 and Finsbury Local Plan (2013) Policy BC8 in relation to the provision of affordable workspace and space suitable for small or micro enterprises.

Gym and retail space

- 11.64 Given the small size and synergy between the gymnasium space and other uses on the site there is no objection to the proposed provision of gymnasium space. Similarly the small retail/gallery space proposed at ground floor level would help activate the ground floor and is considered acceptable.

Summary of balance of uses and affordable workspace

- 11.65 Since the previously refused scheme was considered at appeal, there have been changes to policy guidance relating to development at the site. The new guidance places a greater emphasis on the delivery of CAZ strategic functions at the site. The applicant has revised the proposal to include a greater proportion of office space, including affordable workspace and space suitable for small and micro enterprises. Taking account of the above, along with the planning history, there is no objection to the proposed balance and mix of uses.

Quality of proposed office space

- 11.66 The CFOAPF acknowledges that planning policy that is aimed at providing commercial space in lieu of space lost through permitted development rights has had limited success. A key issue encountered is commercial space has be provided which fails to respond adequately to demand and therefore is not marketable. This can lead to space being unoccupied and being vulnerable to conversion to other non-work related uses at a later date.
- 11.67 Given the underground nature of much of the proposed office space an assessment has been made as to whether the below ground office space would provide an acceptable quality of accommodation. It is noted that there was no objection to the use of the basement space for offices in the previously refused scheme (ref: P2013/3257/FUL). Additionally it is now proposed that some of the basement office space would be affordable workspace. The Council's Strategy and Community Partnerships advisor has visited the site (including the basement spaces) and is of the view that there would be demand for the office space, including the space suitable for small and micro enterprises. The applicant has also provided a letter from a real estate company (Newcrest Real Estate) who have reviewed the plans and have advised that they consider there to be demand for the space.
- 11.68 While it is accepted that the lower basement space would not benefit from natural light or external outlook, the floor to ceiling heights are generous (exceeding 3m) and the office spaces would be easily accessible via lifts. It is considered that there would be a synergy between the users of the affordable business floor space and the space suitable for small and micro sized enterprises. The revised Planning Statement (at paragraph 6.50) submitted in support of the current proposals confirms that the proposals include fitting the affordable work space and space suitable for small and micro enterprises to an A grade specification. This would need to be secured via a planning obligation on any permission granted. Subject to the space being fitted out and managed appropriately, and given the planning history, there is no objection to the quality of the proposed office accommodation.

11.69 Policy BC8 of the Finsbury Local Plan (2013) notes that new business floor space must be designed to allow future flexibility and provide full separation from residential floor space. The residential and non-residential components of the proposed development are sensibly separated and there would be no reason why the office floor space could not be subdivided in the future. A condition is recommended to ensure the space intended for small and micro enterprises is kept for these occupiers.

Neighbouring Amenity

11.70 Policy 7.6 of the London Plan (2015) is concerned with ensuring that new buildings do not cause unacceptable harm to the amenities of surrounding sensitive land uses, particularly residential buildings. At the local level, policy DM2.1 requires new development to provide a good level of amenity, including in terms of direct sunlight and daylight. There is a clear policy basis for seeking to prevent the adverse impacts on the amenity of nearby residential occupiers.

11.71 The daylight/sunlight assessment is carried out with reference to the 2011 Building Research Establishment (BRE) guidelines which are accepted as the relevant guidance. The supporting text to Policy DM2.1 identifies that the BRE 'provides guidance on sunlight layout planning to achieve good sun lighting and day lighting'.

11.72 **Daylight:** the BRE Guidelines stipulate that there should be no real noticeable loss of daylight provided that either:

The Vertical Sky Component (VSC) as measured at the centre point of a window is greater than 27%; or the VSC is not reduced by greater than 20% of its original value. (Skylight); or

The daylight distribution, as measured by the No Sky Line (NSL) test where the percentage of floor area receiving light is measured, is not reduced by greater than 20% of its original value.

11.73 **Sunlight:** the BRE Guidelines confirm that windows that do not enjoy an orientation within 90 degrees of due south do not warrant assessment for sunlight losses. For those windows that do warrant assessment, it is considered that there would be no real noticeable loss of sunlight where:

In 1 year the centre point of the assessed window receives more than 1 quarter (25%) of annual probable sunlight hours (APSH), including at least 5% of Annual Winter Probable Sunlight Hours (WSPH) between 21 Sept and 21 March – being winter; and less than 0.8 of its former hours during either period; and

In cases where these requirements are breached there will still be no real noticeable loss of sunlight where the reduction in sunlight received over the whole year is no greater than 4% of annual probable sunlight hours.

11.74 Where these guidelines are exceeded then sunlighting and/or daylighting may be adversely affected. The BRE Guidelines provide numerical guidelines, the document though emphasises that advice given is not mandatory and the guide should not be seen as an instrument of planning policy, these (numerical guidelines) are to be interpreted flexibly since natural lighting is only one of many factors in site layout design

Light and outlook

11.75 The sole reason for refusal of the previous scheme (ref: P2013/3257/FUL) related to the amenity impact on neighbouring residential occupiers. The exact wording is set out below:

“The proposed development, by reason of its inappropriate layout, height, massing and proximity to facing residential properties would result in unacceptable harm to the amenity of nearby residential buildings through loss of daylight receipt experienced by those properties, loss of outlook and sense of enclosure. This harm makes the proposal contrary to policy 7.6

of the London Plan (2011), policy DM2.1 of the Development Management Policies (2013) as well as BRE 'Site layout planning for daylight and sunlight: a guide to good practice' (Second Edition 2011) and the Lamb's Passage Development Brief dated 2006. The benefits of the scheme are not considered to outweigh this harm."

11.76 The Council refused planning permission on the basis that the proposal would undermine the living conditions of existing residents in the vicinity of the appeal site through loss of daylight and visual impact. This was therefore the main issue considered by the Planning Inspector in the subsequent appeal against the Council's decision.

11.77 Having examined relevant evidence, the Inspector considered the only impacts on living conditions that could be considered sufficient to bear on the planning balance, are those that would affect some residents of No.1 Lamb's Passage, and Shire House. In relation to the impacts on occupiers in these properties the Inspector noted the following:

"the fact that living conditions of some residents would be undermined, to a degree, does not necessarily mean that the proposal would conflict with LP Policy 7.6 Architecture which refers to unacceptable harm (my emphasis), or DMP Policy DM2.1 which requires a good standard of amenity to be maintained. In my view, the harmful effect on living conditions would not be so great that there would be conflict with either policy."

11.78 Objections have been received in relation to the current application to the impact on light and the potential for this to adversely impact on the wellbeing of occupants. The concern is a material consideration relevant to the application. Notwithstanding the view taken by the Planning Inspector, the applicant was requested to reduce the built form, in order to reduce the impact on daylight and sunlight received by nearby neighbours. In response the applicant reduced the height of the southern residential block by 1 floor (involving a reduction of 3 of the private residential units).

11.79 The reduction in the height of the southern residential block has reduced the impact to the light received by nearby residential occupiers. A summary of the differences between the appeal scheme and the current scheme are set out below.

Vertical Sky Component (VSC)

11.80 A total of 72 windows are required to be (and have been) assessed at Shire House. In the appeal scheme 31 windows achieved BRE compliance, which is compared to the current scheme where 36 windows would achieve BRE compliance. The majority of other windows in Shire House (even though they would not be BRE compliant) would also experience a reduction in severity of transgression, particularly for the east facing flats, at the southern end of Shire House (where the reduction in height is proposed).

11.81 It should be recognised that some windows in Shire House are recessed beneath balconies and receive very little light in the existing situation. The reduction in height of southern residential block has very little positive impact to these recessed windows. Five of the recessed windows would see no improvement over the appeal scheme. In terms of impact to these windows, 2 would experience between 90% to 95% reductions in VSC (the same impact as in the appeal scheme). The 3 other recessed windows would see VSC reductions of between 56% and 65% (again the same impact as in the appeal scheme).

11.82 Of the remaining windows in Shire House, 29 windows would have seen a reduction in VSC of over 30% in the appeal scheme (i.e. more than a minor transgression). This is compared to the current scheme where 20 windows which would experience losses of VSC of over 30%. For the windows which experience an improvement compared to the appeal scheme, the betterment varies between 1 and 28% over the appeal scheme.

11.83 At 1 Lamb's Passage, in the appeal scheme, 40 windows failed the BRE standard in terms of VSC, which is compared to the current scheme where 30 windows would fail to comply with the BRE standards. All of the windows at 1 Lamb's Passage would receive more light (VSC) when compared to the appeal scheme. Of the windows which fail the full BRE test, 8 would

see a reduction of less than 30% (a minor transgression). The remaining windows would see a loss of VSC ranging between 31% to 50%. The worst affected being the lower level flats. The reduction in the height of the proposal improves the situation for these lower level flats by between 7% to 10% when compared to the appeal scheme.

- 11.84 The rear of Sundial Court would also see improvement in the number of windows achieving VSC compliance.

No Sky Line (NSL)

- 11.85 A total of 44 rooms are required to be (and have been) assessed at Shire House. In the appeal scheme 13 rooms failed to comply with the BRE daylight distribution test. This is compared to the current application, where 8 rooms in Shire House would still fail. Of those rooms which fail the BRE test, 4 of these would have losses of less than 30% (minor transgressions). The worst affected room would see a loss of 41%.

- 11.86 The rooms in Shire House which fail the BRE test would experience a reduction in severity of transgression (by between 1 % and 5%) in the current scheme when compared to the appeal scheme.

- 11.87 There is an improvement in the number of rooms that meet the BRE guidelines for 1 Lambs Passage, where 14 failed the BRE test in the appeal scheme compared to 10 rooms in the current scheme. Of those rooms which fail the BRE test, 2 of these would have losses of less than 30% (minor transgressions). The worst affected room would see a reduction in daylight distribution of 63%. It is of note that the rooms which fail would experience a reduction in severity of transgression (by between 1 % and 15%) when compared to the appeal scheme.

Annual Probable Sunlight Hours (APSH)

- 11.88 At Shire House, 11 rooms are required to be (and have been) assessed. The sunlight 'Annual Probable Sunlight Hours' (APSH) results demonstrate that of the 11 rooms assessed, 9 windows achieve the BRE recommended APSH level for both annual and winter in the current scheme (i.e. only 2 failures). In both cases the winter sunlight hours would be reduced by 50% and annual sunlight hours by between 13% and 50%.

- 11.89 This is compared to the appeal scheme where 3 windows failed to meet the BRE standard. Additionally the level of transgression was greater in the appeal scheme (involving 100% loss of winter sunlight and reducing annual sunlight hours by between 23% and 100%.

- 11.90 As with the appeal scheme, the sunlight Annual Probable Sunlight Hours (APSH) results for 1 Lambs Passage demonstrate that all rooms would comply with the APSH levels.

Summary of sunlight/daylight

- 11.91 The current scheme would have less of an impact (in terms of loss of light) when compared to the previously refused scheme. Even though the previous scheme was refused because of the potential amenity impacts for neighbouring residents through loss of daylight receipt experienced by those properties, loss of outlook and sense of enclosure, the Planning Inspector did not think that this would be such that there would be a conflict with Development Plan policies which protect amenity. The Inspectors conclusion that the impacts on residents were acceptable on the appeal scheme must be weighed in the balance in assessing the current scheme which has demonstrated improvements in respect of sunlight and daylight.

Privacy

- 11.92 Islington's Development Management Policies Policy DM2.1 identifies that 'to protect privacy for residential developments and existing residential properties, there should be a minimum distance of 18 metres between windows of habitable rooms. This rule does not apply across

the public highway (overlooking across a public highway does not constitute an unacceptable loss of privacy).

- 11.93 West facing hotel rooms (i.e. facing towards Shire House) would be fitted with angled oriel windows to screen direct views to neighbouring properties. The upper level of the hotel is set back (over 22m from Shire House), providing sufficient separation to prevent privacy impacts.
- 11.94 The proposed northern (affordable housing) residential block would have windows and balconies facing west. However the proposed dwellings are located sufficiently further north of the main windows in dwellings in Shire house to avoid direct overlooking. The overlooking relationships are the same as existed in the appeal scheme, where no objection was raised. It is noted that no objection was raised by the Planning Inspector in terms of the impact on the outlook from existing dwellings.
- 11.95 The proposed southern residential block has been designed so that the principal outlook is across Sutton Way (south) or Lambs Passage (east). There are smaller (secondary) windows in the western elevation of the units which are closest to Shire House and a condition (Condition number 7) should be imposed on any consent granted requiring these windows to be obscure glazed and non-opening. In addition, there are two external balcony/terrace areas and privacy screening would be needed to prevent overlooking from the terraced areas. This is secured through Condition 7.

Noise and disturbance

- 11.96 Concerns have been raised in objections to the potential for noise and disturbance associated with servicing and deliveries to the various uses within the completed development to adversely impact on residential amenity. It is acknowledged that deliveries and servicing will need to be controlled and undertaken in a manner which does not cause unacceptable impacts. However, subject to conditions being imposed on any consent to control impacts (for example the timing of deliveries) the concerns can adequately be managed and mitigated.
- 11.97 A condition requiring submission of a Construction Logistics Plan (Condition 25) will ensure that the impacts of the construction and future operation of the development on neighbouring occupiers are appropriately mitigated. This condition has also been requested by TfL with regards to the impact on the highways.
- 11.98 Objectors have also raised concern over impacts associated with the intensification of the use of the site (including from noise from hotel guests conversing and smoking etc). There would be additional activity at the site as a result of the proposal. The application is supported by a Hotel and Office Management Document which sets out the management responsibilities that the intended office occupiers and hotelier will be required to comply with. It is noted that the restaurant and bar are located underground and this would limit noise break out.
- 11.99 Management measures include 24 hour security and management staff being on site and active monitoring of public spaces by hotel reception staff. Monitored CCTV is also proposed to be utilised to detect any antisocial behaviour in the open spaces around the site. There would be a dedicated smoking area adjacent to Lambs Passage (away from Shire House). It is considered that any impacts could be mitigated via conditions being imposed on any consent to secure appropriate management of the hotel and other commercial uses (i.e. ensure the uses are managed in ways which minimise noise and disturbance).

Summary Neighbouring Amenity

- 11.100 In conclusion, a review of the daylight/sunlight impacts on neighbouring properties, show that while full compliance with the BRE standards is not achieved, there are material improvements to the light that would be received by nearby existing residential occupiers when compared to the appeal scheme. Subject to conditions (which are recommended)

overlooking would be prevented and concerns relating to noise and disturbance could be adequately mitigated.

Design, Conservation and Heritage Considerations (including Archaeology)

Policy Context

- 11.101 Relevant design policies are included in the London Plan, Islington's Core Strategy, Development Management Policies and the Finsbury Local Plan. Relevant guidance is provided in the Islington Urban Design Guide (2006).
- 11.102 Development Management Policies, Policy DM2.1 (Design), DM2.2 (Inclusive Design) and DM2.3 (Heritage) are relevant to this application. Policy DM2.1 relates to the need for development proposals to be: durable and adaptable; safe and inclusive, efficiently use the site; improve the quality, clarity and sense of spaces around or between buildings; clear distinction between public and private spaces; improve movement through areas.
- 11.103 Core Strategy policies CS7 and CS9 refer to the need for major development proposals in Bunhill and Clerkenwell to be of high quality design. There is a clear policy imperative for requiring development to be of high quality.

Character and appearance of the area

- 11.104 The appearance of the proposal is nearly identical to the previously refused scheme (ref: P2013/3257/FUL), and it is noted that no objection was raised by the Council in relation to the appearance of that proposal.
- 11.105 During the appeal against the Council's refusal of application ref: P2013/3257/FUL, the Planning Inspector noted the following:
- "the appeal scheme would bring about a number of benefits in terms of enhancing the character and appearance of the area."*
- 11.106 The Inspector considered the proposal would enhance views along Lamb's Passage from the south and east. The Inspector's was of the view that the proposed building would have a scale and appearance that responds well to the form of other buildings in the area. Additionally, it was considered that the provision of a pedestrian route across the site would improve permeability. No objection was made to the pedestrian link through to Errol Street. In relation to the impact of the proposal on Conservation Areas the Inspector noted the following:
- "All that would be a clear benefit to the immediate area and furthermore, enhance the settings of the listed buildings in the vicinity and the St Luke's and Chiswell Conservation Areas. The extensive vaults below, and beyond, the appeal site are part of a listed building and, like the appeal site, under-used."*
- Finding a new use for these spaces, as part of the scheme, would be to the benefit of the listed building. It appears to me that subject to appropriately worded conditions, the works involved need cause no harm to its special interest. Bearing in mind the requirements of Sections 16(2) and 66(1) of the Planning (Listed Buildings and Conservation Areas) Act 1990, and the approach to designated heritage assets set out in paragraph 132 of the Framework, these factors carry considerable importance and weight."*
- 11.107 As with the previously refused scheme (ref: P2013/3257/FUL) the predominant material proposed to be used is red brick. The colour, type and use of brick would vary according to the specific context and design of each building. The Council's Urban Design and Conservation advisor has raised no objection to the proposed materials. While objections from the public have been received in relation to the proposed materials, it is noted that these are the same as were proposed in the previously refused scheme, to which no objection was raised by the Council or the Planning Inspector at that time.

- 11.108 There has been no change in the policies or guidance relating to the way design should be assessed. In view of the planning history of the site, and that the Council's Urban Design and Conservation Advisor has raised no concern, no objection is raised in terms of the appearance of the proposal.

Impacts on heritage assets – listed buildings and Conservation Areas

- 11.109 Section 66(1) of the Planning (Listed Buildings and Conservation Areas) Act 1990 ("PLBCAA") provides that in considering whether to grant planning permission for development which affects a listed building or its setting, the local planning authority shall have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses.
- 11.110 The Grade II listed Whitbread Brewery – North Side Yard building is located to the south of the application site (across Suttons Way) and forms one of the buildings of the Whitbread Brewery and was built in 1870. The building is a U-shape with a long narrow courtyard accessed off Chiswell Street.
- 11.111 In addition, Nos. 42 and Nos.43-46 Chiswell Street are Grade II listed and have historical and architectural interest as late 18th and early 19th century town houses with formal front elevations. They have group value and provide an appropriate setting for the North Yard building. It is of note that the North Side Yard building and Nos. 42 and Nos.43-46 Chiswell Street are located within the Chiswell Street Conservation Area (CA20). In this case, the design and appearance of the proposal is considered acceptable and would not detract from the setting of the heritage assets (no harm would be caused).
- 11.112 To the east of the application site is the Bunhill Fields and Finsbury Conservation Area (CA22), a large conservation area that includes a large number of listed buildings. The application site is only visible from the western edge of this conservation area (with glimpsed views from Bunhill Row), which includes the Grade II listed 21-29 Bunhill Row. Built in 1830-31, the houses in this terrace provide a rare historic streetscape among modern buildings surrounding them and face west, towards the application site which is glimpsed in views toward St Joseph's Church. Views of the application site from these neighbouring listed buildings are limited. Where views can be afforded of the application site, it is considered that the design and appearance of the proposal is adequate and would ensure that there would be no harm to the setting of nearby listed buildings (including the locally listed building at 12 Errol Street) or the character or appearance of the Conservation Area.
- 11.113 North of the site (along the north side of Errol Street and encompassing St Joseph's Church immediately east of the site) is the St Luke's Conservation Area (CA16). While the proposal includes the creation of an accessway linking to Errol Street, views from the St Luke's Conservation Area towards the development proposed on the application site would be limited. Again, it is considered that the design and appearance of the proposal is acceptable and would ensure that there would be no harm to the setting of nearby listed buildings or the character or appearance of the Conservation Area. The site includes the Whitbread Brewery vaults which are beneath the car park. The vaults are within the curtilage of the Grade II listed Brewery and are therefore considered to be a part of the listed building (curtilage listed). The historic basement vaults are proposed to be converted to a restaurant, forming part of the hotel and accessed from its southern end.
- 11.114 There would be some works to the underground vaults to facilitate the conversion into usable spaces (for example water proofing these). Turning to consider the application of the legislative and policy requirements, the first step is for the decision-maker to consider the designated heritage which would be affected by the proposed development and assess whether the proposed development would result in any harm to the heritage asset.
- 11.115 The proposed works include those which are necessary to repair and protect the historic fabric (which is in a dilapidated site). The works would result in a (limited) loss of historic

fabric as well as the subdivision of spaces. There would also be masking of historic fabric as a result of damp proofing. These works would have an impact, which needs to be weighed against the public benefits of the proposal, including securing its optimum viable use and ensuring the refurbishment and protection of the heritage asset. The heritage asset is at present unable to be accessed by the public and the proposal would open the vaults to public access.

- 11.116 The vaults are currently in a poor state of repair, and work is needed to secure their long term preservation, and there is an associated cost involved in undertaking the work. The proposed development would facilitate the refurbishment of the heritage asset in the long term (which is considered a benefit). The subterranean nature of the vaults does limit the ways in which the space can be used. It is considered that there are public benefits which would accrue as a result of the proposed works to the vaults, which would outweigh any impact to the special interest of the heritage asset. This view is consistent with the previous scheme considered at appeal.

Archaeology

- 11.117 The application site is located within a designated Archaeological Priority Area (APA). Historic England - Greater London Archaeology Advisory Service (GLASS) have assessed the application and raise no objections to the proposed redevelopment subject to the imposition of conditions and informatives which will seek approval of a 'Written scheme of Investigation' should the scheme be supported and permission be granted.

Accessibility

- 11.118 As a result of the changes introduced in the Deregulation Bill (Royal Assent 26th March 2015), Islington is no longer able to insist that developers meet its own SPD standards for accessible housing, therefore we can no longer apply our flexible housing standards nor local wheelchair housing standards.

A new National Standard

- 11.119 The new National Standard is broken down into 3 categories; Category 2 is similar but not the same as the Lifetime Homes standard and Category 3 is similar to our present wheelchair accessible housing standard. Planning must check compliance and condition the requirements. If they are not conditioned, Building Control will only enforce Category 1 standards which are far inferior to anything applied in Islington for 25 years.
- 11.120 Planners are only permitted to require (by Condition) that housing be built to Category 2 and or 3 if they can evidence a local need for such housing i.e. housing that is accessible and adaptable. The GLA by way of Minor Alterations to the London Plan 2015, has reframed LPP 3.8 Housing Choice to require that 90% of new housing be built to Category 2 and 10% to Category 3 and has produced evidence of that need across London. In this regard, as part of this assessment, these emerging revised London Plan policies are given weight and inform the approach below.

Accessibility Assessment

- 11.121 The applicants have designed 10% of the hotel bedrooms (6 rooms in total) to be fully wheelchair accessible. The hotel would provide level threshold access to all the proposed areas in the building. Accessible rooms would have the provision of interconnecting doors to allow for any carers to access the room if required.
- 11.122 The applicant has confirmed that all of the proposed residential units have been designed to meet Lifetime Homes standards and would satisfy Category 2 of the National Standard. Additionally the application proposes 4 wheelchair-accessible units (Category 3) amounting to 11% of the total number of units.
- 11.123 There is an allocated taxi drop off area in front of the hotel entrance and distances between the entrances to both the residential and commercial aspects of the scheme are considered

to be acceptable. The development includes the provision of 4 disabled parking spaces for use by the residential blocks.

- 11.124 Subject to conditions being imposed on any consent to secure an appropriate proportion of the accommodation as Category 2 and 3 units no objection is raised to the proposal in terms of equity of access and mobility.

Landscaping and Trees

- 11.125 Core Strategy policy CS7 'Bunhill and Clerkenwell' requires that major development improve the public realm, provide ample private / semi private and public open space, and incorporate space for nature. Policy CS15 requires that biodiversity be protected and enhanced across the borough and seeks to create a greener borough by maximising opportunities for planting, green roofs and green corridors.
- 11.126 The landscaping proposals are identical to those proposed in the previously refused scheme (where no objection was raised to landscaping (subject to conditions)). A condition would be required on any consent granted to ensure that the final approved landscaping and access routes within the site are acceptable. Concerns have been raised in objections that access to Shire House would be impeded by the landscaping, and in this regard the applicant has amended the landscaping plan to ensure that access to the entrance to Shire House remains unimpeded.
- 11.127 Given constraints due to vaults below ground, this level of proposed greenery is considered to be acceptable. A planning obligation would be required to ensure the open space is publicly accessible.

Quality of Resulting Residential Accommodation

Residential Density

- 11.128 The London Plan Housing SPD notes that London's constrained land supply means it is essential to optimise the relationship between transport capacity and land use to secure sustainable development. The site is very well served in terms of public transport (with a PTAL 6b), and the London Plan density guidance suggests higher densities can be supported in such areas.
- 11.129 Objections have been received from the public in relation to the density proposed in the current scheme. However Officers are mindful of the planning history of this site, which is a material consideration in relation to the current scheme. No objection was raised in relation to density previously (in relation to application ref: P2013/3257/FUL), and there has been a minor reduction in the proposed density when compared to the appeal scheme.
- 11.130 The application site is located in a 'central' location, as defined at Table 3.2 of the London Plan. Combined with the Application Site's high PTAL rating of 6b and the ratio of habitable rooms to numbers of residential units, a density range of 650 - 1,100 hr/ha and 215-405 u/ha is specified by the London Plan. The proposed development falls within these density thresholds with a density of 610 habitable rooms per hectare or 240 units per hectare. This is slightly lower than the density proposed in the appeal scheme (664 habitable rooms per hectare)
- 11.131 The London Plan Housing SPD is clear that density is only one among a much wider range of policies to be considered. Given the guidance on density and the planning history of this site, no objection is raised.

Residential unit and room sizes

- 11.132 There is a clear policy remit for requiring development to provide adequate residential accommodation. The National Planning Policy Framework's relevant core planning principles is that planning should always seek a high quality of design and a good standard

of amenity for all existing and future occupants of land and buildings. London Plan (2015) policies relevant to the quality of residential accommodation include 3.5, 7.1 and 7.15. Core Strategy policy CS12 (part A) and policy DM2.1 (part A) in the Development Management Policies document confirm that developments should provide a good level of amenity. Policy DM3.4 sets out detailed requirements for new residential accommodation.

- 11.133 All of the proposed residential units comply with the minimum unit and room sizes as expressed within the Government’s nationally described space standards.

Privacy and outlook

- 11.134 Part D of policy DM3.4 states that “new residential units are required to provide dual aspect accommodation, unless exceptional circumstances can be demonstrated”.

- 11.135 Subject to conditions being imposed on any consent to ensure windows in the western elevation of the southern (private) residential block are fitted with measures to prevent overlooking between units, no objection is raised.

Amenity Space

- 11.136 London Plan 2015 Policy 3.6 (Children and Young People’s Play and Informal Recreation Facilities) requires that proposals that include housing make provision for play and informal recreation, based on the expected child population generated by the scheme. In this case 130sqm of play space would be required.

- 11.137 The proposal incorporates ‘play on the way’ features within the new public realm improvements that would provide opportunities for play for occupants of the development. The ‘play on the way’ features come together to form an informal ‘play zone’, which would total approximately 290 sqm.

- 11.138 It is important to highlight that the landscaping strategy prepared as part of this application adopts the same approach as the previous scheme, where no objection was raised to the proposed approach to play space.

Dwelling Mix

- 11.139 The proposed dwelling mix is shown in Table 1 of this report. Islington’s Core Strategy Policy CS12 (part E) requires developments to provide a range of unit sizes to meet needs in the borough, and maximise the proportion of family accommodation in both affordable and market housing. In the Development Management Policies document, paragraph 3.14 (which supports policy DM3.1) states that developments should provide for a mix of unit sizes in accordance with Table 3.1, which sets out the following required unit size/tenure mix:

Tenure	1 bed	2 bed	3 bed	4 bed+
Market	10%	75%	15%	0%
Intermediate	65%	35%	0%	0%
Social Rented	0%	20%	30%	50%

Table 5. Policy compliant unit size/tenure mix

- 11.140 The unit size/tenure mix proposed by the applicant is as follows:

Tenure	1 bed	2 bed	3 bed	4 bed+
Market	45%	55%	0%	0%
Intermediate	25%	75%	0%	0%
Social Rented	55%	45%	0%	0%

Table 6. Proposed unit size/tenure mix

- 11.141 The Council's Housing Officer raised concern over the mix of units (larger units are preferred in terms of addressing affordable housing need), which differs from the preferred mix set out in the Development Management Policies (2013).
- 11.142 The applicant was requested to address the disparity between the proposed mix of affordable unit and the preferred mix set out in table 3.1 of the Development Management Policies (2013). The applicant provided the following response:

"In terms of a specific justification for the mix of affordable units proposed, Hyde Group (who are a Registered Provider) have confirmed in writing that the mix and size of affordable units is appropriate for this location. The Viability Appraisal sets out the viability impact of proposing larger affordable apartments at the site. It confirms that by reviewing the rent levels advised by Hyde, and applying these to London Plan minimum floor areas, it can be demonstrated that as unit sizes increase, rent per sqm reduces having a direct impact on the capital value per sqm and therefore further reduces the viability scheme. In addition to this, the following is also relevant in terms of mix:

- *The mix of units proposed was not considered an issue by the Council or Inspector for the previous appeal scheme (which this scheme mirrors);*
- *The introduction of larger units would require a redesign of the proposal;*
- *The location of the site in the busy CAZ does not lend itself to 'family sized' larger units; and*
- *As acknowledged in the Council's officer report (para 17.6) for the appeal proposal, the site's constraints and relationship with adjoining buildings exerts limitations on the size, number and mix of units proposed. It is considered that the site cannot support a significant number of family units with the necessary amenity spaces.*

In these terms, it is considered that the housing mix proposed is acceptable and appropriate for the Site."

- 11.143 The planning application is accompanied by advice from Hyde Housing confirming support for the affordable housing (rent and shared ownership) at this location and that the proposed mix and size of homes proposed is supported. Given the planning history and the fact that a Registered Provider has confirmed that the mix would be acceptable, no objection is raised.

Affordable Housing and Financial Viability

National planning policy context

- 11.144 At the National level, paragraph 47 of the NPPF states that, to boost the supply of housing, local planning authorities should use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area.

Paragraph 173 of the NPPF relates to development viability and notes that the costs of affordable housing, should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.

Regional planning policy context

- 11.145 London Plan (2015) policy 3.11 sets a strategic London wide goal to maximise affordable housing provision. Policy 3.12 confirms that sites should provide the maximum reasonable amount of affordable housing which can be achieved. This policy goes on to state that the maximum reasonable amount of affordable housing should be sought when negotiating on individual private residential and mixed use schemes. It adds that negotiations on sites should take account of their individual circumstances including development viability, the implications of phased development including provisions for re-appraising the viability of schemes prior to implementation.

Local planning policy context

11.146 Core Strategy policy CS12 (part G) states that Islington will meet its housing challenge, to provide more affordable homes by:

- Requiring that 50% of additional housing to be built in the borough over the plan period should be affordable.
- Requiring all sites capable of delivering 10 or more units gross to provide affordable homes on-site.
- Seeking the maximum reasonable amount of affordable housing, especially social rented housing, from private residential and mixed-use schemes, taking account of the overall borough-wide strategic target of 50% provision.
- Delivering an affordable housing tenure split of 70% social housing and 30% intermediate housing.

Securing the maximum reasonable amount of affordable housing was of critical concern during the appeal against the Council's refusal of the previous scheme (ref: P2013/3257/FUL). In summary, the Inspectors report noted that the legal agreement put forward as part of the appeal documentation made provision for the submission of an 'Updated Viability Assessment' in the event that the proposal is not implemented after 18 months from any grant of planning permission. The clauses in the legal agreement associated with the appeal scheme allowed the appellant to keep half of any surplus with the Council being left with the remainder for affordable housing. The Inspector considered that this arrangement would, in certain circumstances, not bring forward the maximum reasonable amount of affordable housing. The issue weighed against the scheme in the planning balance and the appeal was dismissed. It is a key issue to ensure the current scheme overcomes the reason that the Inspector dismissed the previous appeal.

11.147 Since the appeal the Council has adopted the Development Viability SPD in January 2016 (the Viability SPD). The London Plan (2015) requires that developers provide development appraisals and appropriate evidence supporting assumptions to demonstrate that each scheme provides the maximum reasonable amount of affordable housing output. The Viability SPD sets out how the council will consider viability (including reviews of viability) and is a material consideration in the determination of the current application.

Affordable housing

11.148 By way of background it is helpful to understand that the appeal scheme involved 38 units, and at the time of assessment by the Council's Planning Committee 16 units (50% by habitable room and 42% by unit number) were proposed to be affordable. Ahead of the appeal itself and after the Planning Committee, the Council introduced Islington's Community Infrastructure Levy (CIL), and this financial levy altered the financial position of the scheme. The scheme was therefore unable to deliver 50% of the units as affordable housing and pay the CIL charge.

11.149 As a result of the CIL charge, in the appeal scheme, the applicant proposed a lower level of affordable housing, shown in the table below.

Tenure	Units	%
Intermediate	4	29%
Social Rented	10	71%

Table 7. Previous affordable housing mix (appeal scheme)

11.150 At the appeal, the proposed affordable housing was justified through the submission of an updated financial appraisal. The appraisal was analysed by the Council's financial consultant (BPS) and found to be accurate. Overall 14 units were to be affordable (27% by habitable room and 37% by unit number), with 4 units (29%) intermediate and 10 units (71%) for social rented accommodation.

11.151 This is compared to the current scheme, where 15 units would be affordable. This represents 42% of the total habitable rooms and 43% of the total units proposed, and is less

than the borough-wide strategic target of 50%. The applicant provided a financial appraisal to show that the development could not provide a greater proportion of affordable housing and remain viable.

11.152 The applicant's financial appraisal relating to the current application was assessed for accuracy by the Council's financial consultant (BPS) who concluded (following provision of additional information) that the financial appraisal was accurate, and that the scheme would not be viable with a higher proportion of affordable housing.

11.153 It should be noted that the scheme was amended during the application, and the financial appraisal was updated accordingly. BPS evaluated the amended scheme, including the impact of providing affordable workspace, and reducing the height of the southern block by 1 storey. BPS also considered the viability of various development scenarios to test if a higher proportion of social rented accommodation could be provided (given that there is some concern over the affordability of intermediate housing in this location).

11.154 Of the 15 affordable housing units proposed on site, 11 units (73%) would be dedicated as social rented accommodation and 4 units (27%) being intermediate. As with the appeal scheme, the affordable housing would be located in the northern block.

Tenure	Units	%
Intermediate	4	27%
Social Rented	11	73%

Table 8. Current proposed affordable housing mix

11.155 The affordable housing offer represents a slight improvement (in the overall number and the proportion of units which would be social rented accommodation) when compared to the appeal scheme.

11.156 The applicant proposes that the Council will have 100% nomination rights for the affordable housing. Arrangements would be governed by the terms of a detailed Nominations Agreement between the Council and the Registered Provider.

11.157 The northern residential block would include private, intermediate and social rented tenures. The applicant advised that while the preference is generally for apartment blocks to be single tenure, in smaller developments it is sometimes not possible to provide a policy compliant tenure mix, and avoid mixed-tenure cores.

11.158 Officers requested clarification on how common area charges would work given the mixed tenure of the block. In response the applicant provided the following advice:

"We would anticipate the mixed tenure building will be managed by a single body, either a management company or, quite possibly, the Registered Provider. Where a private management company manages the block, the Registered Provider would pay the service charge to the management company in respect of services provided to the common parts relating to the rented units; all other residents would pay service charges direct to the management company. If the Registered Provider manages the block, then service charges would be paid by private owners and shared owners to the Registered Provider."

"In respect of service charges, Hyde have advised ULL that their standard working assumption is £25 per week for a 25-unit apartment block in London. On the basis of the scale of this proposal (15 affordable units, with no reception desk, parking or ancillary services such as a gym) the service charge is likely to be less."

In term of the affordability of the intermediate units, as previously confirmed these units will be made available to Islington residents on incomes within thresholds defined in the London Plan Annual Monitoring Report."

11.159 The application is supported by a letter from Hyde Housing (a registered social landlord) who raised no concern in terms of managing units in a mixed tenure core. It is noted that the scheme considered at appeal also had a mix of tenures in the northern block.

Viability review

11.160 With regard to viability review, paragraph 3.75 of the London Plan states that when determining applications for housing developments, boroughs need to take account of economic uncertainties, and in respect of schemes presently anticipated to deliver low levels of affordable housing, viability reappraisals may be used to ensure that maximum public benefit is secured over the period of the development.

11.161 Section 4.3 of the Mayor of London's Housing SPG (2016) notes that to maximise affordable housing output at times of economic uncertainty, and/or where there are significant changes in costs or values the Plan provides support for the review mechanisms.

11.162 The council's approach to viability review mechanisms is set out in section 7 of Islington's Development Viability SPD. At paragraph 7.5 it confirms that viability review mechanisms will be required through Section 106 agreements on all major residential / mixed use applications which do not meet the strategic affordable housing target, and for all major applications where policy requirements are not met in full at the time permission is granted.

11.163 The purpose of such reviews is to determine whether greater compliance with the Development Plan can be achieved. Paragraphs 7.11 and 7.26 state that, for all schemes requiring a review, this will be required at an advanced stage of development (an "advanced stage review") to ensure that the assessment of viability is based on up-to-date and accurate viability evidence. The Viability SPD also sets out how any identified surplus is to be used, with the majority (60%) being used by the Council for affordable housing provision and the remainder (40%) being retained by the applicant as an additional profit allowance (acting as an incentive to the applicant to derive a greater value and achieve an increase in affordable housing provision).

11.164 The applicant has agreed to an advanced stage review which accords with the requirements of the Viability SPD, with any identified uplift being dealt with as per the Viability SPD requirements. This would be secured as part of a S106 legal agreement associated with any permission granted. The current application is considered compliant with the Viability SPD and overcomes the concerns raised by the Planning Inspector.

11.165 In conclusion, the provision of 11 social rent (5 x 1b, 6 x 2b) and 4 shared ownership units on site (1 x 1b, 3 x 2b) is considered acceptable and represents the maximum reasonable amount of affordable housing that can be secured on site and this can be secured with a S106 legal agreement (with an advanced stage viability review mechanism as well).

Sustainability Energy Efficiency and Renewable Energy

11.166 The NPPF confirms that the purpose of the planning system is to contribute to the achievement of sustainable development, and policies relevant to sustainability are set out throughout the NPPF.

11.167 The council requires all developments to meet the highest standards of sustainable design and construction and make the fullest contribution to the mitigation of and adaptation to climate change. Developments must demonstrate that they achieve a significant and measurable reduction in carbon dioxide emissions, following the London Plan energy hierarchy. All developments will be expected to demonstrate that energy efficiency has been maximised and that their heating, cooling and power systems have been selected to minimise carbon dioxide emissions. Carbon dioxide calculations must include unregulated, as well as regulated, emissions, in accordance with Islington's policies.

11.168 Under the Ministerial Statement of 25 March 2015, the government has closed down the CfSH standard. Unlike many other Local Authorities whose only sustainability requirements

are to achieve minimum levels of the Code, Islington have a separate layer of policies that run in parallel to the former Code requirements (that require an 'or equivalent' sustainability standard to be achieved). Some of these additional policies cross over with elements covered by the CfSH.

- 11.169 Islington's Core Strategy policy CS10 states that all major development should achieve an on-site reduction in total (regulated and unregulated) carbon dioxide emissions of at least 40% in comparison with total emissions from a building which complies with the Building Regulations 2006, unless it can be demonstrated that such provision is not feasible. This 40% saving is equivalent to a 30% saving compared with the 2010 Building Regulations, and 27% compared with the 2013 Building Regulations. Development Management Policy DM7.3 requires all major developments to be designed to be able to connect to a DEN, and connection is required if a major development site is within 500m of an existing or a planned future DEN (as is the case with this application).
- 11.170 The Core Strategy also requires developments to address a number of other sustainability criteria such as climate change adaptation, sustainable transport, sustainable construction and the enhancement of biodiversity. Development Management Policy DM7.1 requires development proposals to integrate best practice sustainable design standards and states that the council will support the development of renewable energy technologies, subject to meeting wider policy requirements. Details are provided within Islington's Environmental Design SPD, which is underpinned by the Mayor's Sustainable Design and Construction Statement SPG. Major developments are also required to comply with Islington's Code of Practice for Construction Sites and to achieve relevant water efficiency targets as set out in the BREEAM standards.
- 11.171 The application was referred to the Council's Energy advisor who advised that there was no objection to the proposed energy efficiency and sustainability measures. The scheme was revised slightly to achieve an improvement on the emissions reduction performance, compared to the original submission.
- 11.172 There would be a 38.1% reduction achieved, which falls marginally short of the Council's target, notwithstanding this, the Council's Energy advisor considers that the applicant has made all reasonable endeavours to approach this target. The energy statement notes that a contribution of £390,448 would be required to offset the final emissions of 424.4 tCO₂.
- 11.173 Government legislation has recently changed with regards to sustainable urban drainage SUDs (6 April 2015) and the expectation is that where appropriate, SUDs should be provided for all major developments following consultation with the lead Local Flood Authority. Policy DM6.6 expects all major development to include details to demonstrate that SUDs has been incorporated and this new legislation gives additional weight to this as well as introducing the issue of maintenance of the SUDs system.
- 11.174 The proposed drainage design aims to substantially reduce the impact of the site on the public sewer system by controlling the peak rate of discharge into the sewers. A number of SUDS solutions are proposed to be used to achieve this outcome; green roofs, porous paving and below ground attenuation tanks. While the information submitted with the application is acceptable at this stage, a condition is recommended to ensure further information and detailed proposals are provided to ensure the delivery of SUDs at the site is acceptable.
- 11.175 Policy DM7.3 requires all major developments to be designed to be able to connect to a District Energy Network (DEN), and connection is required if a major development site is within 500 metres of an existing or a planned future DEN. In this case the Citygen DEN is approximately 150m to the east of the site. The Applicant's Energy Strategy includes connection to this DEN. The Council's Energy Officer supports the approach, which would be secured by way of a planning obligation on any permission.

11.176 In addition, a condition should be imposed to ensure the commercial elements of the scheme accord with BREEAM standards and energy reduction is achieved.

Highways and Transportation

11.177 Development Management Policy DM8.6(A) (Delivery and servicing for new developments) requires that provision for delivery and servicing should be provided off-street and that delivery and servicing bays be strictly controlled, clearly signed and only used for the specific agreed purpose. Policy DM8.4 (F) states that it must be demonstrated that there are no road safety conflicts between pedestrians, cyclists and vehicles entering, parking and servicing a development.

11.178 The applicant has proposed that servicing vehicles would access the service yard from the new vehicular access off Lamb's Passage. The swept path analysis provided by the applicant demonstrates that all vehicles would enter the service yard and leave in forward gear.

11.179 The existing vehicular access from Errol Street would be removed and made into a part of the new pedestrian route between Lambs Passage and Errol Street. There is no objection from a policy perspective to creating the link to Errol Street. In terms of the acceptability of creating the link between Lambs Passage and Errol Street it is noted that the appeal decision relating to the previously refused scheme noted the following:

"The proposal would bring a sense of enclosure to Lamb's Passage, and the eastern part of Sutton Way and it would provide closure to the views along Lamb's Passage from the south and east referred to. In design terms, the building proposed would have a scale and appearance that would respond well to the form of other buildings in the area. On top of that, the provision of a pedestrian route across the appeal site would improve permeability.

All that would be a clear benefit to the immediate area and furthermore, enhance the settings of the listed buildings in the vicinity and the St Luke's and Chiswell Conservation Areas."

11.180 The creation of the access to Errol Street is considered to be of benefit, and allows for the introduction of external amenity spaces which would be surveyed from the ground floor hotel and commercial use (improving the safety and security of the access way). Two disabled parking bays are proposed on Sutton Way site frontage. Additionally accessible parking spaces would be located at the north-eastern end of the site.

11.181 There would be no change to the servicing arrangements for the Whitbread Centre. Servicing for the basement level uses would be via Sutton Way. A hotel drop off area (layby) would be created on site on the Lambs Passage (eastern) side of the site. Two further disabled car parking spaces would be created in the north-eastern corner of the site.

11.182 Because the servicing/delivery area interrelates with the drop off area and the access to the north-eastern disabled car parking spaces a condition (Condition 14) should be imposed on any consent granted requiring details of how servicing will be managed to avoid any conflicts between users of the spaces. A condition (Condition 37) would be imposed to limit the hours when servicing (including refuse collection) occurs in order to mitigate amenity impacts.

11.183 Following a request from TfL, one of the drop off spaces within the site adjacent to Lambs Passage would be dedicated for taxis.

11.184 Refuse storage areas for the residential blocks is located sensibly and with direct access to servicing areas for collection. Covered and secure cycle storage areas are proposed to be provided within both residential blocks. Publicly accessible cycle storage spaces would be provided under cover near the hotel entrance and also within the through route proposed to link to Errol Street Space is provided within the residential blocks for mobility scooters.

11.185 The application was referred to the Council's Highways advisor who advised that the scheme is identical (from a highway perspective) to the previous scheme (P2013/3257/FUL), and

consistent with advice provided previously, there is no objection in principle from a highways perspective. The Council's Highway officer and TfL examined the Transport Assessment submitted in support of the application and found it to be accurate. No objection was raised in terms of the loss of the existing parking or traffic congestion.

- 11.186 Planning obligations and conditions would need to be imposed on any consent to ensure that redundant cross overs are removed. Planning obligations would also be required to ensure that the public have unimpeded access over the hard landscaped areas, including the footway between the proposed new building and Lambs Passage.
- 11.187 Concerns have been raised in objections to damage and disturbance which could be caused by construction vehicles and the construction process itself. Conditions would be imposed on any consent to require demolition and construction to be managed. Compensation for damage caused would be a Civil issue between affected parties and the developer (i.e. not a planning matter). In terms of traffic, the construction management plans and construction logistics plans which would help to ensure construction traffic is properly managed and conditions are recommended to secure these.
- 11.188 No objection was raised by the Highway officer in terms of the number and frequency of deliveries.

Air Quality and Contamination

- 11.189 The NPPF indicates that where a site is affected by contamination, responsibility for securing safe development rests with the developer and / or landowner. London Plan policy 5.21 (Contaminated Land) states that appropriate measures should be undertaken to ensure that development on previously contaminated land does not activate or spread contamination.
- 11.190 Policy DM6.1 (Healthy Development) of the Council's Development Management DPD requires adequate treatment of any contaminated land before development can commence. Geotechnical and Geo-Environmental Desk Study prepared by Geo-Environmental Services Ltd accompanied the application. The Preliminary Risk Assessment and the Conceptual Site Model carried out as part of the Desk Study Report for the application site have identified potential pollutant linkages. A condition is recommended requiring a detailed and intrusive investigation to search for and identify contaminated material and remediation as necessary.
- 11.191 The site is and would be mostly covered with buildings or hard surfaced area, limiting access to the ground (thereby limiting access to any contamination that could potentially be present). There would be a landscaping along the through route between Errol Street and Lambs Passage and a condition should be imposed on any consent to ensure any contamination identified in the creation of the landscaped area is appropriately remediated, and to ensure any imported soils are free from contaminants.
- 11.192 London Plan policy 7.14 is relevant to air quality. Development Management Policy DM6.1E states that developments in locations of poor air quality should be designed to mitigate the impact of poor air quality to within acceptable limits. The application was referred to the Council's Public Protection officer, who advised that the site is in an area of poor air quality and nitrogen dioxide (NO₂) concentrations at the development are predicted to exceed the annual mean objective.
- 11.193 Mitigation measures would have to be incorporated into the development to enable ventilation, NO₂ filtration and a clean air supply for the new receptors. The Council's Public Protection officer advised that conditions should be imposed on any consent to show how the design will prevent exposure to air pollution levels exceeding the national air quality objectives (for example mechanical ventilation). Relevant conditions are recommended, which include how the scheme would reduce its impact on local air pollution and how flues from the kitchen would be controlled.
- 11.194 It is recommended that, for the proposed development's construction phase, the submission, approval and implementation of a Construction Environmental Management Plan (CEMP)

assessing the environmental impacts (including in relation to air quality, dust, smoke and odour) be secured by condition. This would ensure that the proposal would not detrimentally impact upon the amenity of the neighbouring occupiers with regard to air quality.

Basement

- 11.195 The application is supported by a Structural Method Statement which assesses the construction of the new building and basement. The analysis examines the impact of the proposal on the adjacent structures, local hydrogeology, heritage assets (the existing basements) and flood risk.
- 11.196 The Structural Method Statement shows that the new basement would not have an impact on the local hydrogeology. The analysis of excavation induced movement shows that the scheme would comply within the requirements of the Council's Basement Development SPD (January 2016).
- 11.197 Structural works carried out on the vaults will not have a detrimental effect on these historic basement spaces. The Structural Method Statement sets out the sequence of works which would prevent damage and a condition should be imposed on any consent requiring the development to accord with the Structural Method Statement.
- 11.198 The Structural Method Statement notes that because of the present condition of St Joseph's school building and Shire house, condition surveys should be carried out on these building before the works begin, and monitoring should then take place during works and for up to one year after construction has been completed. This should be secured by way of a planning obligation associated with any permission granted.

Planning Obligations, Community Infrastructure Levy and local finance considerations

- 11.199 Islington's CIL Regulation 123 infrastructure list specifically excludes measures that are required in order to mitigate the direct impacts of a particular development. This means that the measures required to mitigate the negative impacts of this development in terms of carbon emissions, lack of accessible parking spaces and local accessibility cannot be funded through Islington's CIL. Separate contributions are therefore needed to pay for the necessary carbon offset, accessible transport, highway reinstatement and local accessibility investment required to ensure that the development does not cause unacceptable impacts on the local area.
- 11.200 None of the financial contributions included in the heads of terms represent general infrastructure, so the pooling limit does not apply. Furthermore, none of the contributions represent items for which five or more previous contributions have been secured.
- 11.201 The carbon offset and accessible transport contributions are site-specific obligations, both with the purpose of mitigating the negative impacts of this specific development. The carbon offset contribution figure is directly related to the projected performance (in terms of operation emissions) of the building as designed, therefore being commensurate to the specifics of a particular development. This contribution does not therefore form a tariff-style payment. Furthermore, in the event that policy compliant on-site accessible car parking spaces had been provided by the development (or other accessibility measure) a financial contribution would not have been sought. Therefore this is also a site-specific contribution required in order to address a weakness of the development proposal, thus also not forming a tariff-style payment.
- 11.202 The highway and footway reinstatement requirement is also very clearly site-specific. The total cost will depend on the damage caused by construction of this development, and these works cannot be funded through CIL receipts as the impacts are directly related to this specific development.
- 11.203 None of these contributions were included in Islington's proposed CIL during viability testing, and all of the contributions were considered during public examination on the CIL as

separate charges that would be required in cases where relevant impacts would result from proposed developments. The CIL Examiner did not consider that these types of separate charges in addition to Islington's proposed CIL rates would result in unacceptable impacts on development in Islington due to cumulative viability implications or any other issue.

11.204 The applicant agreed to pay a package of financial heads of terms that are listed below. These obligations have been calculated based on the adopted Planning Obligations SPD (2013) or in the case of the play space and education contributions, based on the GLA child yield figures. The heads of terms are proposed to include an advanced stage review mechanism. The Carbon Offset contribution and level of affordable housing provision are less than required by Planning Obligations SPD (2013), which is on the basis that the scheme could not proceed with higher levels of obligations and remain viable. It is of note that the current package of planning obligations is slightly better than that which formed part of the appeal scheme.

11.205 The planning obligations are considered necessary, relevant and appropriate in scale and kind to the proposed development and to make the development proposals acceptable in planning terms and policy compliant.

- On site provision of affordable Housing (43% of units with 73% being social rented and 27% shared ownership). The mix and size of units should comply with the table below:

Tenure	1 bed	2 bed
Market	9	11
Intermediate	1	3
Social Rented	6	5

- Viability review in line with the Islington Development Viability Supplementary Planning Document (2016). Submission of updated viability information at an advanced stage of the development process on sale of 75% of private residential units. Fees of consultant appointed by the council to be paid for by the applicant. In the event of an improvement in viability, either additional on-site affordable housing is to be provided or a financial contribution towards the provision of affordable housing off site to be paid to the council, to be determined in accordance with the SPD.
- Prevention of wasted housing supply. All dwellings required to be fully furnished and equipped for use as a home, and not to be left unoccupied for any continuous period of 3 consecutive months or more (plus other requirements as per the Islington Preventing Wasted Housing Supply Supplementary Planning Document, 2015). The applicant agrees to include these obligations in sales and marketing information and in any head lease or subleases that may be granted.
- All of the office floorspace (at ground level and basement level) as shown on Plans 02-03-003 O, 02-03-002 L, 02-03-001 J and the Office Space Information Document (June 2016) will be fitted out to an A-grade standard.
- Timing, delivery and management for 20 years of 334sqm of affordable workspace as shown on Plans 02-03-003 O, 02-03-002 L, 02-03-001 J and the Office Space Information Document (June 2016).
- Securing the provision of the small/micro workspace at the lower basement floor level in accordance with the provisions of policy BC8B(ii)/DM5.4A and C (submission of details of unit sizes, design, management and marketing information including rent and service charges).
- A contribution of £75,876 is required towards offsetting the projected residual CO2 emissions of the development, based on the established price per tonne of CO2 for Islington (currently £920/tonne).
- Connection to a local energy network, if technically and economically viable (burden of proof will be with the developer to show inability to connect). In the event that a local energy network is not available or connection to it is not economically viable, the developer should develop an on-site solution and/or connect to a neighbouring site (a Shared Heating Network) and future proof any on-site solution so that in all cases

(whether or not an on-site solution has been provided), the development can be connected to a local energy network if a viable opportunity arises in the future.

- The repair and re-instatement of the footways and highways adjoining the development. The cost is to be confirmed by LBI Highways, paid for by the applicant and the work carried out by LBI Highways. Condition surveys may be required.
- Owner/developer to meet the costs of the delivery of the new development and its impact on the public highway. To include all associated construction, signage, demarcation, S38 works involving adoption of widened footway and drop off bay, S278 Agreement, monitoring, any necessary amendments to Traffic Management Orders (estimated at £7,500 per Traffic Order) and administration costs.
- Compliance with the Code of Employment and Training.
- Payment of a commuted sum of £35,352 towards employment and training for local residents.
- Facilitation of 9 work placements during the construction phase of the development, lasting a minimum of 13 weeks, or a fee of £45,000 to be paid to LBI Developer/contractor to pay wages (must meet London Living Wage). London Borough of Islington Construction Works Team to recruit for and monitor placements.
- Compliance with the Code of Local Procurement.
- Compliance with the Code of Construction Practice, including a monitoring fee of £10,538 and submission of a site-specific response document to the Code of Construction Practice for the approval of LBI Public Protection, which shall be submitted prior to any works commencing on site.
- The provision of 8 accessible parking bays or a contribution of £16,000 towards bays or other accessible transport initiatives.
- Removal of eligibility for residents' parking permits.
- Submission of a Green Performance Plan.
- Submission of a draft framework Travel Plan with the planning application, of a draft full Travel Plan for Council approval prior to occupation, and of a full Travel Plan for Council approval 6 months from first occupation of the development.
- The approved Public Access Areas shall be maintained as an open unrestricted space at all times.

11.206 The applicant has provided a statutory declaration to confirm that the scheme can be delivered with the level of planning obligations set out above.

11.207 Under the terms of the Planning Act 2008 (as amended) and Community Infrastructure Levy Regulations 2010 (as amended), the Mayor of London's and Islington's Community Infrastructure Levy (CIL) will be chargeable on this application on grant of planning permission. This will be calculated in accordance with the Mayor's adopted CIL Charging Schedule 2012 and the Islington adopted CIL Charging Schedule 2014 and is likely to be £533,219 for the Mayoral CIL and £2,461,569 for the Islington CIL. This will be payable to the London Borough of Islington after the planning consent has been implemented. The affordable housing is exempt from CIL payments and the payments would be chargeable on implementation of the private housing.

11.208 The site is within the Central London Crossrail S.106 contribution area and as such a contribution toward Crossrail would be of £449,059 would be required. At paragraph 8.16 of the London Plan, the Mayor sets out a commitment to ensure that developers do not have unreasonable demands made of them by having to make both CIL and section 106 payments towards Crossrail. In essence the Mayor does not require the Central London Crossrail S.106 contribution if the Mayoral CIL is a greater amount (as is the case with this application).

Other Matters

11.209 Concerns have been raised in objections to the scheme in terms of safety and security and the access for emergency vehicles to existing buildings. The London Fire Brigade and the Metropolitan Police have considered the scheme in detail and raised no objections to the development. The areas of public realm would be actively surveyed by the hotel, office

space and other ground floor uses. Appropriate lightning and CCTV systems would further increase the security of the site, as such a condition is recommended to ensure adequate provision.

- 11.210 There is adequate access to fire hydrants surrounding the site and access into the site for emergency services.
- 11.211 In terms of job creation as a result of the proposed redevelopment, there would jobs created during the construction phase for construction workers. Estimates suggest that there would be approximately 236 new jobs (on an ongoing basis) accommodated within the proposed buildings. The provision of employment generating uses was recognised by the Planning Inspector as a benefit of the scheme considered at appeal (ref: P2013/3257/FUL).

National Planning Policy Framework and Planning Balance

- 11.212 In the final balance of planning considerations, officers have also considered the proposal in the context of the presumption in favour of sustainable development set out in the NPPF. Given the planning history, the key issues centre around whether the proposal overcomes the concerns raised by the Planning Inspector in the appeal against the refusal of the previous scheme, and whether the current scheme responds to changes in the policy context since the appeal (held in March 2015).
- 11.213 Since the appeal, the council has adopted the Viability SPD, which requires any uplift identified in a review to be shared between the council and the developer (a 60% to 40% split in favour of the council). The applicant explicitly agreed to this and this would be secured through a legal agreement, and address the concern raised by the Planning Inspector.
- 11.214 There are still concerns by local residents over the impact of the proposal on the amenity of neighbours. The sunlight/daylight analysis shows that the development would reduce the amount of daylight reaching windows in neighbouring buildings (Shire House and 1 Lambs Passage). However this was not considered so harmful by the Inspector to warrant the refusal of the scheme and the reduced height of the southern block has had a positive impact, in terms of reducing the harm caused from loss of light when compared against the appeal scheme.
- 11.215 Since the appeal, the CAZ SPG and CFOAPF were adopted by the GLA, and these place a greater emphasis on the provision of business floor space. The current scheme includes a greater proportion of office space, and additionally it also includes affordable workspace and space suitable for small and micro enterprises. The current scheme is considered to accord with the CAZ SPG and CFOAPF.
- 11.216 The applicant has undertaken the investigative analysis and provided requisite engineering studies and reports and it is considered that the proposal would accord with the Council's Basement SPD.
- 11.217 The Council's financial consultant has advised that the scheme would not be viable with a greater level of planning obligations. The planning obligations include the provision affordable housing and workspace at greater levels than were associated with the appeal scheme.

12. SUMMARY AND CONCLUSION

Summary

- 12.1 The site has a planning history which is directly relevant to the current scheme. A similar scheme was considered at appeal in March 2015. The Planning Inspector dismissed the appeal, due to concerns over the mechanism to review the financial circumstances of the scheme. The review mechanism proposed in the current scheme is compliant with the Council's Viability SPD (adopted since the 2015 appeal).
- 12.2 This application also addresses changes in policy guidance adopted since the appeal in March 2015. In particular, the Mayor of London's CAZ SPG and the CFOAPF. The new

guidance places a greater emphasis on provision of business floor space in the CAZ. The proposal was amended to increase the proportion of the scheme which would be dedicated as business floor space, including affordable workspace and space suitable for small and micro sized enterprises.

- 12.3 The application also responds to the requirements of other newly adopted guidance, including the Council's basements SPD. The applicant has undertaken the investigative analysis and provided requisite engineering studies and reports and it is considered that the proposal would accord with the Council's Basement SPD.
- 12.4 The main concern of the Council and residents with the previous application was that the new building would overshadow nearby residential occupiers. While the residents concerns remain, the planning history (including the appeal) is acknowledged. The current proposals have been revised to reduce the height of the southern residential block, and this change has had a positive impact, in terms of reducing the harm caused from loss of light when compared against the appeal scheme.
- 12.5 The benefits of the proposed development include the re-use of an underused site and the refurbishment of the below ground historic vaults. The scheme also involves provision of additional employment space, including affordable workspace and space suitable small and micro sized enterprises. There is evidence of increasing demand for business workspace (needed to support job growth). This situation is exacerbated by a decrease in supply of office space, as a result of permitted development rights (which allow the conversion of office space to residential uses). The application would help redress this issue.
- 12.6 The proposal is considered to be acceptable in terms of land use, urban design, impact on heritage assets, the quality of the proposed residential accommodation, dwelling mix, affordable housing and sustainability/energy and is not considered to have any undue impact on nearby residential properties in comparison to the scheme approved at appeal or the area in general in terms of amenity or transport/servicing.
- 12.7 The comments made by residents have been considered, as have responses from consultee bodies.
- 12.8 It is considered that the current scheme overcomes the concern raised by the Planning Inspector. The current scheme would be less harmful to the amenity of neighbours, and provide enhanced planning benefits when compared to the scheme considered at appeal.

Conclusion

- 12.9 It is recommended that planning permission be granted subject to conditions and s106 legal agreement heads of terms for the reasons and details as set out in Appendix 1 - RECOMMENDATIONS.

APPENDIX 1 –

RECOMMENDATIONS

RECOMMENDATION A

That planning permission be granted subject to the prior completion of a Deed of Planning Obligation made under section 106 of the Town and Country Planning Act 1990 between the Council and all persons with an interest in the land (including mortgagees) in order to secure the following planning obligations to the satisfaction of the Head of Law and Public Services and the Service Director, Planning and Development / Head of Service – Development Management or, in their absence, the Deputy Head of Service:

- On site provision of affordable Housing (43% of units with 73% being social rented and 27% shared ownership). The mix and size of units should comply with the table below:

Tenure	1 bed	2 bed
Market	9	11
Intermediate	1	3
Social Rented	6	5

- Viability review in line with the Islington Development Viability Supplementary Planning Document (2016). Submission of updated viability information at an advanced stage of the development process on sale of 75% of private residential units. Fees of consultant appointed by the council to be paid for by the applicant. In the event of an improvement in viability, either additional on-site affordable housing is to be provided or a financial contribution towards the provision of affordable housing off site to be paid to the council, to be determined in accordance with the SPD.
- Prevention of wasted housing supply. All dwellings required to be fully furnished and equipped for use as a home, and not to be left unoccupied for any continuous period of 3 consecutive months or more (plus other requirements as per the Islington Preventing Wasted Housing Supply Supplementary Planning Document, 2015). The applicant agrees to include these obligations in sales and marketing information and in any head lease or subleases that may be granted.
- All of the office floorspace (at ground level and basement level) as shown on Plans 02-03-003 O, 02-03-002 L, 02-03-001 J and the Office Space Information Document (June 2016) will be fitted out to an A-grade standard.
- Timing, delivery and management for 20 years of 334sqm of affordable workspace as shown on Plans 02-03-003 O, 02-03-002 L, 02-03-001 J and the Office Space Information Document (June 2016).
- Securing the provision of the small/micro workspace at lower basement floor level in accordance with the provisions of policy BC8B(ii)/DM5.4A and C (submission of details of unit sizes, design, management and marketing information including rent and service charges).
- A contribution of £75,876 is required towards offsetting the projected residual CO2 emissions of the development, based on the established price per tonne of CO2 for Islington (currently £920/tonne).
- Connection to a local energy network, if technically and economically viable (burden of proof will be with the developer to show inability to connect). In the event that a local energy network is not available or connection to it is not economically viable, the developer should develop an on-site solution and/or connect to a neighbouring site (a Shared Heating Network) and future proof any on-site solution so that in all cases (whether or not an on-site solution has been provided), the development can be connected to a local energy network if a viable opportunity arises in the future.
- The repair and re-instatement of the footways and highways adjoining the development. The cost is to be confirmed by LBI Highways, paid for by the applicant and the work carried out by LBI Highways. Condition surveys may be required.
- Owner/developer to meet the costs of the delivery of the new development and any associated off site highway works/works to mitigate its impact on the public highway, including the relocation of infrastructure (e.g. telecommunication equipment, lamp posts etc). To include all

associated construction, taxi rank, signage, demarcation, S38 works involving adoption of

widened footway and drop off bay, S278 Agreement, monitoring, any necessary amendments to Traffic Management Orders (estimated at £7,500 per Traffic Order) and administration costs.

- Compliance with the Code of Employment and Training.
- Payment of a commuted sum of £35,352 towards employment and training for local residents.
- Facilitation of 9 work placements during the construction phase of the development, lasting a minimum of 13 weeks, or a fee of £45,000 to be paid to LBI Developer/ contractor to pay wages (must meet London Living Wage). London Borough of Islington Construction Works Team to recruit for and monitor placements.
- Compliance with the Code of Local Procurement.
- Compliance with the Code of Construction Practice, including a monitoring fee of £10,538 and submission of a site-specific response document to the Code of Construction Practice for the approval of LBI Public Protection, which shall be submitted prior to any works commencing on site.
- The provision of 8 accessible parking bays or a contribution of £16,000 towards bays or other accessible transport initiatives.
- Removal of eligibility for residents' parking permits.
- Submission of a Green Performance Plan.
- Submission of a draft framework Travel Plan with the planning application, of a draft full Travel Plan for Council approval prior to occupation, and of a full Travel Plan for Council approval 6 months from first occupation of the development.
- The approved Public Access Areas shall be maintained as an open unrestricted space at all times.
- Central London Crossrail contribution (only in the event that the contribution is greater than the Mayoral CIL payment)

That, should the Section 106 Deed of Planning Obligation not be completed within the Planning Performance Agreement timeframe the Service Director, Planning and Development / Head of Service – Development Management or, in their absence, the Deputy Head of Service may refuse the application on the grounds that the proposed development, in the absence of a Deed of Planning Obligation is not acceptable in planning terms.

ALTERNATIVELY should this application be refused and appealed to the Secretary of State, the Service Director, Planning and Development / Head of Service – Development Management or, in their absence, the Deputy Head of Service be authorised to enter into a Deed of Planning Obligation under Section 106 of the Town and Country Planning Act 1990 to secure the Heads of Terms as set out in this report to Committee.

RECOMMENDATION B

That the grant of planning permission be subject to **conditions** to secure the following:

List of Conditions:

1	<p>Commencement</p> <p>CONDITION: The development hereby permitted shall begin no later than the expiration of 3 years from the date of this permission.</p> <p>REASON: To comply with the provisions of Section 91(1)(a) of the Town and Country Planning Act 1990 as amended by the Planning and Compulsory Purchase Act 2004 (Chapter 5).</p>
2	<p>Approved plans list</p> <p>CONDITION: The development hereby approved shall be carried out in accordance with the following approved drawings and information:</p> <p>Updated Planning and Regeneration Statement ref: 25777/A5/Reports (15 June 2016), Financial Appraisal Amended Scheme (8 June 2016), Agent email 3/8/2016 and Barton Willmore Note Rev A – 030816, Planning Policy Response Note, Design and Access Statement and Design and Access Statement Addendum Rev A (August 2016), GIA Daylight and Sunlight ref: 4749 (14 June 2016), Sustainability Statement XCO2 Energy ref: 8319 issue 02, Energy Statement XCO2 Energy ref: 8319 (13 June 2016), Proposed Hotel Indigo, Barbican, London, Market and Viability Study, London City Shopping Centre Ltd & Lamb's Passage Real Estate Ltd (June 2016), Lambs Passage Li56:183 Area Schedule Rev M (13 June 2016), Hotel & Office Management Document (June 2016), Structural Method Statement ref: 061620 Rev: 01 (1 July 2016), Email from Hyde Housing (29 April 2016), Architectural and Built Heritage Assessment Heritage Collective ref: L\Jen's HC documents\Lambs Passage\2016 Application\2016.01.29 Lambs Passage Heritage and DBA report1.docx (February 2016), Noise and Vibration Assessment WSP, Parsons Brinkerhoff Rev 1 (February 2016), Air Quality Assessment WSP, Parsons Brinkerhoff Rev 1 (February 2016), Transport Assessment and Travel Plan Template SCP REF: JRB/13814/TA/01 (February 2016), Structural Strategy Report LO1403-REP-001 Lamb's Passage, Statement of Community Involvement (February 2016), Geotechnical and Geo-Environmental Desk Study ref: GE15288-DSR-JAN16 Ver 1.0, Drainage Strategy Report, Curtins Ref: LO1403-REP-002 Rev 02 (29 January 2016), Public Realm Strategy BMD REF: BMD197.PRS.001 Rev 9 (February 2016), Over Heating Analysis XCO2 Energy February 2016, 02-01-001 A, 02-02-001 I, 02-03-001 J, 02-03-002 L, 02-03-003 O, 02-03-004 I, 02-03-005 I, 02-03-006 I, 02-03-007 H, 02-03-008 J, 02-03-09 I, 02-03-010 J, 02-03-012 B, 02-04-001 D, 02-04-002 E, 02-05-001 F, 02-05-002 F, 02-05-003 E, 02-05-004 H, 02-05-005 E, 02-91-001 A, 02-91-002 C, 02-91-003 A, 02-91-004, 02-91-005, 02-91-006, 02-91-007, 02-91-008, 02-91-009, 02-91-010.</p> <p>REASON: To comply with Section 70(1)(a) of the Town and Country Act 1990 as amended and the Reason for Grant and also for the avoidance of doubt and in the interest of proper planning.</p>
3	<p>Materials and Samples (Details)</p> <p>CONDITION: Details and samples of all facing materials shall be submitted to and approved in writing by the Local Planning Authority prior to any superstructure work commencing on the relevant buildings as hereby approved. The details and samples shall include:</p> <ul style="list-style-type: none"> a) solid brickwork (including brick panels and mortar courses); b) corten steel d) window treatments (including frame sections and reveals); e) roofing materials;

	<p>f) balustrading treatment (including sections); g) any other materials to be used.</p> <p>The development shall be carried out strictly in accordance with the details and samples so approved, shall be maintained as such thereafter and no change therefrom shall take place without the prior written consent of the Local Planning Authority.</p> <p>REASON: In the interests of securing sustainable development and to ensure that the resulting appearance and construction of the development is of a high standard.</p>
4	Air Quality (Details)
	<p>CONDITION: Before commencement of the development, an air quality report shall be submitted to and agreed by the Local Planning Authority. The report shall detail:</p> <p>a) the area within the boundary of the site, which may exceed relevant national air quality objectives. b) specify how the detailed application will address any potential to cause relevant exposure to air pollution levels exceeding the national air quality objectives. c) identify areas of potential exposure. d) detail how the development will reduce its impact on local air pollution.</p> <p>Regard shall be had to the guidance from the Association of London Government "Air quality assessment for planning applications – Technical Guidance Note" and the GLA's "Air Quality Neutral" policy in the compilation of the report.</p> <p>REASON: In the interest of protecting the safety of future occupiers of the building.</p>
5	Sound Insulation (Details)
	<p>CONDITION: A scheme for sound insulation and noise control measures shall be submitted to and approved in writing by the Local Planning Authority prior to any superstructure works commencing on site. The sound insulation and noise control measures shall achieve the following internal noise targets (in line with BS 8233:2014):</p> <p>Mixed sources: Bedrooms (23.00-07.00 hrs) 30 dB LAeq,8 hour and 45 dB Lmax (fast) Living Rooms (07.00-23.00 hrs) 35 dB LAeq, 16 hour Dining rooms (07.00 –23.00 hrs) 40 dB LAeq, 16 hour</p> <p>Plant and delivery noise sources: Bedrooms (23.00-07.00 hrs) 25dB LAeq,8 hour and 40 dB Lmax (fast) Living Rooms (07.00-23.00 hrs) 30 dB LAeq, 16 hour Dining rooms (07.00 –23.00 hrs) 35 dB LAeq, 16 hour</p> <p>The sound insulation and noise control measures shall be carried out strictly in accordance with the details so approved, shall be implemented prior to the first occupation of the development hereby approved, shall be maintained as such thereafter and no change therefrom shall take place without the prior written consent of the Local Planning Authority.</p> <p>REASON: In the interest of protecting the future occupiers of the building from unacceptable noise and disturbance.</p>
6	Additional elevational details (Details)
	<p>CONDITION: Full details of the design and treatment (including colour schemes and finishes) of all ground floor (and first floor where appropriate) elevations shall be submitted to and approved in writing by the Local Planning Authority prior to superstructure works commencing.</p> <p>Details shall all be shown in context and to a scale of 1:50 with 1:10 details or larger where</p>

	<p>necessary and include the following (but not be limited to):</p> <ul style="list-style-type: none"> a) window and door frames; b) fascias; c) glazing types; d) elevational and threshold treatments; e) balcony details; f) louvers. g) brickwork pillar at entrance to new pedestrian route off Lamb's Passage. <p>The development shall be carried out strictly in accordance with the details so approved and shall be maintained as such thereafter.</p> <p>REASON: To ensure that the Authority may be satisfied with the access arrangements and the street level external appearance / interface of the buildings.</p>
7	Obscure glazing and restricted opening (Details)
	<p>CONDITION: Notwithstanding the plans hereby the approved western elevation windows and west facing terraces on the southern residential block and the facing windows in the northern elevation shall, prior to the first occupation of those dwelling(s), be treated (to include obscure glazing and restricted opening methods) to prevent the overlooking of habitable room windows in neighbouring dwellings. The details of how the windows shall be altered/treated to prevent overlooking shall be submitted to and approved in writing by the Local Planning Authority prior to the windows being installed.</p> <p>The agreed alteration/treatment shall be provided/installed prior first occupation of the development hereby approved and the development shall be carried out strictly in accordance with the details so approved and maintained as such thereafter.</p> <p>REASON: To prevent the undue overlooking of neighbouring habitable room windows.</p>
8	Roof Level Structures (Details)
	<p>CONDITION: Notwithstanding the drawings hereby approved, updated details of the proposed roof-top structures/enclosures demonstrating a reduction in their prominence shall be submitted to and approved in writing by the Local Planning Authority prior to any superstructure works commencing on site. The details shall include the location, height above roof level, specifications and cladding and shall relate to:</p> <ul style="list-style-type: none"> a) roof-top plant; b) ancillary enclosures/structure; and c) lift overrun <p>The development shall be carried out strictly in accordance with the details so approved and shall be maintained as such thereafter.</p> <p>REASON: In the interests of securing sustainable development and to ensure that the resulting appearance and construction of the development is of a high standard.</p>
9	Public art details (Details)
	<p>CONDITION: Further details of the proposed 'art' shall be submitted to and approved in writing by the Local Planning Authority prior to practical completion of the development hereby approved. The details shall confirm the size, design, materials, colour scheme and means of attachment.</p> <p>The 'art' shall be installed in accordance with the details so approved and maintained as such permanently thereafter.</p> <p>If at any point the 'art wall' is considered to form an advertisement as defined under section 336 of the Town and Country Planning Act 1990 (as amended) and the Town and Country</p>

	<p>Planning (Control of Advertisements) Regulations 2007 you are advised that a separate application of Advertisement Consent will be required.</p> <p>REASON: To ensure that the Authority may be satisfied with the external appearance of the building.</p>
10	No obscure glazing at ground level (Compliance)
	<p>CONDITION: The window glass of all ground floor commercial units shall not be painted, tinted or otherwise obscured and no furniture or fixings which may obscure visibility above a height of 1.4m above finished floor level shall be placed within 2.0m of the inside of the window glass.</p> <p>REASON: In the interest of securing passive surveillance of the street, an appropriate street frontage appearance and preventing the creation of dead/inactive frontages.</p>
11	Accessible dwellings (Compliance)
	<p>CONDITION: Notwithstanding the Design and Access Statement and plans hereby approved, 31 of the residential units shall be constructed to Category 2 of the National Standard for Housing Design as set out in the Approved Document M 2015 'Accessible and adaptable dwellings' M4 (2) and 4 units (3 X 1b, 1 x 2b) shall be constructed to Category 3 of the National Standard for Housing Design as set out in the Approved Document M 2015 'Wheelchair user dwellings' M4 (3).</p> <p>Building Regulations Approved Plans and Decision Advice Notice, confirming that these requirements will be achieved, shall be submitted to and approved in writing by LPA prior to any superstructure works beginning on site.</p> <p>The development shall be constructed strictly in accordance with the details so approved.</p> <p>REASON: To secure the provision of visitable, adaptable and wheelchair accessible homes appropriate to meet diverse and changing needs, in accordance with London Plan (2015) policy 3.8.</p>
12	Security and General Lighting (Details)
	<p>CONDITION: Details of any external general or security lighting (including full specification of all luminaries, lamps and support structures), and the location and design of any CCTV camera equipment shall be submitted to and approved in writing by the Local Planning Authority prior to superstructure works commencing on the site.</p> <p>The CCTV and lighting shall be installed and operational prior to the first occupation of the development hereby approved and maintained as such permanently thereafter.</p> <p>REASON: In the interest of protecting neighbouring and future residential amenity and existing and future habitats from undue light-spill.</p>
13	Energy Reduction (Compliance)
	<p>CONDITION: The energy efficiency measures/features and renewable energy technology(s)</p> <ul style="list-style-type: none"> a) Connection to Citigen Heating Network; b) 118.8 m2 of photovoltaic panels on the developments main roofs; c) Beyond green measures as outlined within the approved energy strategy. <p>which shall provide for no less than 38.1% reduction in total emissions against the 2013 Building Regulations as detailed within the Energy Statement XCO2 Energy June 2016 shall be installed and operational prior to the first occupation of the development.</p> <p>Should, following further assessment, the approved energy measures be found to be no</p>

	<p>longer suitable, a revised Energy Strategy shall be submitted to and approved in writing by the Local Planning Authority prior to any superstructure works commencing on site.</p> <p>The revised energy strategy shall provide for no less than a 38.1% on-site total CO2 reduction in comparison with total emissions from a building which complies with Building Regulations 2013.</p> <p>REASON: In the interest of sustainable development and to ensure that the Local Planning Authority may be satisfied that CO2 emission reduction targets by energy efficient measures/features and renewable energy are met.</p>
14	<p>Vehicular Facilities & Servicing and Delivery Management Plan (Details)</p> <p>CONDITION: Detailed design of the proposed servicing area, including the provision of an on-street taxi/drop off bay, and the associated changes to the public highway along Lamb's Passage, shall be submitted to and approved by the Local Planning Authority prior to superstructure works commencing on site.</p> <p>A Delivery and Servicing Management Plan shall be submitted to and agreed in writing by the Council prior to the first use of the respective part of the approved development.</p> <p>Details confirming the following shall be submitted:</p> <p>a) Taxi/Drop-off bay: all vehicles must reverse out of the servicing area into the drop-off bay. Vehicles should not directly reverse into the carriageway nor should they reverse into the pedestrian footway that would run alongside the drop-off bay.</p> <p>b) Banksman: a qualified banksman must be in place at all times during a reversing service vehicle manoeuvre. The banksman will supervise the reversing of all vehicles out of the servicing area into the drop off bay.</p> <p>The development shall not be occupied unless and until the servicing area for loading/unloading, turning, parking and vehicular access have been constructed, made available for their intended use and appropriately line-marked and/or signed.</p> <p>REASON: The vehicle facilities are considered to form an essential element of the development, without which the scheme would have a harmful impact on both residential amenity and the free-flow and safety of traffic and the public highways.</p>
15	<p>Green Procurement (Details)</p> <p>CONDITION: No development shall take place unless and until a Green Procurement Plan has been submitted to and approved in writing by the Local Planning Authority. The Green Procurement Plan shall demonstrate how the procurement of materials for the development would promote sustainability: use of low impact, sustainably sourced, reused and recycled materials, including reuse of demolition waste.</p> <p>The development shall be constructed strictly in accordance with the Green Procurement Plan so approved.</p> <p>REASON: To ensure sustainable procurement of materials which minimises the negative environmental impacts of construction.</p>
16	<p>BREEAM (Compliance)</p> <p>CONDITION: The Hotel, restaurant, ground floor office and retail spaces here by approved shall achieve a BREEAM New Construction 2014 rating of no less than 'Excellent'. The office space refurbishment shall achieve a BREEAM Office 2008 rating of no less than 'Excellent'. The retail space refurbishment shall achieve a BREEAM Retail 2008 rating of no less than 'Excellent'</p> <p>REASON: In the interest of addressing climate change and to secure sustainable</p>

	development.
17	Green and Brown Roofs (Compliance)
	<p>CONDITION: The biodiversity (green/brown) roof(s) shall be:</p> <ul style="list-style-type: none"> a) biodiversity based with extensive substrate base (depth 80-150mm); b) laid out in accordance with plan 3326/P13 Rev A hereby approved; and c) planted/seeded with a mix of species within the first planting season following the practical completion of the building works (the seed mix shall be focused on wildflower planting, and shall contain no more than a maximum of 25% sedum). <p>The biodiversity (green/brown) roof shall not be used as an amenity or sitting out space of any kind whatsoever and shall only be used in the case of essential maintenance or repair, or escape in case of emergency.</p> <p>The biodiversity roof(s) shall be carried out strictly in accordance with the details so approved and shall be maintained as such thereafter.</p> <p>REASON: To ensure the development provides the maximum possible provision towards creation of habitats and valuable areas for biodiversity.</p>
18	Sustainable Urban Drainage System (SUDS)
	<p>CONDITION: Details of a drainage strategy for a sustainable urban drainage system shall be submitted to and approved in writing by the Local Planning Authority prior to any superstructure works commencing on site. The details shall be based on an assessment of the potential for disposing of surface water by means of appropriate sustainable drainage systems and be designed to maximise water quality, amenity and biodiversity benefits.</p> <p>The submitted details shall include maintenance information, the scheme's peak runoff rate and storage volume and demonstrate how the scheme will aim to achieve a greenfield run off rate (8L/sec/ha) and at minimum achieve a post development run off rate of 50L/ha/sec. The drainage system shall be installed/operational prior to the first occupation of the development.</p> <p>No infiltration based sustainable drainage systems are to be constructed on land affected by contamination as contaminants.</p> <p>The development shall be carried out strictly in accordance with the details so approved and shall be maintained as such thereafter.</p> <p>REASON: To ensure that sustainable management of water.</p>
19	Rainwater and Greywater Recycling (Details)
	<p>CONDITION: Details of the rainwater and greywater recycling system shall be submitted to and approved in writing by the Local Planning Authority prior to any superstructure works commencing onsite.</p> <p>The details shall demonstrate the maximum level of recycled water that can feasibly be provided to the development.</p> <p>The rainwater and greywater recycling system shall be carried out strictly in accordance with the details so approved, installed and operational prior to the first occupation of the building to which they form and shall be maintained as such thereafter.</p> <p>REASON: To ensure the sustainable management and use of water, and to minimise impacts on water infrastructure, potential for surface level flooding.</p>

<p>20</p>	<p>Bird and Bat Boxes (Details)</p> <p>CONDITION: Details of no less than 4 (total) bird and bat nesting boxes / bricks shall be submitted to and approved in writing by the Local Planning Authority prior to any superstructure works commencing on site. The details shall include the exact location, specification and design of the habitats.</p> <p>The nesting boxes / bricks shall be provided strictly in accordance with the details so approved, installed prior to the first occupation of the building to which they form part or the first use of the space in which they are contained and shall be maintained as such thereafter.</p> <p>REASON: To ensure the development provides the maximum possible provision towards creation of habitats and valuable areas for biodiversity.</p>
<p>21</p>	<p>Plant Noise and Fixed Plant (Compliance)</p> <p>CONDITION: The design and installation of new items of fixed plant shall be such that when operating the cumulative noise level LAeq,Tr arising from the proposed plant, measured or predicted at 1m from the façade of the nearest noise sensitive premises, shall be a rating level of at least 5dB(A) below the background noise level LAF90,T.</p> <p>The measurement and/or prediction of the noise should be carried out in accordance with the methodology contained within BS 4142: 2014.</p> <p>REASON: To ensure that the development does not have an undue adverse impact on nearby residential amenity or business operations.</p>
<p>22</p>	<p>Noise Level from Premises (Compliance)</p> <p>CONDITION: Noise emitted from any part of the premises through the operation of the use shall not increase the current background levels, measured as an LA90,1hour day and LA90,5minute night at one metre from the nearest noise sensitive facade.</p> <p>REASON: In order to protect residential amenity.</p>
<p>23</p>	<p>Lifts (Compliance)</p> <p>CONDITION: All lifts serving the development hereby approved shall be installed and operational prior to the first occupation of the office floorspace hereby approved.</p> <p>REASON: To ensure that inclusive and accessible routes are provided throughout the development to ensure no one is excluded from full use and enjoyment of the site.</p>
<p>24</p>	<p>Hours of use (Compliance)</p> <p>CONDITION: The lower and upper basement floor restaurant (A3 use class) hereby approved shall not operate except between the hours of:</p> <p>Monday to Thursday 08:00 and 23:00 Fridays and Saturdays 08:00 and 24:00 Sundays and Public Holidays 08:00 and 22:00</p> <p>REASON: To ensure that the operation of the retail units do not unduly impact on residential amenity.</p>
<p>25</p>	<p>Demolition, Construction Management Plan and Construction Logistics Plan (Details)</p> <p>CONDITION: No development shall take place unless and until a Demolition and Construction Management Plan (DCMP) and Construction Logistics Plan (CLP) have been submitted to and approved in writing by the Local Planning Authority following consultation with Transport for London.</p>

	<p>The DCMP and CLP shall set out the measures proposed to ensure demolition and construction will be undertaken in a manner which does not cause harm to the amenity of nearby occupiers, pedestrian or highway safety and shall include:</p> <ul style="list-style-type: none"> a) identification of construction vehicle routes; b) how construction related traffic would turn into and exit the site c) details of banksmen to be used during construction works d) the parking of vehicles of site operatives and visitors; e) loading and unloading of plant and materials; f) storage of plant and materials used in constructing the development; g) the erection and maintenance of security hoarding including decorative displays and facilities for public viewing, where appropriate; h) wheel washing facilities; i) measures to control the emission of dust and dirt during demolition and construction; j) a scheme for recycling/disposing of waste resulting from demolition and construction works. k) Condition surveys of Shire House and the St Joseph's School building l) Measures to prevent construction vehicles driving onto footpaths at any time. <p>The development shall be carried out strictly in accordance with the approved CMP and CLP throughout the construction period.</p> <p>REASON: In order to secure highway safety and free flow of traffic and protect amenity of nearby occupiers.</p>
26	Construction Environment Plan (Details)
	<p>CONDITION: A Construction Environmental Management Plan assessing the environmental impacts (including (but not limited to) noise, air quality including dust, smoke and odour, vibration Wifi and TV reception) of the development shall be submitted to and approved in writing by the Local Planning Authority prior to any works commencing on site.</p> <p>The report shall assess impacts during the construction phase of the development on nearby residents and other occupiers together with means of mitigating any identified impacts. The development shall be carried out strictly in accordance with the details so approved and no change therefrom shall take place without the prior written consent of the Local Planning Authority.</p> <p>REASON: In order to safeguard the amenity levels of adjoining occupiers.</p>
27	No External Piping (Compliance)
	<p>CONDITION: Other than any pipes shown on the plans hereby approved, no additional plumbing, down pipes, rainwater pipes or foul pipes shall be located/fixed to any elevation(s) of the buildings hereby approved.</p> <p>Should additional pipes be considered necessary the details of those shall be submitted to and approved in writing by the Local Planning Authority prior to installation of any such pipe.</p> <p>REASON: The Local Planning Authority considers that such plumbing and pipes would detract from the appearance of the building.</p>
28	Written Scheme of Investigation (Details)
	<p>CONDITION: No demolition or development shall take place until a stage 1 written scheme of investigation (WSI) has been submitted to and approved by the local planning authority in writing. For land that is included within the WSI, no demolition or development shall take place other than in accordance with the agreed WSI, and the programme and methodology of site evaluation and the nomination of a competent person(s) or organisation to undertake the agreed works.</p>

	<p>If heritage assets of archaeological interest are identified by stage 1 then for those parts of the site which have archaeological interest a stage 2 WSI shall be submitted to and approved by the local planning authority in writing. For land that is included within the stage 2 WSI, no demolition/development shall take place other than in accordance with the agreed stage 2 WSI which shall include:</p> <ul style="list-style-type: none"> a) The statement of significance and research objectives, the programme and methodology of site investigation and recording and the nomination of a competent person(s) or organisation to undertake the agreed works b) Details of a watching brief be maintained on groundworks and interventions to historic fabric within the cellars c) The programme for post-investigation assessment and subsequent analysis, publication & dissemination and deposition of resulting material. this part of the condition shall not be discharged until these elements have been fulfilled in accordance with the programme set out in the stage 2 WSI. <p>REASON: In order to safeguard the special architectural or historic interest of the heritage asset.</p>
29	Historic building written scheme of investigation (Details)
	<p>CONDITION: No demolition shall take place until a written scheme of historic building investigation (WSHBI) has been submitted to and approved by the local planning authority in writing. For buildings that are included within the WSHBI, no demolition or development shall take place other than in accordance with the agreed WSHBI, which shall include the statement of significance and research objectives, and</p> <ul style="list-style-type: none"> a) The programme and methodology of historic building (historic cellars) investigation and recording and the nomination of a competent person(s) or organisation to undertake the agreed works b) The programme for post-investigation assessment and subsequent analysis, publication & dissemination and deposition of resulting material. This part of the condition shall not be discharged until these elements have been fulfilled in accordance with the programme set out in the WSHBI. <p>REASON: In order to safeguard the special architectural or historic interest of the heritage asset.</p>
30	Details of Flues (Details)
	<p>CONDITION: Details of proposed flues / extraction systems for the restaurant/retail units at ground floor level hereby approved shall be submitted to and approved in writing by the Local Planning Authority prior to any works commencing on the unit to which they relate.</p> <p>The filter systems of the approved flue / extraction units shall be regularly maintained and cleaned; and any filters and parts requiring cleaning or replacement shall be easily accessible.</p> <p>The flues/extraction systems shall be carried out strictly in accordance with the details so approved, installed and operational prior to the first occupation of the commercial units to which they relate and maintained as such thereafter.</p> <p>REASON: In the interest of protecting future residential amenity and the appearance of the resulting building(s).</p>
31	Contaminated Land (Details)
	<p>CONDITION: Prior to the commencement of development the following assessment in response to the NPPF and in accordance with CLR11 and BS10175:2011 shall be submitted to and approved in writing by the Local Planning Authority</p>

	<p>a) A programme of any necessary remedial land contamination remediation works arising from the land contamination investigation.</p> <p>Following the agreement to details relating to point a); details of the following works shall be submitted to and approved in writing by the Local Planning Authority prior to any superstructure works commencing on site:</p> <p>The development shall be carried out strictly in accordance with the investigation and any scheme of remedial works so approved and no change therefrom shall take place without the prior written approval of the Local Planning Authority.</p> <p>b) Following completion of any necessary measures identified in the approved remediation scheme a verification report, that demonstrates the effectiveness of the remediation carried out, must be produced which is subject to the approval in writing of the Local Planning Authority in accordance with part a).</p> <p>The remediation shall ensure piling or any other foundation designs using penetrative methods do not cause preferential pathways for contaminants to migrate to groundwater and cause pollution.</p> <p>The development shall be carried out strictly in accordance with the land contamination investigation and any resulting scheme of remedial land contamination works so approved, any necessary remediation shall be carried out prior to the first occupation of the development, and shall be maintained as such thereafter.</p> <p>REASON: Given the history of the site the land may be contaminated, investigation and potential remediation is necessary to safeguard the health and safety of future occupants.</p>
32	<p>Cycle Parking (Details)</p>
	<p>CONDITION: Details of the bicycle storage area, which shall be covered and secure and provide for no less than 65 cycle spaces shall be submitted to and approved in writing by the Local Planning Authority prior to any superstructure works commencing onsite; and the approved storage shall be provided/erected prior to the first occupation of the buildings hereby approved.</p> <p>The development shall be carried out strictly in accordance with the details so approved and shall be maintained as such thereafter.</p> <p>REASON: To ensure adequate cycle parking is available and easily accessible on site and to promote sustainable modes of transport.</p>
33	<p>Landscaping (Details)</p>
	<p>CONDITION: A landscaping scheme shall be submitted to and approved in writing by the Local Planning Authority prior to any superstructure works commencing on site. The landscaping scheme shall include the following details:</p> <ol style="list-style-type: none"> a. an updated Access Statement detailing routes through the landscape and the facilities it provides (including provision of landings along the ramped pathways); b. a biodiversity statement detailing how the landscaping scheme maximises biodiversity; c. detailed calculations setting out the substrate depth necessary to accommodate the planting proposed within the courtyard; including provision for storage of water for irrigation purposes; d. existing and proposed underground services and their relationship to both hard and soft landscaping; e. proposed trees: their location, species and size; f. soft plantings: including grass and turf areas, shrub and herbaceous areas;

	<p>g. topographical survey: including proposed earthworks, proposed ground finishes, proposed top soiling with both conserved and imported topsoil(s), levels, proposed drainage and fall in drain types;</p> <p>h. enclosures: including types, dimensions and treatments of walls, fences, screen walls, barriers, rails, retaining walls and hedges;</p> <p>i. hard landscaping: including ground surfaces, kerbs, edges, ridge and flexible pavings, unit paving, furniture, steps and if applicable synthetic surfaces; and</p> <p>j. any other landscaping feature(s) forming part of the scheme. All landscaping in accordance with the approved scheme shall be completed / planted during the first planting season following practical completion of the development hereby approved.</p> <p>The landscaping and planting shall have a two year maintenance / watering provision following planting and any existing tree shown to be retained or trees or shrubs to be planted as part of the approved landscaping scheme which are removed, die, become severely damaged or diseased within five years of completion of the development shall be replaced with the same species or an approved alternative to the satisfaction of the Local Planning Authority within the next planting season.</p> <p>The development shall be carried out strictly in accordance with the details so approved and shall be maintained as such thereafter.</p> <p>REASON: In the interest of biodiversity, sustainability, and to ensure that a satisfactory standard of visual amenity is provided and maintained.</p>
34	Water usage and reduction targets (Compliance)
	<p>CONDITION: The residential development shall strive to reach a 105 litre / person / day of water use rate.</p> <p>REASON: In the interests of securing developments that minimise their impact on water resources.</p>
35	Reuse materials target (Compliance)
	<p>CONDITION: In accordance with the approved plans 10% of materials used in the construction of the development are to be derived from re-used or recycled content.</p> <p>REASON: In the interests of environmental sustainability and sustainable development.</p>
36	Delivery and Servicing Management Plan and Waste Management Plan (Details)
	<p>CONDITION: A Delivery and Servicing Management Plan (DSMP), including a Waste Management Plan (WSP), shall be submitted to and approved in writing by the Local Planning Authority prior to the first occupation of the development.</p> <p>The DSMP shall include details of all servicing and delivery requirements for the various use within the development, including details of how waste (including recyclable waste) would be transferred and collected, and shall confirm the timings of all deliveries and collections from service vehicles.</p> <p>The development shall be carried out strictly in accordance with the DSMP so approved.</p> <p>REASON: In the interests of residential amenity, highway safety and the free flow of traffic on streets, and to mitigate the impacts of the development.</p>
37	Servicing Arrangements (Compliance)
	<p>CONDITION: All service vehicle deliveries / collections / visits to and from the development hereby approved must not take place outside hours of:</p> <p>Monday – Saturday 08:00 to 19:00; and Sundays and Public Holidays: Not at all</p>

	<p>REASON: To ensure that resulting servicing arrangements do not adversely impact on existing and future residential amenity.</p>
38	<p>Micro and small enterprises (Compliance)</p> <p>The business accommodation suitable for occupation by micro and small enterprises in the lower basement floor shall be provided strictly in accordance with the submitted Office Floorspace Information Document (June 2016) hereby approved and no change therefrom shall take place without the prior written consent of the Local Planning Authority.</p> <p>REASON: To ensure adequate provision of business accommodation suitable for occupation by micro and small enterprises.</p>
	<p>Micro and small enterprises (Details)</p> <p>The small/micro workspace in the lower basement floor is to be let in units of 90sqm or less only and shall not be amalgamated and let to a single occupant. Any space that is not provided as physically separate units and is larger than 90sqm requires details to be submitted, prior to occupation, demonstrating how the floorspace meets the needs of small or micro enterprises through its design, management and/or potential lease terms.</p> <p>REASON: In the interests of providing a mix of unit sizes and types to help support a varied and strong local economy and to facilitate the growth of new businesses. This condition secures compliance with policies CS13 of the Islington Core Strategy (2011), policy DM5.4 of the Development Management Policies (2013).</p>
	<p>Micro and small enterprises (Compliance)</p> <p>The small/micro workspace located on the ground and lower ground floor shall not be amalgamated with the remainder of the office floorspace in the building</p> <p>REASON: In the interests of providing a mix of unit sizes and types to help support a varied and strong local economy and to facilitate the growth of new businesses. This condition secures compliance with policies CS13 of the Islington Core Strategy (2011), policy DM5.4 of the Development Management Policies (2013).</p>
	<p>Micro and small enterprises (Compliance)</p> <p>The breakout space on the ground and lower ground floor is to be used for the small/micro businesses on these floors only and not for use by the occupants of the other floors of the building.</p> <p>REASON: In the interests of providing a mix of unit sizes and types to help support a varied and strong local economy and to facilitate the growth of new businesses. This condition secures compliance with policies CS13 of the Islington Core Strategy (2011), policy DM5.4 of the Development Management Policies (2013).</p>
39	<p>Window and door reveals (Compliance)</p> <p>CONDITION: Windows and doors shall be set within reveals no less than 200mm deep unless otherwise agreed in writing by the Local Planning Authority.</p> <p>REASON: To ensure that the resulting appearance and construction of the development is to a high standard, to ensure sufficient articulation in the elevations.</p>
40	<p>Recycling/refuse storage provision and management (Details)</p> <p>CONDITION: Full details of refuse/recycling storage locations, dimensions, collection arrangements and management for both the commercial and residential elements of the scheme shall be submitted to and approved in writing by the Local Planning Authority prior to commencement of superstructure works.</p> <p>The details shall incorporate facilities for the recycling of food/compostable waste. The approved details shall be installed prior to the first occupation of the development and</p>

	<p>collection and management practices be carried out in accordance with the details so approved permanently thereafter.</p> <p>REASON: To secure the necessary physical waste enclosures to support the development and to ensure that responsible waste management practices are adhered to.</p>
	Removal of Permitted Development rights (Compliance)
	<p>Notwithstanding the provisions of Class I, O or T of Part 3 or Class E of Part 4 of the Town and Country Planning (General Permitted Development) (England) Order 2015 as amended by any Order revoking and re-enacting that Order, no change of use of the office floorspace (including the small/micro workspace) shall be carried out without the grant of planning permission having first been obtained from the local planning authority.</p> <p>Reason: To protect the office floorspace hereby approved in accordance with the requirements of policies CS 7 and CS 13, of the Islington Core Strategy (2011), policies DM5.1, DM5.2 and DM5.4 of the Development Management Policies (2013) and Policies BC3 and BC8 of the Finsbury Local Plan. (2013)</p>
	Removal of Permitted Development rights (Compliance)
	<p>Notwithstanding the provisions of Classes A, C, D, G, J or M of Part 3 or Class D, E of Part 4 of the Town and Country Planning (General Permitted Development) (England) Order 2015 as amended by any Order revoking and re-enacting that Order, no change of use of the basement level restaurant floorspace shall be carried out without the grant of planning permission having first been obtained from the local planning authority.</p> <p>Reason: To safeguard the amenities of the adjoining premises and the area generally in accordance with the requirements of policy CS 14 of the Islington Core Strategy (2011), policies DM4.1, DM4.2, DM4.3, DM4.4, DM4.12 of the Development Management Policies (2013) and Policies BC3 and BC8 of the Finsbury Local Plan. (2013)</p>

List of Informatives:

1	S106
	You are advised that this permission has been granted subject to a legal agreement under Section 106 of the Town and Country Planning Act 1990.
2	Superstructure
	<p>DEFINITION OF 'SUPERSTRUCTURE' AND 'PRACTICAL COMPLETION'</p> <p>A number of conditions attached to this permission have the time restrictions 'prior to superstructure works commencing on site' and/or 'following practical completion'. The council considers the definition of 'superstructure' as having its normal or dictionary meaning, which is: the part of a building above its foundations. The council considers the definition of 'practical completion' to be: when the work reaches a state of readiness for use or occupation even though there may be outstanding works/matters to be carried out.</p>
3	Community Infrastructure Levy (CIL) (Granting Consent)
	<p>Under the terms of the Planning Act 2008 (as amended) and Community Infrastructure Levy Regulations 2010 (as amended), this development is liable to pay the Mayor of London's Community Infrastructure Levy (CIL). This will be calculated in accordance with the Mayor of London's CIL Charging Schedule 2012. One of the development parties must now assume liability to pay CIL by submitting an Assumption of Liability Notice to the Council at cil@islington.gov.uk. The Council will then issue a Liability Notice setting out the amount of CIL that is payable.</p> <p>Failure to submit a valid Assumption of Liability Notice and Commencement Notice prior to</p>

	<p>commencement of the development may result in surcharges being imposed. The above forms can be found on the planning portal at: www.planningportal.gov.uk/planning/applications/howtoapply/whattosubmit/cil</p>
4	<p>Car-Free Development</p> <p>All new developments are car free in accordance with Policy CS10 of the Islington Core Strategy 2011. This means that no parking provision will be allowed on site and occupiers will have no ability to obtain car parking permits, except for parking needed to meet the needs of disabled people.</p>
5	<p>Surface Water Drainage</p> <p>With regard to surface water drainage it is the responsibility of a developer to make proper provision for drainage to ground, water courses or a suitable sewer. In respect of surface water it is recommended that the applicant should ensure that storm flows are attenuated or regulated into the receiving public network through on or off site storage. When it is proposed to connect to a combined public sewer, the site drainage should be separate and combined at the final manhole nearest the boundary. Connections are not permitted for the removal of groundwater.</p>
6	<p>Thames Water 1</p> <p>Where the developer proposes to discharge to a public sewer, prior approval from Thames Water Developer Services will be required. They can be contacted on 0800 009 3921. Reason - to ensure that the surface water discharge from the site shall not be detrimental to the existing sewerage system.</p> <p>Thames Water would advise that with regard to sewerage infrastructure capacity, we would not have any objection to the above planning application.</p>
7	<p>Thames Water 2</p> <p>Piling has the potential to impact on local underground infrastructure. The applicant is advised to contact Thames Water Developer Services on 0800 009 3921 to discuss the details of the piling method statement.</p>
8	<p>Thames Water 3</p> <p>There are public sewers crossing or close to your development. In order to protect public sewers and to ensure that Thames Water can gain access to those sewers for future repair and maintenance, approval should be sought from Thames Water where the erection of a building or an extension to a building or underpinning work would be over the line of, or would come within 3 metres of, a public sewer.</p> <p>The applicant is advised to visit www.thameswater.co.uk/buildover</p>
9	<p>Thames Water 4</p> <p>A Trade Effluent Consent will be required for any Effluent discharge other than a 'Domestic Discharge'. Any discharge without this consent is illegal and may result in prosecution. (Domestic usage for example includes - toilets, showers, washbasins, baths, private swimming pools and canteens). Typical Trade Effluent processes include: - Laundrette/Laundry, PCB manufacture, commercial swimming pools, photographic/printing, food preparation, abattoir, farm wastes, vehicle washing, metal plating/finishing, cattle market wash down, chemical manufacture, treated cooling water and any other process which produces contaminated water. Pre-treatment, separate metering, sampling access etc, may be required before the Company can give its consent. Applications should be made at http://www.thameswater.co.uk/business/9993.htm or alternatively to Waste Water Quality, Crossness STW, Belvedere Road, Abbeywood, London. SE2 9AQ. Telephone: 020 3577 9200.</p>
10	<p>Thames Water 5</p> <p>Thames Water recommends the installation of a properly maintained fat trap on all catering</p>

	<p>establishments . We further recommend, in line with best practice for the disposal of Fats, Oils and Grease, the collection of waste oil by a contractor, particularly to recycle for the production of bio diesel. Failure to implement these recommendations may result in this and other properties suffering blocked drains, sewage flooding and pollution to local watercourses.</p>
11	Thames Water 6
	<p>Thames Water advise that groundwater discharges typically result from construction site dewatering, deep excavations, basement infiltration, borehole installation, testing and site remediation. Any discharge made without a permit is deemed illegal and may result in prosecution under the provisions of the Water Industry Act 1991.</p>

12	<p>Thames Water 7</p> <p>Groundwater Risk Management Permit from Thames Water will be required for discharging groundwater into a public sewer. Any discharge made without a permit is deemed illegal and may result in prosecution under the provisions of the Water Industry Act 1991. We would expect the developer to demonstrate what measures he will undertake to minimise groundwater discharges into the public sewer. Permit enquiries should be directed to Thames Waters Risk Management Team by telephoning 02035779483 or by emailing wwqriskmanagement@thameswater.co.uk. Application forms should be completed on line via www.thameswater.co.uk/wastewaterquality.</p>
13	<p>Thames Water 8</p> <p>There is a Thames Water main crossing the development site which may/will need to be diverted at the Developers cost, or necessitate amendments to the proposed development design so that the aforementioned main can be retained. Unrestricted access must be available at all times for maintenance and repair. Please contact Thames Water Developer Services, Contact Centre on Telephone No: 0800 009 3921 for further information.</p>
14	<p>Archaeology</p> <p>The WSI and the WSHBI will need to be prepared and implemented by a suitably qualified professionally accredited archaeological practice in accordance with Historic England's Guidelines for Archaeological Projects in Greater London. This condition is exempt from deemed discharge under schedule 6 of The Town and Country Planning (Development Management Procedure) (England) Order 2015.</p>
15	<p>Contamination</p> <p>The applicant should refer to the following sources of information and advice in dealing with land affected by contamination, especially with respect to protection of the groundwater beneath the site:</p> <ul style="list-style-type: none"> - From www.gov.uk: <ul style="list-style-type: none"> • Groundwater Protection: Principles and Practice (August 2013) • Technical Guidance Pages, which includes links to CLR11 (Model Procedures for the Management of Land Contamination) and GPLC (Environment Agency's Guiding Principles for Land Contamination) in the 'overarching documents' section • Use MCERTS accredited methods for testing contaminated soils at the site - From the National Planning Practice Guidance: <ul style="list-style-type: none"> • Land affected by contamination - British Standards when investigating potentially contaminated sites and groundwater: <ul style="list-style-type: none"> • BS 5930: 1999+A2:2010 Code of practice for site investigations • BS 10175:2011 Code of practice for investigation of potentially contaminated sites • BS ISO 5667-22:2010 Water quality. Sampling. Guidance on the design and installation of groundwater monitoring points • BS ISO 5667-11:2009 Water quality. Sampling. Guidance on sampling of groundwaters <p>All investigations of land potentially affected by contamination should be carried out by or under the direction of a suitably qualified competent person. The competent person would normally be expected to be a chartered member of an appropriate body (such as the Institution of Civil Engineers, Geological Society of London, Royal Institution of Chartered Surveyors, Institution of Environmental Management) and also have relevant experience of investigating contaminated sites.</p>

APPENDIX 2: RELEVANT POLICIES

This appendix lists all relevant development plan policies and guidance notes pertinent to the determination of this planning application.

1 **National Guidance**

The National Planning Policy Framework 2012 seeks to secure positive growth in a way that effectively balances economic, environmental and social progress for this and future generations. The NPPF is a material consideration and has been taken into account as part of the assessment of these proposals.

Since March 2014 Planning Practice Guidance for England has been published online.

2. **Development Plan**

The Development Plan is comprised of the London Plan 2015, Islington Core Strategy 2011, Development Management Policies 2013, Finsbury Local Plan 2013 and Site Allocations 2013. The following policies of the Development Plan are considered relevant to this application:

A) **The London Plan 2015 - Spatial Development Strategy for Greater London**

2 London's places

- 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

3 London's people

- Policy 3.1 Ensuring equal life chances for all
- Policy 3.2 Improving health and addressing health inequalities
- 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 3.9 Mixed and balanced communities
- Policy 3.10 Definition of affordable housing
- Policy 3.12 Negotiating affordable housing on individual private residential and mixed use schemes
- Policy 3.13 Affordable housing thresholds

4 London's economy

- Policy 4.1 Developing London's economy
- Policy 4.2 Offices
- Policy 4.3 Mixed use development and offices
- Policy 4.5 London's visitor infrastructure
- Policy 4.9 Small shops
- Policy 4.10 New and emerging economic

5 London's response to climate change

- Policy 5.1 Climate change mitigation
- Policy 5.2 Minimising carbon dioxide emissions
- Policy 5.3 Sustainable design and construction
- Policy 5.4 Retrofitting
- Policy 5.5 Decentralised energy networks
- Policy 5.6 Decentralised energy in development proposals
- Policy 5.7 Renewable energy
- Policy 5.8 Innovative energy technologies
- Policy 5.9 Overheating and cooling
- Policy 5.11 Green roofs and development site environs
- Policy 5.13 Sustainable drainage
- Policy 5.14 Water quality and wastewater infrastructure
- Policy 5.15 Water use and supplies
- Policy 5.18 Construction, excavation and demolition waste
- Policy 5.21 Contaminated land

6 London's transport

- Policy 6.5 Funding Crossrail and other strategically important transport infrastructure
- Policy 6.9 Cycling
- Policy 6.10 Walking
- Policy 6.12 Road network capacity
- Policy 6.13 Parking

7 London's living places and spaces

- Policy 7.2 An inclusive environment
- Policy 7.3 Designing out crime
- Policy 7.4 Local character
- Policy 7.5 Public realm
- Policy 7.6 Architecture
- Policy 7.8 Heritage assets and archaeology

sectors
Policy 4.11 Encouraging a connected economy
Policy 4.12 Improving opportunities for all

Policy 7.14 Improving air quality

8 Implementation, monitoring and review

Policy 8.2 Planning obligations
Policy 8.3 Community infrastructure levy

B) Islington Core Strategy 2011

Spatial Strategy

Policy CS7 (Bunhill and Clerkenwell)
Policy CS8 (Enhancing Islington's Character)

Policy CS13 (Employment Spaces)
Policy CS14 (Retail and Services)
Policy CS16 (Play Space)

Strategic Policies

Policy CS9 (Protecting and Enhancing Islington's Built and Historic Environment)
Policy CS10 (Sustainable Design)
Policy CS12 (Meeting the Housing Challenge)

Infrastructure and Implementation

Policy CS18 (Delivery and Infrastructure)

C) Development Management Policies June 2013

Design and Heritage

DM2.1 Design
DM2.2 Inclusive Design
DM2.3 Heritage

Health and open space

DM6.1 Healthy development
DM6.2 New and improved public open space

Housing

DM3.1 Mix of housing sizes
DM3.4 Housing standards
DM3.5 Private outdoor space
DM3.6 Play space
DM3.7 Noise and vibration

Energy and Environmental Standards

DM7.1 Sustainable design and construction
DM7.2 Energy efficiency and carbon reduction in minor schemes
DM7.3 Decentralised energy networks
DM7.4 Sustainable design standards
DM7.5 Heating and cooling

Shops, culture and services

DM4.1 Maintaining and promoting small and independent shops
DM4.2 Entertainment and the night-time economy
DM4.8 Shopfronts
DM4.11 Hotels and visitor accommodation

Transport

DM8.2 Managing transport impacts
DM8.4 Walking and cycling
DM8.5 Vehicle parking
DM8.6 Delivery and servicing for new developments

Employment

DM5.4 Size and affordability of workspace

Infrastructure

DM9.1 Infrastructure
DM9.2 Planning obligations

D) Finsbury Local Plan June 2013

BC8 Achieving a balanced mix of uses
BC10 Implementation
Site Allocation **BC31 & BC32**

4. Planning Brief

The Lamb's Passage Planning Brief was adopted in February 2006. The council has however issued a specific site allocation detailing the key parameters and objectives for any redevelopment of the site as part of Islington's Development Plan contained within the Finsbury Local Plan 2013. Site allocation BC 31 & BC32 identifies the application site as suitable for redevelopment to provide a mixed use development including small scale business uses and residential uses, alongside open space provision.

5. **Designations**

The site has the following designations under the London Plan 2015, Islington Core Strategy 2011, Development Management Policies 2013, Finsbury Local Plan 2013 and Site Allocations 2013:

Islington Local Plan

CS7: Bunhill and Clerkenwell Key Area
Site Allocation BC31 & B32
Within Employment Priority Area (General)
Local Plan Policy BC8

London Plan

Central Activities Zone
Archaeological Priority Area
City Fringe Opportunity Area

6. **Supplementary Planning Guidance (SPG) / Document (SPD)**

The following SPGs and/or SPDs are relevant:

Islington Local Plan

- Environmental Design (October 2012)
- Planning Obligations (November 2013)
- Urban Design Guide (December 2006)
- Basement Development (January 2016)
- Development Viability (January 2016)
- Inclusive Design in Islington (February 2014)
- Preventing Wasted Housing Supply (July 2015)

London Plan

- Central Activities zone Supplementary planning guidance
- City Fringe Opportunity Area Planning Framework
- Housing Supplementary Planning Guidance
- Accessible London: Achieving and Inclusive Environment
- Sustainable Design & Construction
- Providing for Children and Young Peoples Play and Informal Recreation
- Planning for Equality and Diversity in London

APPENDIX 3: INDEPENDENT REVIEW OF VIABILITY PREPARED BY BPS

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Land to the East of Shire House, Lamb's Passage,
London EC1Y 8TE



Application Numbers P2016/0536/LBC & P2016/0488/FUL

Independent Review of Viability

3 August 2016

1 Introduction

- 1.1 BPS Chartered Surveyors has been appointed by the London Borough of Islington to review a viability submission provided by Upside London Limited (ULL) on behalf of London City Shopping Centre Ltd & Lamb's Passage Real Estate. This application follows an earlier application P2013/3257/FUL which was refused consent, a decision which was subsequently upheld at appeal on 23 July 2015 APP/V5570/E/14/2226261.
- 1.2 Since our most recent report dated 8 May 2016 the applicant was asked to consider proposals which modelled a reduction in height of the residential elements of the scheme and to test the impact of increasing the office element of the scheme through a reduction in the floor area of the hotel and restaurant elements of the proposal.
- 1.3 These changes have resulted in adjusted S106 contributions from those considered in our May 2016 report. The applicant has also been asked to consider 3 separate affordable housing scenarios which reflect changes in the tenure, numbers and mix.
- 1.4 ULL has provided an updated appraisal which reflects the suggested adjustments proposed in our May report which include:
 - A) A reduction in the proposed benchmark land value to £4,807,000 to reflect the impact of management costs in running the car park.
 - B) A reduction in the proposed profit target applying to the commercial elements of the scheme.
 - C) Revised affordable housing values to reflect an offer now received from Hyde Housing Association reflecting a mixed tenure scheme.
- 1.5 The scheme has now also been remodelled to reduce the scale of the proposed restaurant and hotel and increased the scale of the office element

a table of these changes from the reduced scheme tabled in May is shown in below:

Use	Previous Appraisal Area sq ft	Latest Appraisal Area sq ft	Net Change sq ft
Private residential	13,229	14,510	+1,281
Affordable housing	10,538	9,257	-1,281
Hotel	33,886	28,730	-5,156
Retail	861	861	0
Gym	2,831	2,185	-646
Restaurant	20,700	13,778	-6,922
B1 Office	1,033	16,457	+15,424
General Commercial	14,209	0	-14,209
Affordable office	0	3,595	+3,595
Total	97,287	89,373	-7,914

1.6 In addition to the above the revised scheme includes the following S106 contributions:

- a) S106 monitoring fee £10,538
- b) Employment and training £35,352
- c) Carbon offsetting £397,624
- d) Work placements £45,000
- e) Accessible parking £16,000

1.7 In assessing the latest appraisal we have been asked to test whether the mechanical changes required by the change in floor areas has been correctly shown in the appraisal. The affordable housing offer in the current proposals is social rent 5 x 1 bed and 5 x 2 bed units, shared ownership 2 x 1 bed units and 3 x 2 bed units.

1.8 We have also been asked to consider the impact of the appraisal through a reduction in the carbon offsetting contribution from £397,624 to £52,860.

1.9 We have also been asked to test the viability of three further scenarios that look at changes to the market and affordable housing quantum and tenure mix.

Scenario 1 - Social Rent Units 5 x 1 bed and 5 x 2 bed units. Shared ownership 2 x 1 bed and 4 x 2 bed units, an increase of 1 x 2 bed unit of shared ownership over the proposed scheme.

Scenario 2 - Social Rent Units 6 x 1 bed and 8 x 2 bed units. No shared ownership units, a decrease in the overall number of affordable units of 1 x 1 bed unit over the proposed scheme.

Scenario 3 - Social Rent Units 6 x 1 bed and 5 x 2 bed units. Shared ownership 1 x 1 bed and 3 x 2 bed units, no change in overall unit numbers from the proposed scheme but an increase of 1 x 2 bed unit of social rent for the loss of the same unit as shared ownership when compared to the proposed scheme.

2 Revised Modelling and Conclusions

- 2.1 We have attached our revised modelling to this report. It will be seen that we do not entirely replicate ULL's figures.
- 2.2 Aside from relatively minor differences in numbers arising from slightly different programming assumptions and an updated view of purchaser's costs to reflect the changes to stamp duty land tax, the primary differences arise in respect of the computation of residential floor area.
- 2.3 To establish Net Sale Area (NSA) we have adopted the areas as identified in the Design and Access Statement (DAS). This document provides gross internal areas on which the scheme costs are based and which we have previously agreed.
- 2.4 The DAS also shows level by level floor plans for the north residential block which includes the affordable element. From this we have established the NIA of individual units forming both the current and the three scenarios. It will be seen that our estimate of NIA falls below ULL which results in a net shortfall on overall scheme revenue. We have not adjusted the private housing floor area.
- 2.5 We have tested a reduced Carbon offset payment which is scaled back from £397,624 to £52,860. We understand this scale of reduction has been proposed to the applicant and has resulted in the three tenure scenarios discussed in this report.
- 2.6 The appraisals have been arranged to generate a net profit output on a blended basis. The agreed profit target reflects elemental profit margins of 20% on the private residential element, 6% of GDV in respect of the affordable housing element and 15% in respect of the commercial elements.
- 2.7 Because this is a blended rate the profit margin changes with each scenario as the floor areas change. We have summarised in the table below our

findings compared to this profit target.

Scenario	Comments	Profit Target	Profit outcome	Surplus/deficit	Cash
Current		16.33%	15.91%	-0.42%	-£204,396
Current	Reduced 106	16.33%	16.72%	0.39%	£191,696
Scenario 1	Reduced 106	16.18%	15.93%	-0.25%	-£120,284
Scenario 2	Reduced 106	16.58%	14.36%	-2.22%	-£1,058,651
Scenario 3	Reduced 106	16.36%	16.41%	0.05%	£23,016

- 2.8 It can be seen that the current proposal shows a small deficit relative to overall scheme GDV which would be made into a small surplus through reducing the carbon offsetting payment.
- 2.9 We have reduced carbon offset sum in modelling each of the three scenarios.
- 2.10 It can be seen that only the current scheme (reduced S106) and scenario 3 would generate a surplus compared to the current proposal. In large part reflecting the savings to scheme costs of £344,764 from reduced S106 payments.
- 2.11 Reflecting the analysis above scenario 3 would appear to offer both the highest number of affordable units and 11 units of social rent and 4 of shared ownership whilst maintaining a viable scheme. The modest £23,000 surplus represents an effective breakeven point given the scaler of the development. We accept the Council will form its own views on the optimum tenure mix of those offered.
- 2.12 We are satisfied on our modelling of the scheme that it cannot reasonably contribute additional affordable housing above the levels shown without potentially falling into deficit which may prejudice scheme delivery or necessitate a further reduction in other scheme costs.
- 2.13 It should be noted that the capitalisation yields adopted in the scheme appraisals and agreed with the applicant have not been adjusted to reflect the increasing signs of the decision to leave the European Union. In our opinion this represents an optimistic outlook and one which favours overall viability
- 2.14 Our appraisals are attached in Appendix 1 below:

Scheme Appraisals

Lambs Passage
Proposed Scheme - Reduced

**Lambs Passage
Proposed Scheme - Reduced**

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Private Residential	20	14,510	1,278.14	927,291	18,545,811
Social Rent	10	5,974	216.97	129,618	1,296,179
Shared Ownership	5	3,132	567.47	355,463	1,777,316
Totals	35	23,616			21,619,306

Rental Area Summary

	Units	ft ²	Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rents	20			300	6,000	6,000
Hotel	1	28,730	46.98	1,349,735	1,349,735	1,349,735
Retail	1	861	35.00	30,135	30,135	30,135
Gym	1	2,831	19.30	54,625	54,625	54,625
Restaurant	1	13,778		0	0	
Office GF	1	2,841	42.50	120,743	120,743	120,743
Offices Basement	1	13,616	25.00	340,400	340,400	340,400
Affordable Office	1	3,595	8.00	28,760	28,760	28,760
Totals	27	66,252			1,930,398	1,930,398

Investment Valuation

Ground Rents					
Current Rent	6,000	YP @	5.5000%	18.1818	109,091
Hotel					
Current Rent	1,349,735	YP @	7.5000%	13.3333	17,996,467
Retail					
Current Rent	30,135	YP @	6.0000%	16.6667	502,250
Gym					
Current Rent	54,625	YP @	7.0000%	14.2857	780,357
Restaurant					
Manual Value					1
Office GF					
Current Rent	120,743	YP @	6.0000%	16.6667	2,012,383
Offices Basement					
Current Rent	340,400	YP @	6.0000%	16.6667	5,673,333
Affordable Office					
Current Rent	28,760	YP @	7.0000%	14.2857	410,857
					27,484,740

GROSS DEVELOPMENT VALUE 49,104,046

NET REALISATION 49,104,046

OUTLAY

ACQUISITION COSTS

Fixed Price		4,847,567		4,847,567
Stamp Duty	5.00%	242,378		
Agent Fee	1.00%	48,476		
Legal Fee	0.50%	24,238		
				315,092

CONSTRUCTION COSTS

Lease Rent		545,000		
Mayoral CIL		528,060		
Borough CIL		2,198,209		
106 Monitoring		10,538		
Employment training		35,352		
carbon offsetting		397,624		
work placements		45,000		
accessible parking		16,000		
				3,775,783

Other Construction

Construction Costs		24,755,000		
Hotel Opening costs		1,094,000		
				25,849,000

MARKETING & LETTING

Lambs Passage

Proposed Scheme - Reduced

Marketing		599,195	
Letting Agent Fee	15.00%	87,099	
Letting Legal Fee	2.00%	38,608	
			724,902

DISPOSAL FEES

Purchasers costs Ground Rents	4.80%	5,236	
Purchasers costs Commercial	5.80%	1,594,115	
Private Residential	1.50%	278,187	
Affordable	1.50%	46,102	
Ground Rents	1.50%	1,636	
legal private		12,000	
legal affordable	0.50%	15,367	
legal commmercial	0.15%	41,063	
Legal Ground rent	3.00%	3,273	
			1,996,981

FINANCE

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)			
Land		942,833	
Construction		2,837,594	
Total Finance Cost			3,780,427

TOTAL COSTS

41,289,752

PROFIT

7,814,294

Performance Measures

Profit on Cost%	18.93%
Profit on GDV%	15.91%
Profit on NDV%	15.91%
Development Yield% (on Rent)	4.68%
Equivalent Yield% (Nominal)	7.02%
Equivalent Yield% (True)	7.34%
IRR	19.86%
Rent Cover	4 yrs 1 mth
Profit Erosion (finance rate 7.000%)	2 yrs 6 mths

Lambs Passage
Lower 106
Proposed Scheme - Reduced

Development Appraisal
BPS Surveyors
03 August 2016

**Lambs Passage
Lower 106
Proposed Scheme - Reduced**

Summary Appraisal for Phase 1

Currency in £

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Restaurant	1	13,778		0	0	
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Totals	27	66,252			1,930,398	1,930,398

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NET REALISATION 49,104,046

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ACQUISITION COSTS

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Agent Fee	1.00%	48,476			
Legal Fee	0.50%	24,238			
				315,092	

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Lease Rent		545,000			
Mayoral CIL		528,060			
Borough CIL		2,198,209			
106 Monitoring		10,538			
Employment training		35,352			
carbon offsetting		52,860			
work placements		45,000			
accessible parking		16,000			
				3,431,019	

Other Construction

Construction Costs		24,755,000			
Hotel Opening costs		1,094,000			
				25,849,000	

Lambs Passage

Lower 106

Proposed Scheme - Reduced

MARKETING & LETTING

Marketing		599,195	
Letting Agent Fee	15.00%	87,099	
Letting Legal Fee	2.00%	38,608	
			724,902

DISPOSAL FEES

Purchasers costs Ground Rents	4.80%	5,236	
Purchasers costs Commercial	5.80%	1,594,115	
Private Residential	1.50%	278,187	
Affordable	1.50%	46,102	
Ground Rents	1.50%	1,636	
legal private		12,000	
legal affordable	0.50%	15,367	
legal commercial	0.15%	41,063	
Legal Ground rent	3.00%	3,273	
			1,996,981

FINANCE

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)			
Land		942,833	
Construction		2,786,265	
Total Finance Cost			3,729,098

TOTAL COSTS

40,893,659

PROFIT

8,210,387

Performance Measures

Profit on Cost%	20.08%
Profit on GDV%	16.72%
Profit on NDV%	16.72%
Development Yield% (on Rent)	4.72%
Equivalent Yield% (Nominal)	7.02%
Equivalent Yield% (True)	7.34%
IRR	20.68%
Rent Cover	4 yrs 3 mths
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths

Lambs Passage

Reduced 106

Proposed Scheme - Reduced Scenario 1

**Lambs Passage
Reduced 106
Proposed Scheme - Reduced Scenario 1**

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Private Residential	19	13,854	1,278.14	931,966	17,707,352
Social Rent	10	5,974	216.97	129,618	1,296,179
Shared Ownership	6	3,788	567.47	358,263	2,149,576
Totals	35	23,616			21,153,107

Rental Area Summary

	Units	ft ²	Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rents	20			300	6,000	6,000
Hotel	1	28,730	46.98	1,349,735	1,349,735	1,349,735
Retail	1	861	35.00	30,135	30,135	30,135
Gym	1	2,831	19.30	54,625	54,625	54,625
Restaurant	1	13,778		0	0	
Office GF	1	2,841	42.50	120,743	120,743	120,743
Offices Basement	1	13,616	25.00	340,400	340,400	340,400
Affordable Office	1	3,595	8.00	28,760	28,760	28,760
Totals	27	66,252			1,930,398	1,930,398

Investment Valuation

Ground Rents					
Current Rent	6,000	YP @	5.5000%	18.1818	109,091
Hotel					
Current Rent	1,349,735	YP @	7.5000%	13.3333	17,996,467
Retail					
Current Rent	30,135	YP @	6.0000%	16.6667	502,250
Gym					
Current Rent	54,625	YP @	7.0000%	14.2857	780,357
Restaurant					
Manual Value					1
Office GF					
Current Rent	120,743	YP @	6.0000%	16.6667	2,012,383
Offices Basement					
Current Rent	340,400	YP @	6.0000%	16.6667	5,673,333
Affordable Office					
Current Rent	28,760	YP @	7.0000%	14.2857	410,857
					27,484,740

GROSS DEVELOPMENT VALUE 48,637,846

NET REALISATION 48,637,846

OUTLAY

ACQUISITION COSTS

Fixed Price			4,847,567		
				4,847,567	
Stamp Duty		5.00%	242,378		
Agent Fee		1.00%	48,476		
Legal Fee		0.50%	24,238		
				315,092	

CONSTRUCTION COSTS

Lease Rent			545,000		
Mayoral CIL			528,060		
Borough CIL			2,198,209		
106 Monitoring			10,538		
Employment training			35,352		
carbon offsetting			52,860		
work placements			45,000		
accessible parking			16,000		
				3,431,019	

Other Construction

Construction Costs			24,755,000		
Hotel Opening costs			1,094,000		
				25,849,000	

Lambs Passage

Reduced 106

Proposed Scheme - Reduced Scenario 1

MARKETING & LETTING

Marketing		599,195	
Letting Agent Fee	15.00%	87,099	
Letting Legal Fee	2.00%	38,608	
			724,902

DISPOSAL FEES

Purchasers costs Ground Rents	4.80%	5,236	
Purchasers costs Commercial	5.80%	1,594,115	
Private Residential	1.50%	265,610	
Affordable	1.50%	51,686	
Ground Rents	1.50%	1,636	
legal private		12,000	
legal affordable	0.50%	17,229	
legal commercial	0.15%	41,063	
Legal Ground rent	3.00%	3,273	
			1,991,849

FINANCE

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)			
Land		942,833	
Construction		2,786,265	
Total Finance Cost			3,729,098

TOTAL COSTS

40,888,527

PROFIT

7,749,319

Performance Measures

Profit on Cost%	18.95%
Profit on GDV%	15.93%
Profit on NDV%	15.93%
Development Yield% (on Rent)	4.72%
Equivalent Yield% (Nominal)	7.02%
Equivalent Yield% (True)	7.34%
IRR	19.93%
Rent Cover	4 yrs
Profit Erosion (finance rate 7.000%)	2 yrs 6 mths

Lambs Passage

Reduced 106

Proposed Scheme - Reduced Scenario 2

**Lambs Passage
Reduced 106
Proposed Scheme - Reduced Scenario 2**

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Private Residential	21	14,392	1,278.14	875,952	18,394,991
Social Rent	14	0	216.97	131,453	1,840,340
Totals	35	14,392			20,235,330

Rental Area Summary

	Units	ft ²	Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rents	20			300	6,000	6,000
Hotel	1	28,730	46.98	1,349,735	1,349,735	1,349,735
Retail	1	861	35.00	30,135	30,135	30,135
Gym	1	2,831	19.30	54,625	54,625	54,625
Restaurant	1	13,778		0	0	
Office GF	1	2,841	42.50	120,743	120,743	120,743
Offices Basement	1	13,616	25.00	340,400	340,400	340,400
Affordable Office	1	3,595	8.00	28,760	28,760	28,760
Totals	27	66,252			1,930,398	1,930,398

Investment Valuation

Ground Rents					
Current Rent	6,000	YP @	5.5000%	18.1818	109,091
Hotel					
Current Rent	1,349,735	YP @	7.5000%	13.3333	17,996,467
Retail					
Current Rent	30,135	YP @	6.0000%	16.6667	502,250
Gym					
Current Rent	54,625	YP @	7.0000%	14.2857	780,357
Restaurant					
Manual Value					1
Office GF					
Current Rent	120,743	YP @	6.0000%	16.6667	2,012,383
Offices Basement					
Current Rent	340,400	YP @	6.0000%	16.6667	5,673,333
Affordable Office					
Current Rent	28,760	YP @	7.0000%	14.2857	410,857
					27,484,740

GROSS DEVELOPMENT VALUE 47,720,070

NET REALISATION 47,720,070

OUTLAY

ACQUISITION COSTS

Fixed Price			4,847,567		
				4,847,567	
Stamp Duty		5.00%	242,378		
Agent Fee		1.00%	48,476		
Legal Fee		0.50%	24,238		
					315,092

CONSTRUCTION COSTS

Lease Rent			545,000		
Mayoral CIL			528,060		
Borough CIL			2,198,209		
106 Monitoring			10,538		
Employment training			35,352		
carbon offsetting			52,860		
work placements			45,000		
accessible parking			16,000		
					3,431,019

Other Construction

Construction Costs			24,755,000		
Hotel Opening costs			1,094,000		
					25,849,000

MARKETING & LETTING

Lambs Passage

Reduced 106

Proposed Scheme - Reduced Scenario 2

Marketing		599,195	
Letting Agent Fee	15.00%	87,099	
Letting Legal Fee	2.00%	38,608	
			724,902
DISPOSAL FEES			
Purchasers costs Ground Rents	4.80%	5,236	
Purchasers costs Commercial	5.80%	1,594,115	
Private Residential	1.50%	275,925	
Affordable	1.50%	27,605	
Ground Rents	1.50%	1,636	
legal private		12,000	
legal affordable	0.50%	9,202	
legal commmercial	0.15%	41,063	
Legal Ground rent	3.00%	3,273	
			1,970,055
FINANCE			
Debit Rate 7.000%, Credit Rate 0.000% (Nominal)			
Land		942,833	
Construction		2,786,265	
Total Finance Cost			3,729,098
TOTAL COSTS			40,866,734
PROFIT			6,853,336

Performance Measures

Profit on Cost%	16.77%
Profit on GDV%	14.36%
Profit on NDV%	14.36%
Development Yield% (on Rent)	4.72%
Equivalent Yield% (Nominal)	7.02%
Equivalent Yield% (True)	7.34%
IRR	18.47%
Rent Cover	3 yrs 7 mths
Profit Erosion (finance rate 7.000%)	2 yrs 3 mths

Lambs Passage

Reduced 106

Proposed Scheme - Reduced - Scenario 3

**Lambs Passage
Reduced 106
Proposed Scheme - Reduced - Scenario 3**

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Private Residential	20	14,510	1,278.14	927,291	18,545,811
Social Rent	11	6,512	216.97	128,446	1,412,909
Shared Ownership	4	2,594	567.47	368,004	1,472,017
Totals	35	23,616			21,430,737

Rental Area Summary

	Units	ft ²	Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rents	20			300	6,000	6,000
Hotel	1	28,730	46.98	1,349,735	1,349,735	1,349,735
Retail	1	861	35.00	30,135	30,135	30,135
Gym	1	2,831	19.30	54,625	54,625	54,625
Restaurant	1	13,778		0	0	
Office GF	1	2,841	42.50	120,743	120,743	120,743
Offices Basement	1	13,616	25.00	340,400	340,400	340,400
Affordable Office	1	3,595	8.00	28,760	28,760	28,760
Totals	27	66,252			1,930,398	1,930,398

Investment Valuation

Ground Rents					
Current Rent	6,000	YP @	5.5000%	18.1818	109,091
Hotel					
Current Rent	1,349,735	YP @	7.5000%	13.3333	17,996,467
Retail					
Current Rent	30,135	YP @	6.0000%	16.6667	502,250
Gym					
Current Rent	54,625	YP @	7.0000%	14.2857	780,357
Restaurant					
Manual Value					1
Office GF					
Current Rent	120,743	YP @	6.0000%	16.6667	2,012,383
Offices Basement					
Current Rent	340,400	YP @	6.0000%	16.6667	5,673,333
Affordable Office					
Current Rent	28,760	YP @	7.0000%	14.2857	410,857
					27,484,740

GROSS DEVELOPMENT VALUE 48,915,477

NET REALISATION 48,915,477

OUTLAY

ACQUISITION COSTS

Fixed Price			4,847,567		
				4,847,567	
Stamp Duty		5.00%	242,378		
Agent Fee		1.00%	48,476		
Legal Fee		0.50%	24,238		
				315,092	

CONSTRUCTION COSTS

Lease Rent			545,000		
Mayoral CIL			528,060		
Borough CIL			2,198,209		
106 Monitoring			10,538		
Employment training			35,352		
carbon offsetting			52,860		
work placements			45,000		
accessible parking			16,000		
				3,431,019	

Other Construction

Construction Costs			24,755,000		
Hotel Opening costs			1,094,000		
				25,849,000	

Lambs Passage

Reduced 106

Proposed Scheme - Reduced - Scenario 3

MARKETING & LETTING

Marketing		599,195	
Letting Agent Fee	15.00%	87,099	
Letting Legal Fee	2.00%	38,608	
			724,902

DISPOSAL FEES

Purchasers costs Ground Rents	4.80%	5,236	
Purchasers costs Commercial	5.80%	1,594,115	
Private Residential	1.50%	278,187	
Affordable	1.50%	43,274	
Ground Rents	1.50%	1,636	
legal private		12,000	
legal affordable	0.50%	14,425	
legal commercial	0.15%	41,063	
Legal Ground rent	3.00%	3,273	
			1,993,210

FINANCE

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)			
Land		942,833	
Construction		2,786,265	
Total Finance Cost			3,729,098

TOTAL COSTS

40,889,888

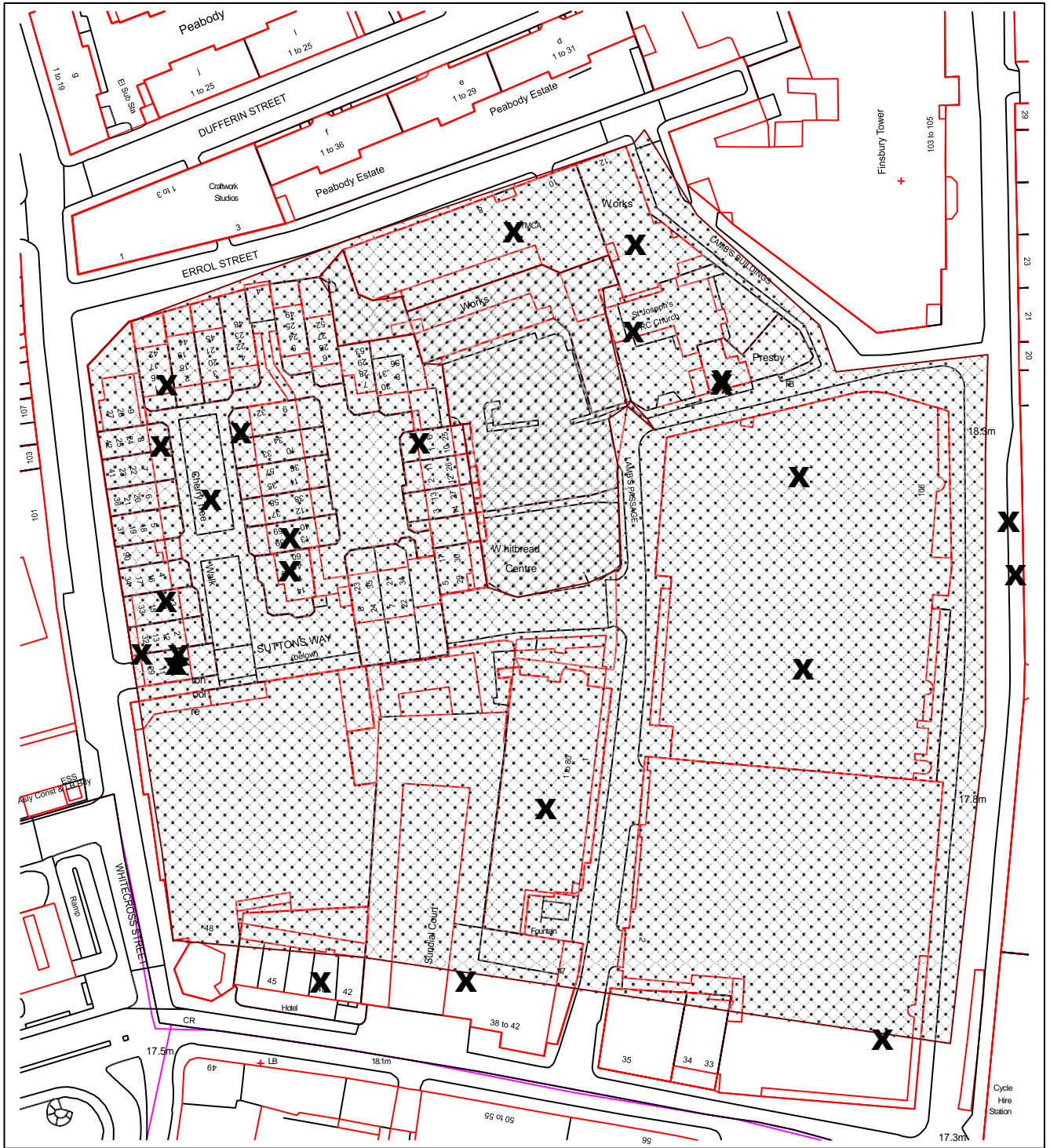
PROFIT

8,025,589

Performance Measures

Profit on Cost%	19.63%
Profit on GDV%	16.41%
Profit on NDV%	16.41%
Development Yield% (on Rent)	4.72%
Equivalent Yield% (Nominal)	7.02%
Equivalent Yield% (True)	7.34%
IRR	20.38%
Rent Cover	4 yrs 2 mths
Profit Erosion (finance rate 7.000%)	2 yrs 7 mths

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