

## Second Consultation Statement

### Representations made to consultation on the Revised Draft Affordable Workspace SPD between 11 February and 13 March 2022 and officer response

Rep. No.	Respondent	Representation Wording	Officer Response	Proposed Change in Affordable Workspace SPD
RDAW1	The Coal Authority	<p>Thank you for your email below regarding the Lambeth's Revised Draft Affordable Workspace Supplementary Planning Document Consultations.</p> <p>The Coal Authority is a non-departmental public body sponsored by the Department of Business, Energy &amp; Industrial Strategy. As a statutory consultee, the Coal Authority has a duty to respond to planning applications and development plans in order to protect the public and the environment in mining areas.</p> <p>As you are aware, Lambeth Council lies outside the defined coalfield and therefore the Coal Authority has no specific comments to make on your Local Plans / SPDs etc.</p> <p>In the spirit of ensuring efficiency of resources and proportionality, it will not be necessary for the Council to provide the Coal Authority with any future drafts or updates to the emerging Plans. This letter can be used as evidence for the legal and procedural consultation requirements at examination, if necessary.</p>	Noted	None
RDAW2	Transport for London Spatial Planning	<p>Thank you for consulting Transport for London. I can confirm that TfL Spatial Planning has no comments to make on the draft Affordable Workspace SPD. TfL Commercial Development will respond separately in their capacity as a major landowner and developer.</p>	Noted	None
RDAW3	Highways England	<p>National Highways has been appointed by the Secretary of State for Transport as strategic highway company under the provisions of the Infrastructure Act 2015 and is the highway authority, traffic authority and street authority for the Strategic Road Network (SRN). Our network is a critical national asset and as such, we work to ensure that it operates and is managed in the public interest, both in respect of</p>	Noted	None

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		<p>current activities and needs as well as in providing effective stewardship of its long-term operation and integrity. The closest section of our network to Lambeth borough is M4 junction 1, approximately 10 miles west of the borough.</p> <p>National Highways raises no concerns or objections to this consultation and consider that it will not be necessary for National Highways to be consulted on further revisions of this SPD or the emerging Lambeth Local Plan.</p>		
RDAW4	Gloucestershire County Council	<p>M&amp;W officers have reviewed the consultation information and at this time do not consider it likely that materially significant mineral and waste impacts will emerge as a result of implementing the consultation's proposals. M&amp;W officers have based this response on potential impacts relating to: - Gloucestershire's mineral resources; the supply of minerals from and / or into Gloucestershire; and the ability of the county's network of waste management facilities to operate at its full permitted potential. M&amp;W officers raise no objection.</p>	Noted	None
RDAW5	Natural England	<p>Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development.</p> <p>Our remit includes protected sites and landscapes, biodiversity, geodiversity, soils, protected species, landscape character, green infrastructure and access to and enjoyment of nature.</p> <p>While we welcome this opportunity to give our views, the topic this Supplementary Planning Document covers is unlikely to have major effects on the natural environment, but may nonetheless have some effects. We therefore do not wish to provide specific comments, but advise you to consider the following issues:</p>	Noted	None

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		<p>Green Infrastructure</p> <p>This SPD could consider making provision for Green Infrastructure (GI) within development. This should be in line with any GI strategy covering your area.</p> <p>The National Planning Policy Framework states that local planning authorities should ‘take a strategic approach to maintaining and enhancing networks of habitats and green infrastructure’. The Planning Practice Guidance on Green Infrastructure provides more detail on this.</p> <p>Urban green space provides multi-functional benefits. It contributes to coherent and resilient ecological networks, allowing species to move around within, and between, towns and the countryside with even small patches of habitat benefitting movement. Urban GI is also recognised as one of the most effective tools available to us in managing environmental risks such as flooding and heat waves. Greener neighbourhoods and improved access to nature can also improve public health and quality of life and reduce environmental inequalities.</p> <p>There may be significant opportunities to retrofit green infrastructure in urban environments. These can be realised through:</p> <ul style="list-style-type: none"> <li>• green roof systems and roof gardens;</li> <li>• green walls to provide insulation or shading and cooling;</li> <li>• new tree planting or altering the management of land (e.g. management of verges to enhance biodiversity).</li> </ul> <p>You could also consider issues relating to the protection of natural resources, including air quality, ground and surface water and soils within urban design plans.</p>	Noted	None

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		Further information on GI is include within The Town and Country Planning Association's "Design Guide for Sustainable Communities" and their more recent "Good Practice Guidance for Green Infrastructure and Biodiversity".		
		<p>Biodiversity enhancement</p> <p>This SPD could consider incorporating features which are beneficial to wildlife within development, in line with paragraph 118 of the National Planning Policy Framework. You may wish to consider providing guidance on, for example, the level of bat roost or bird box provision within the built structure, or other measures to enhance biodiversity in the urban environment. An example of good practice includes the Exeter Residential Design Guide SPD, which advises (amongst other matters) a ratio of one nest/roost box per residential unit.</p>	Noted	None
		<p>Landscape enhancement</p> <p>The SPD may provide opportunities to enhance the character and local distinctiveness of the surrounding natural and built environment; use natural resources more sustainably; and bring benefits for the local community, for example through green infrastructure provision and access to and contact with nature. Landscape characterisation and townscape assessments, and associated sensitivity and capacity assessments provide tools for planners and developers to consider how new development might makes a positive contribution to the character and functions of the landscape through sensitive siting and good design and avoid unacceptable impacts.</p> <p>For example, it may be appropriate to seek that, where viable, trees should be of a species capable of growth to exceed building height and managed so to do, and where mature trees are retained on site, provision is made for succession planting so that new trees will be well established by the time mature trees die.</p>	Noted	None

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		<p>Other design considerations</p> <p>The NPPF includes a number of design principles which could be considered, including the impacts of lighting on landscape and biodiversity (para 180).</p>	Noted	None
		<p>Strategic Environmental Assessment/Habitats Regulations Assessment</p> <p>A SPD requires a Strategic Environmental Assessment only in exceptional circumstances as set out in the Planning Practice Guidance here. While SPDs are unlikely to give rise to likely significant effects on European Sites, they should be considered as a plan under the Habitats Regulations in the same way as any other plan or project. If your SPD requires a Strategic Environmental Assessment or Habitats Regulation Assessment, you are required to consult us at certain stages as set out in the Planning Practice Guidance.</p> <p>Should the plan be amended in a way which significantly affects its impact on the natural environment, then, please consult Natural England again.</p>	Noted	None
RDAW6	Gerald Eve on behalf of Stanhope	<p>We write on behalf of Stanhope PLC to make representations to the revised Draft Affordable Workspace Supplementary Planning Document.</p> <p><b>Approach to Affordable Workspace</b></p> <p>Section 2 of the draft Affordable Workspace SPD sets out three alternative ways in which affordable workspace could be provided by a developer. These are:</p> <ul style="list-style-type: none"> <li>• Affordable workspace leased and managed by an affordable workspace provider on the council's approved list in accordance with an agreed workspace management plan</li> <li>• Affordable workspace managed directly by the owner of the new development where it is demonstrated to the satisfaction of the council that they have the</li> </ul>		

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		<p>necessary skills and experience and an agreed workspace management plan is in place.</p> <ul style="list-style-type: none"> <li>Affordable workspace leased by the owner of the new development to one or more end users on the council's approved register of organisations that require non-managed affordable workspace.</li> </ul> <p>We advised in our last representations (February 2020) that we considered these were restrictive and flexibility should be included for a combination of the suggested approaches or alternative approaches to be agreed with the LPA, particularly as these will have to be defined at the time of planning permission being granted, but may not be delivered for some years and new products, arrangements, approaches may emerge as affordable workspace is relatively in its infancy.</p> <p>The draft SPD has been amended to include</p> <p><b><i>“Any one of these approaches, or a combination of one or more of them, may be appropriate for the provision of affordable workspace in a development. In all cases, the discount will be applied to the market rent paid by the end occupier”</i></b></p> <p>This amendment is welcomed but it would be preferable to include wording for an alternative approach as well to be agreed with the LPA as at the time of delivery, as a different approach may be the best solution for the site and so a mechanism to allow for this should be considered.</p>	<p>Support noted.</p> <p>The SPD allows for a combination of methods which can form an appropriate approach tailored to the circumstances of a particular site.</p>	<p>None</p>
		<p>Additionally, we would like to point out that there are different costs to the Developer with each approach. For example:</p>	<p>The three approaches are set out in development plan policy and are not amended by the SPD.</p>	<p>None</p>

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		<p><u>Approach A - Affordable workspace leased and managed by an affordable workspace provider on the council's approved list in accordance with an agreed workspace management plan</u></p> <table data-bbox="658 480 1368 679"> <tr><td></td><td style="text-align: right;">£psf</td></tr> <tr><td>Market rent - unserviced space not fitted out</td><td style="text-align: right;">60.00</td></tr> <tr><td>Additional services cost (fit out, utilities and ICT, reception)</td><td style="text-align: right;">25.00</td></tr> <tr><td>Operator margin</td><td style="text-align: right;">5.00</td></tr> <tr><td>Market rent - for fitted out serviced space</td><td style="text-align: right;">90.00</td></tr> <tr><td><b>Discounted serviced rent paid by end tenant</b></td><td style="text-align: right;"><b>45.00</b></td></tr> <tr><td colspan="2"> </td></tr> <tr><td><i>AW provider pays Developer (Discounted rent less costs and margin)</i></td><td style="text-align: right;"><i>15.00</i></td></tr> <tr><td><i>Cost to developer</i></td><td style="text-align: right;"><i>45.00</i></td></tr> </table> <p><u>Approach C - Affordable workspace leased by the owner of the new development to one or more end users on the council's approved register of businesses that require non-managed affordable workspace</u></p> <table data-bbox="658 799 1368 906"> <tr><td></td><td style="text-align: right;">£psf</td></tr> <tr><td>Market rent - unserviced space not fitted out</td><td style="text-align: right;">60.00</td></tr> <tr><td><b>Discounted unserviced rent paid by tenant</b></td><td style="text-align: right;"><b>30.00</b></td></tr> <tr><td colspan="2"> </td></tr> <tr><td><i>Cost to developer</i></td><td style="text-align: right;"><i>30.00</i></td></tr> </table> <p>Providing 10% of floorspace at a 50% discount under Approach A costs a lot more than providing 10% of floorspace at a 50% discount under Approach C as set out above.</p> <p>Based on this, where a scheme is providing a policy compliant equivalent amount of affordable workspace, the methodology used to calculate that is not clear and open to interpretation, as it could be argued to be based on any of the approaches above which all have a different cost to the Developer.</p> <p><b>Affordable Workspace Providers</b></p> <p>In Section 3, Paragraph 3.4 of the draft Affordable Workspace SPD 2020 stated that</p>		£psf	Market rent - unserviced space not fitted out	60.00	Additional services cost (fit out, utilities and ICT, reception)	25.00	Operator margin	5.00	Market rent - for fitted out serviced space	90.00	<b>Discounted serviced rent paid by end tenant</b>	<b>45.00</b>			<i>AW provider pays Developer (Discounted rent less costs and margin)</i>	<i>15.00</i>	<i>Cost to developer</i>	<i>45.00</i>		£psf	Market rent - unserviced space not fitted out	60.00	<b>Discounted unserviced rent paid by tenant</b>	<b>30.00</b>			<i>Cost to developer</i>	<i>30.00</i>	<p>The examples provided do not necessarily reflect how costs would be calculated in practice. The specific cost to a developer will depend on the individual circumstances of a site and the development proposed. Therefore it is not necessarily the case that one approach will be more costly to a developer than another.</p> <p>The local planning authority will always seek an affordable workspace provision that is equivalent in value to that defined in Local Plan Policy ED2.</p>	
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		<p><b>“The Approved Affordable Workspace Provider List will be refreshed every three years”.</b></p> <p>Clarity was sought in terms of whether a new affordable workspace provider could be added in the interim or whether they only be able to be added to the list at the 3 year intervals.</p> <p>The SPD has been amended to remove reference to a refresh of the list every 3 years and has instead set out that any organisation that wishes to be on this list will be able to apply at any time and will remain on the list for 3 years. They would then need to reapply. Stanhope PLC are content that this now clarifies the position.</p>	Support noted	None
		<p><b>Workspace Management Plan</b></p> <p>Stanhope were previously concerned that there was no flexibility to allow for an amended Workspace Management Plan to be agreed with the Council which was problematic if being set at the time planning permission is granted as it may need amending/ evolving at the time of delivery or post occupation.</p> <p>The amendments that now comprise para 5.5 are welcome enabling a case by case approach to be agreed and secured in the S106 agreement.</p> <p>However, Paragraph 5.3 part a of the draft SPD currently states:</p> <p><b><i>“The terms on which the affordable workspace will be let – This should include information about discounted rents, rates and anticipated service charge. Service charges should be set at a reasonable level that does not offset the overall affordability of the space. It will need to be confirmed in the WMP that the rents and service charges are not to rise beyond inflation through the period for which the affordable workspace is secured. The council will expect to see evidence of a</i></b></p>	<p>Support for 5.5. noted.</p> <p>Service charges should be set at a reasonable level for occupiers and it is considered that a cap is reasonable in order to ensure they remain affordable.</p> <p>Indexation is considered to be the most reasonable and effective way of ensuring that service</p>	<p>None</p> <p>None</p>



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		<p><b><i>break clause within leases that would be activated if it is found that occupiers are no longer to be considered suitable end users”.</i></b></p> <p>Stanhope have a concern in relation to rents and service charges. The service charge is a charge that is not intended to derive a profit, but in fact cover the day to day costs associated with the delivery of affordable workspace and should therefore not be subject to indexation or caps. Furthermore, 5.3 states that the service charges will rise by no more than inflation. It is considered that further flexibility is required to ensure it is fair and reasonable to account for scenarios such as a key cost rising ahead of inflation, or an additional service being provided.</p>	<p>charges reflect changing costs over time while not becoming unaffordable. It is not efficient or effective to apply a bespoke approach to any individual development.</p>	
		<p><b>Market Rents</b></p> <p>In Section 6.2 it states that</p> <p><b><i>“The market rent will be assessed on case by case basis, taking into account the nature and location of the proposed development. Rents and service charges will be agreed as part of the Workspace Management Plan. Service charges for affordable workspace should be set at a reasonable level and not offset the affordability of the space, and the service charge liability should be minimised for an end user in need of affordable workspace. Reasonable endeavours should be used to minimise the service charge liability through liaison with the Affordable Workspace Provider”.</i></b></p> <p>It is considered that Market rent (on which the discount is based) should also take into account the services provided for example flexible lease arrangements, level of fit out, access to facilities (e.g. meeting rooms), delivery of business support etc which are all mentioned elsewhere in the SPD.</p>	<p>Factors specific to a particular development proposal can, as stated in 6.2, be taken into account on a case by case basis.</p>	<p>None</p>

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		<p><b>Annual Monitoring</b></p> <p>In Section 6.5, the draft SPD expects that rents charged will vary and the Developer/owner is required to report annually on current market rents and the rents charged for affordable workspace.</p> <p>Leases are likely to be for a period of 5-15 years, therefore rent will potentially vary at the time of renewal / rent review. The additional text below has now been added which is supported.</p> <p><b>“It is expected that as market rents vary over time, rents charged for affordable workspace will vary accordingly”</b></p>	Support noted	None
		<p><b>Payment in Lieu</b></p> <p>Section 8 of the draft SPD allows for a payment in lieu to be made in exceptional circumstances and sets out the calculation for doing so. Paragraph 8.3 goes onto say that ‘Explanations that argue a greater amount of affordable workspace can be delivered in lower value areas of the borough will not be accepted’.</p> <p>It is considered that in some cases, potentially affordable workspace may be better provided offsite in an area where the local need is greater and a better overall offer of affordable workspace can be achieved.</p> <p>The policy as drafted does not allow for this approach to be considered. In areas where development may not be prevalent, these areas will miss out on local provision of affordable workspace.</p>	The response to this point was set out in the consultation statement published alongside the Revised Draft SPD.	None
		<p><b>Conclusion</b></p>	Noted	None

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		<p>We would be grateful if these comments can be taken into account as part of the consultation process and look forward to being kept informed of the next steps in terms of the draft Affordable Workspace SPD.</p>		
RDAW7	Transport for London Property Development	<p>Thank you for providing the opportunity to comment on the Affordable Workspace Draft SPD.</p> <p>Please note that our representations below are the views of Transport for London Commercial Development (TfL CD) in its capacity as a landowner in the borough only and are separate from any representations that may be made by TfL in its statutory role as the strategic transport authority for London.</p> <p>TfL CD is a significant landowner and landlord of a wide range of commercial spaces in the borough and across the capital more generally. We have promoted a number of sites for residential-led and mixed-use development in the borough which will make a significant contribution towards meeting borough and London-wide housing and employment floorspace targets.</p> <p>TfL CD has previously submitted representations on the emerging draft SPD through the previous consultation in April 2020</p> <p>With respect to the current consultation, we note that amendments have been made to chapter 7 in response to our previous comments:</p> <p>Chapter 7 – Review Mechanism</p> <p>TfL CD supports the amendments made to Paragraph 7.6 providing clarity on how a mixed use scheme will be assessed for both affordable housing and affordable workspace simultaneously.</p>	Support noted	None

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		<p>With respect to the remainder of the document, our previous comments submitted in 2020 are still valid (enclosed with this letter).</p> <p>Concluding Remarks</p> <p>If you have any questions on the above or would like to discuss any of TfL land holdings, please do not hesitate to contact me. In the meantime, we would appreciate if you could confirm receipt of this letter.</p>	<p>Responses to points made on the draft SPD in February 2020 are set out in the consultation statement published alongside the Revised Draft SPD.</p>	<p>None</p>
RDAW8	Savills on behalf of Guy's and St Thomas' Foundation	<p>Thank you for giving us the opportunity to comment on the emerging draft Affordable Workspace SPD.</p> <p>We write on behalf of Guy's and St Thomas' Foundation which owns a 5.4 acre site in the Waterloo area referred to as the Royal Street site.</p> <p>Established over 500 years ago, the Foundation's purpose is to improve the health of people in the London boroughs of Lambeth and Southwark, two of the UK's most diverse and also deprived areas. This is achieved through the Foundation working with a range of partners to identify, test and scale new approaches to health and healthcare, and by supporting Guy's and St Thomas' NHS Foundation Trust through a combination of fundraising and the Foundation's own philanthropic support.</p> <p>The Foundation has an endowment of over £800m of assets which forms the backbone of its resources. A considerable part of this comprises the Foundation's property portfolio, which includes significant land holding in Lambeth at Royal Street.</p> <p>The Foundation has previously engaged in the rounds of public consultation for the newly adopted Local Plan, the draft Site Allocations DPD and the previous draft of the Affordable Workspace SPD. The Foundation looks forward to continuing to</p>		

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		<p>develop an appropriate framework to create the certainty of outcome required to enable Royal Street to be brought forward for development with confidence.</p> <p>In addition to engagement with the plan making process, the Foundation, in a Joint Venture with its development partner Stanhope PLC, has been engaged in pre-application discussions about proposals for the redevelopment of this site. The scheme will deliver a holistic masterplan providing lab enabled commercial space, residential, retail and community floorspace; enhanced public realm and pedestrian routes. The scheme will play a key part in the delivery and success of the SC1 innovation district.</p> <p>Separate representations to this consultation have been made by Gerald Eve on behalf of Stanhope PLC. The Foundation supports Stanhope's position and would ask that it is taken into consideration as part of the consultation process.</p>	<p>Noted. See response to Stanhope comments above (RDAW6)</p>	<p>None</p>
		<p>With regards to the Council's overriding approach to affordable workspace, we previously made representations to the consultation on the new Local Plan setting out the Foundation's position. To reiterate, it is supportive of the principle of providing affordable workspace but concerns remain about a lack of flexibility, despite some amendments since the previous draft.</p> <p>In this regard and in their role as the Foundation's development partner, Stanhope has made a more detailed representation on the draft Affordable Workspace SPD. The Foundation supports Stanhope's position and would ask that it is taken into account as part of the consultation process.</p>	<p>Responses to points made on the draft SPD in February 2020 are set out in the consultation statement published alongside the Revised Draft SPD.</p> <p>Noted. See response to Stanhope comments above (RDAW6)</p>	<p>None</p>

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		We look forward to acknowledgement of receipt of these representations. Please do not hesitate to contact us on the details at the head of this letter should you require any further information.		
RDAW9	South Bank and Waterloo Neighbours (SoWn)	<p>1. South Bank and Waterloo Neighbours (SoWN) is the community body that represents residents, workers, businesses of all sizes and voluntary organisations. It has wide support in the area covered by the South Bank and Waterloo Neighbourhood Plan, formally approved in February 2020, after a referendum supported by over 90% of residents and businesses alike. SoWN was responsible for the wide consultation involved in identifying the key issues, for writing the Plan and seeing it through to adoption. It represents the whole local community in monitoring how the plan is implemented, within the wider context of the Lambeth Local Plan and the London Plan. As well as monitoring the Plan, SoWN covers a wide range of activities and issues, and is particularly concerned to see that the fruits of development, both physical and financial, are appropriately distributed across the whole community so that it is both thriving and sustainable.</p> <p>Context of the SOWN Response</p> <p>2. SoWN recognises that the draft SPD is supplementary planning guidance, intended to supplement the provisions of Lambeth Policy ED2 which is fully adopted. Though SoWN has considerable concerns about the way in which Policy ED2 is being implemented, it recognises that an SPG document cannot change policy or add new policies but serves to build upon/provide further guidance/detail about the implementation of specific planning policies, in this case Policy ED2. However, although this document does not form part of the Local Plan, and is not subject to independent examination, it is a material consideration in determining planning applications and it is therefore important to SoWN that in consideration of the SPD</p>	Noted	None

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		<p>the Council takes account of reflects serious local concerns about the impact of the way Policy ED2 is being implemented in South Bank and Waterloo. The representations which follow are not intended to challenge Policy ED2, and do not comment on the detailed provisions in the SPD concerning the implementation of the policy. They are relevant however to the way in which Policy ED2 is being interpreted and implemented in the South Bank and Waterloo neighbourhood. In particular they concern the priority that affordable workspace is given in pre-application work with developers, viability appraisals and eventual s106 agreements, and the impact of that priority on a whole range of other mitigations, particularly those relating to climate change and general community health and well-being.</p> <p>3. The context is that the major office developments consented or coming forward in the neighbourhood, namely Elizabeth House, 72 Upper Ground, Royal Street and Waterloo Estate, look likely between them, on four sites, to amount to more than the office space provided in the whole King's Cross regeneration. Their impact on all users of the area, employees and visitors, but above all local residents, needs to be addressed in a more holistic way than is currently the case. These include other opportunities for mitigation, e.g. increases and improvements to public open space, improvements in air quality, street greening measures, reduction in vehicles, improved pedestrian and cycling environments etc. We should not underestimate the enormous intensification created by these developments and the wide range of social and environmental measure needed to mitigate their impact.</p>		
		<p>The Policy Context</p> <p>4. Lambeth's Affordable Workspace policy ED2, like all Local Plan policies, must be in conformity with the London Plan, in the case of Affordable Workspace, London Plan</p>	Neither the Local Plan nor the Revised Draft SPD suggest or state	None

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		<p>Policy E3. Relevant wording in London Plan Policy E3 Affordable workspace includes (our emphasis and comments):</p> <p><i>A In defined circumstances set out in Parts B and C below, planning obligations may be used to secure affordable workspace (in the B Use Class) at rents maintained below the market rate for that space for a specific social, cultural or economic development purpose ...</i></p> <p><i>B Consideration should be given to the need for affordable workspace for the purposes in Part A above:</i></p> <p><i>3) in locations identified in a local Development Plan Document where the provision of affordable workspace would be necessary or desirable to sustain a mix of business or cultural uses which contribute to the character of an area.</i></p> <p>Comment – Lambeth has identified South Bank and Waterloo as such an area in its Local Plan. The debate SoWN seeks is whether the provision of affordable workspace under this definition is genuinely a higher priority in South Bank and Waterloo than mitigation of green space deficiency, issues of air quality and embodied carbon, environmental impacts of construction, management of the pressures on the area caused by intensification, provision of community facilities.</p> <p><i>C Boroughs, in their Development Plans, should consider detailed affordable workspace policies in light of local evidence of need and viability.</i></p> <p>5. In the Lambeth Local Plan, Policy ED2 Affordable Workspace includes:</p> <p><i>A. In accordance with London Plan policy E3, the council will apply the following requirements for the uplift of affordable workspace in the following locations:</i></p>	<p>that provision of affordable workspace has a higher priority than other matters. All relevant development plan policies are applied in the determination of planning applications and must be read in the round.</p> <p>There is no process or mechanism for prioritising one policy over another, other than stated in London Plan Policy DF1 D, and no hierarchy of policy requirements.</p> <p>Where applications propose a policy-compliant level of affordable workspace and are considered to satisfy all other requirements for the fast-track approach,</p>	



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		<p><i>i. In Waterloo/Southbank and Vauxhall developments proposing at least 1000m2 gross office floorspace should provide 10 per cent of the rentable floorspace (Net Internal Area (NIA)) at 50 per cent of market rents for a period of 15 years;</i></p> <p><i>B. The affordable workspace secured should be provided on-site and be designed to meet a local need for office, light industrial or research and development workspace.</i></p> <p><i>F. Proposals that do not provide the level of affordable workspace required by this policy will be required to submit viability information, which will be independently assessed. Where this assessment determines that a greater level of affordable workspace could viably be supported, a higher level of affordable workspace will be required, capped at the level required by the policy. In addition, early and late viability reviews will be applied to all schemes that do not provide the level of affordable workspace required by the policy.</i></p> <p>How the Affordable Workspace Policy is implemented</p> <p>6. The implication of ED2 F is that 10% Affordable Workspace will be sought in all cases if viable; indeed more will be sought if viability permits. This prejudices what is used as the baseline for the viability assessment. In practice, as far as local stakeholders can interpret from the s106 agreements for Elizabeth House and 76 Upper Ground (major office developments so far consented in South Bank and Waterloo under this policy) the viability of affordable workspace provision has been assessed without full consideration of or consultation on other legitimate mitigation measures which might be considered to be of higher priority in terms of the immediate impact of the development and/or for the social, environmental and economic well-being of the neighbourhood. Para 7.1 of the draft SPD Applications that propose an affordable workspace offer that does not meet the policy</p>	<p>they do not undergo a viability assessment.</p> <p>The requirements for affordable workspace are set out in the development plan. The mechanism for securing the AW is a s106 planning obligation. Other planning obligations may be required to ensure that a development proposal is acceptable in planning terms and/or meets other policy requirements.</p> <p>The use of planning obligations must be in accordance with the tests set out for their use in CIL regulations. In order for development to be acceptable in planning terms it must address all of the various requirements in</p>	

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		<p>requirement will be required to submit viability information in accordance with the requirements of the Viability Tested Route appears to be based on the same assumption.</p> <p>7. However, nowhere in Lambeth Local Plan Policy D2 Planning Obligations or Policy ED2 Affordable Workspace does the policy say that affordable workspace should be given priority over other relevant and legitimate planning obligations. Only Affordable Housing is given this priority. The London Plan says that planning obligations may be used to secure affordable workspace. Lambeth Plan policy ED2 states that In Waterloo/Southbank and Vauxhall developments proposing at least 1000m2 gross office floorspace should provide 10 per cent of the rentable floorspace. Neither statutory plan says 'will' or 'must'.</p> <p>8. Lambeth Plan Policy D2 states that that Section 106 planning obligations will be sought to:</p> <p><i>B. ensure that development proposals provide or fund local improvements to mitigate the impact of the development and/or additional facilities and requirements made necessary by the development. Depending on the nature of the development, this may include...</i></p> <p>There follow 21 examples of what might be appropriate. Affordable workspace is only one of these, and South Bank and Waterloo Neighbours and many other South Bank and Waterloo residents and stakeholders would argue that, in the case of the South Bank and Waterloo, many of the other 20 examples should be given a higher priority than affordable workspace. This is reflected in many other places in in the adopted Local Plan, for example, Policies D3 Infrastructure, ED14 Hotels, ED15</p>	<p>the development plan to the satisfaction of the Local Planning Authority.</p> <p>A permission will not be granted unless adequate mitigation of planning impacts has been secured and policy requirements have been met, having regard to any other material considerations.</p> <p>The policies in the plan and requirements for developer contributions have been tested for their cumulative impact on development viability and this evidence was found sound at examination.</p>	

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		<p>Employment and Training, S1 and S2 Social Infrastructure, and EN1 Open Space, Green Infrastructure and Biodiversity. All of these have references to planning obligations as a requirement for mitigation in furtherance of the objectives of these policies. All of them are relevant to the quality of the South Bank and Waterloo neighbourhood and its ability to compete with Kings Cross, Shoreditch, etc, in our provision of green space, cleaner air, an attractive retail offer, a world class public realm and means of delivering commuters from the station to their place of work.</p> <p>9. The concern about the priority currently accorded to affordable workspace reflects the provisions of the adopted South Bank and Waterloo Neighbourhood Plan. Though affordable workspace is mentioned in the Plan, it is not given the priority accorded to many other environmental objectives and neighbourhood amenity concerns which the Plan and SoWN's associated projects list seek to address. The notional cost of a minimum 10% affordable workspace in any uplift of office space, combined with the call that makes on viability, means that the resultant s106 agreements are not serving to 'make those developments acceptable in planning terms' as much as would be achieved with different priorities i.e by allocating part or all of the equivalent value of the affordable workspace to mitigating the environmental impacts of those developments or supporting the community facilities or other measures that the residents impacted by those developments should reasonably expect. It should be noted that the values can be very high – in the case of Elizabeth House, the notional value of the affordable workspace provision is assessed at some £33m.</p>		

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		<p>Other Factors relating to Implementation.</p> <p>10. There are further considerations which should require a review of the priority accorded to affordable workspace in South Bank and Waterloo.</p> <ul style="list-style-type: none"> <li>The viability impact of including 10% affordable workspace as a baseline requirement inevitably makes developments larger than they would otherwise have needed to be, with, as a consequence, increased construction impacts, more embodied carbon, and in some cases greater adverse amenity impacts e.g. on neighbouring residents' daylight.</li> </ul>	<p>There is no evidence that this is the case. All development proposals in London must follow the design-led optimisation approach required by London Plan Policy D3. If development proposals are not able to provide for the full affordable workspace requirements of Local Plan Policy ED2, they must follow the viability-tested approach.</p>	None
		<ul style="list-style-type: none"> <li>Policy ED2, and therefore the SPD, provide for affordable workspace to be provided for up to 15 years. There is no mechanism, as there is with affordable housing, for this to be in perpetuity. Other mitigation, e.g. public green open space, improvements in air quality, street greening measures, reduction in vehicles, improved pedestrian and cycling environments etc. would have a permanent impact.</li> </ul>	<p>The policies in the development plan and requirements for developer contributions were tested for their cumulative impact on development viability during the examination of the Local Plan and</p>	None

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			<p>were found to be sound.</p> <p>The time limit on affordable workspace obligations reduces the overall impact on viability of a development.</p> <p>Obligations secured to mitigate any other aspects of a development proposal will be secured in a way that is considered sufficient to mitigate that impact.</p>	
		<p>11. There are further questions SoWN would wish to raise about the need for new affordable workspace in South Bank and Waterloo. The draft SPD sets out the qualifying requirements for the tenants of the affordable workspace:</p> <p>a) Start-ups and early stage businesses across priority growth sectors</p> <p>b) Businesses focussed on creative production</p> <p>c) Not for profit and/or charitable organisations supporting Lambeth's economy and providing significant social value to local residents.</p>	<p>There is considerable evidence of unmet need for affordable workspace in Waterloo, and in other parts of the borough. If the supply of affordable workspace in Waterloo is able to help meet this unmet need, this is</p>	<p>None</p>

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		<p>The affordable lettable space proposed in Elizabeth House is in the order of 100,000ft<sup>2</sup>. SoWN is not clear about the equivalent figure for 72 Upper Ground but the developers promise of 11% (presumably of uplift), suggests in excess of 35,000ft<sup>2</sup>. Large developments at Royal Street and Waterloo Estate are to come, and, if the volumes required are as now and the user criteria are to be applied strictly, there must be concern that supply may exceed demand and/or that users of this space will simply be drawn from other cheaper parts of the borough. It is also worth noting that over 110,000ft<sup>2</sup> of workspace is currently (March 2022) available at Dorset House on Stamford Street at an asking price of £17.50 per ft<sup>2</sup>, quite possibly a lower rent than the 50% discount required from new developments by Policy ED2.</p>	<p>considered a positive outcome.</p> <p>Through negotiations with individual schemes, there is the potential for positive place-shaping outcomes alongside benefits for local people and businesses.</p> <p>Evidence of need was considered as part of the Local Plan examination and was found to be sound.</p> <p>Through the examination of the Local Plan, the policy requirement for affordable workspace was significantly reduced from what was previously proposed, to apply only to the net uplift of office floorspace in</p>	

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			development proposals. An oversupply of affordable workspace in Waterloo is therefore not anticipated to occur.	
		12. A further concern is that the evidence base for this policy on affordable workspace and the drafting of the policy were undertaken before COVID. Following the pandemic offices may no longer be the sole focus for work which they were before, which may in turn affect the demand for affordable workspace.	The evidence base for the affordable workspace policy was tested through the examination of the Local Plan, and found sound. Commentary was provided to the Inspector about the economic impact of Covid-19. Given that the plan was adopted in September 2021 it is still considered to be a very up to date plan. National planning policy and guidance sets an expectation for Local Plans to be reviewed every five years to take	None

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			account of changing circumstances.	
		<p>13. It is recognised that the Affordable Workspace SPD is primarily a tool to inform how affordable workspace obligations are calculated and implemented. SoWN may well have more detailed comments on these matters, but they would require considerable research into the cost and benefits of how the policy is implemented in South Bank and Waterloo, other routes to enhance the quality of the neighbourhood to attract inward investment, embodied carbon issues, and potential re-use of buildings both in South Bank and Waterloo and elsewhere in the borough. It would also be helpful to examine how affordable workspace policies work in other inner London boroughs and how their policies are applied in those boroughs which have a CAZ area, compared with the benefits outside the CAZ. The level of resource for such work is well beyond a voluntary community organisation such as SOWN or probably any other South Bank stakeholders. However, the possible need for such work does not preclude a positive response by the Council to SoWN's immediate request that the Council it urgently reviews its developer contribution priorities and implements its affordable workspace policy more flexibly, taking account of the special circumstances of South Bank and Waterloo. These are well reflected in Local Plan Policy PN1, in many other sections of the adopted Local Plan and in the adopted Neighbourhood Plan. They should also be reflected in the Affordable Workspace SPD.</p>	<p>The Local Plan is recently adopted and up to date. As stated above, there is no hierarchy of development contributions. All relevant policies and requirements must be addressed by development proposals. It is not open to the Local Planning Authority to take a 'flexible' approach in how the policies in the development plan are applied.</p> <p>Planning applications must be determined in accordance with the development plan and any other material considerations.</p>	None



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			<p>The role of the affordable workspace SPD is to provide guidance on the implementation of the requirements set out in Local Plan Policy ED2. It is not the role of an SPD to suggest that policies may be disapplied in certain circumstances.</p>	
		<p>14. SoWN’s further proposal is that, prior to the adoption of the Affordable Workspace SPD, a process is established urgently that would enable a full debate between the Council, SoWN, other South Bank stakeholders and developers which would consider:</p> <p>a) the balance between the value of affordable workspace planning obligations and other obligations set out in the Local Plan. This would cover both the financial aspects of this balance and the balance of social, environmental and economic benefits between affordable workspace and other contributions.</p> <p>b) the relative priority afforded to the affordable workspace obligations in comparison with mitigation which contributes to the Council’s environmental and net zero objectives.</p> <p>c) the weight given to mitigation of the impact on residents of the intensification of the South Bank and Waterloo</p>	<p>For the reasons set out above, there is no scope to consider a prioritisation framework for planning obligations and other developer contributions.</p> <p>The planning system does not allow for this type of approach.</p>	None

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		<p>d) residents' priorities for developer contributions - as quoted in the July 2021 Cabinet Paper on Developer Contributions these were identified for Bishop's Ward as Young People, Employment and Skills Training and Parks, Open Space &amp; Air Quality, with no reference to affordable workspace.</p> <p>e) implications of the primacy apparently given to affordable workspace for matters relating to embodied carbon, including bulk and scale of new buildings and reuse of existing buildings, both in South Bank and Waterloo and elsewhere in the borough.</p> <p>The aim would be to reach agreement on a framework of strategic priorities for developer contributions in the South Bank and Waterloo neighbourhood which would then guide the priority attached to particular elements of South Bank and Waterloo s106 agreements and align them better with local priorities and with environmental and well-being considerations.</p> <p>The implications of these outcomes for the implementation of Policies D2 and ED2 could then be appropriately incorporated in the Affordable Workspace SPD.</p>		