

Lambeth Local Plan Examination Matter 3

Introduction

This evidence is prepared by Union4 Planning on behalf of Caddick London Ltd and Bizspace.

Caddick are an established, national developer of employment space and homes across the UK. They have a significant number of developments under planning in London that will deliver several thousand new homes and new employment space as part of major mixed-use regeneration proposals.

Bizspace are an established provider of managed workspace, including the provision of offices, workshops and storage space across London and the South East. They own the Lilford Business Centre which comprises a mix of mainly B1 offices with some workshop space on the Camberwell Trading Estate, Lambeth.

Together, Caddick and Bizspace are proposing a substantial investment in the development of new, efficient, low carbon, employment space in Lambeth as part of mixed use development that also provides new homes in the form of largescale shared living, designed to meet identified local requirements. This has included pre-application submissions to Lambeth and GLA and informed the representations to this Local Plan consultation. This all forms the context to this evidence which should be read in conjunction with these submissions.

This evidence is based on the Draft Revised Lambeth Local Plan Submission Version and the proposed changes set out in June 2020 (SD17a).

Main Matter 3: Housing

3.1 Strategic housing provision: (i) Does the Plan address the Government's prioritisation of the delivery of new homes, as expressed in paragraph 59 of the Framework, or is the Plan cautious in its housing delivery?

The Plan is unduly cautious in its approach to housing delivery and lacks the positive drive for innovation sought by national policy and the Secretary of State in his letter to the Mayor of the 13 March 2020.

Policy H1 of the Draft Lambeth Local Plan commits the Council *"to maximise the supply of additional homes in the borough to meet and exceed Lambeth's housing requirement of 13,350 homes for the ten year period 2019/20 to 2028/29"*. However, given that these targets are some 21% short of need across all boroughs and covers only a 10 year period, this requires fresh thinking and a more pro-active approach to the identification of suitable housing sites.

It is fundamentally the case that the level of supply arising from the SHLAA is capacity based with a 'policy on' approach in respect of key constraints. This includes the restrictive approach to KIBAs identified in policy ED3. That approach does not prioritise delivery of new homes and is inconsistent with national priorities.

Further, there is no clear reason why this approach to constrained supply should not be more positive and facilitate further innovation and supply, without prejudicing the employment space available. Indeed, it is entirely possible that with the right policies in place, investment in mixed use housing led development can stimulate renewal in employment stock, increasing business efficiency, productivity and growth. That is the evidence of regeneration in the north of the Borough that has delivered homes and jobs.

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That need and lack of adequate supply is suffered by the Borough's community now in poor and cramped living conditions, homelessness and constrained life chances. It clearly requires greater action now and should not be further delayed pending a future review of the London Plan and subsequent review of the Lambeth Plan. To do so would impose years of delay, deferred life chances and an ever-worsening affordability ratio when there are potential solutions to some of these issues available now.

While policy H1 establishes the aim of maximising the level of housing delivery to meet London's needs over a 10 year period, the policies are in effect self-limiting. The SHLAA reflected constraints on employment land and led to the targets. The Plan's approach simply seeks to meet those targets. The policies restrict potential windfall sites and small sites coming forward and in the case of KIBAs prevent applications coming forward outside the plan process.

We wrote to Lambeth on the 18 May 2020 (see Annex 1) to express our concerns. This was further to our earlier Plan representations and a separate pre-application process in 2018 to explore the specific design solutions to the site and demonstrate how successful colocation can be achieved and have repeatedly sought, unsuccessfully, to meet policy officers to explore how this can be further achieved in a manner consistent with a more positive approach to KIBAs.

The inspectors report on the London Plan advised on the need for a review to increase supply and considered the issue so acute that it merited a review of the Green Belt around London to increase potential supply. As clearly set out in national and regional policy, the review of Green Belt should be undertaken only exceptionally and every effort should be made to increase the housing supply from land within the urban area, a brownfield first policy, through mixed use development, urban intensification and capitalising on the unused airspace above commercial and other uses. Where capacity is finite and unmet need is so high, every effort must be made at a Borough and London wide level to increase supply. This should not be unduly constrained by capacity led targets, especially where those constraints can be seen to restrict otherwise acceptable development.

(iii) Does the Plan provide a sufficient number and range of housing sites that are suitable for residential and mixed-use development and intensification?

This question begs the question of what is sufficient? The NPPF makes clear this is objectively assessed need. Lambeth set their benchmark on the London Plan targets. Targets that fail to meet need and have themselves been criticised by the Secretary of State and are currently the subject of dialogue between his office and the Mayor.

The policy aim set by H1 of the Lambeth Plan is to maximise the supply of additional homes. However, as explained above, while the Plan does have the potential to meet the target set by the ITP London Plan, it must be remembered this is capacity and constraint based and at a London wide level, has been criticised by the Secretary of State as clearly lacking in ambition. In failing to maximise supply the Plan fails to deliver its fundamental aim. It further fails to deliver on national planning policy.

The NPPF and Secretary of State's letter clearly require a positive and proactive approach maximising supply of housing in London.

Where such opportunities can be delivered through an approach of sustainable intensification - without having adverse impacts on the environment, the social fabric of communities and their health

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and well-being - then they should be embraced and supported by policies that actively seek out such opportunities.

The Plan defers to a subsequent Site Allocations Development Plan and hence much of the detail of allocations is absent. However, the Plan sets out some areas where housing is supported and some areas where it is restricted or where forms of housing are restricted. In setting such restrictions, it unduly limits the number and range of housing sites and typologies that can be delivered in this and the subsequent DPD.

It is accepted that intensification and colocation may not be feasible in all sites and cases. But the example of the Lilford Road Business Centre clearly shows that there are sites where colocation and mixed-use development is entirely feasible and even desirable to promote integrated, vibrant and sustainable communities.

(iv) Topic Paper 10 (Housing Provision Statement) sets out the principal components of the Plan's housing provision for the first ten years of the plan period; these are summarised in Appendix 6, and there is detailed supporting evidence. In particular, are: (a) the detailed housing tables within the Topic Paper justified and realistic? (b) the small site figure of 400 dwellings per annum (dpa) realistic and based on robust evidence? (c) the trajectory for non-self-contained accommodation robust? and (d) any other factors that need to be taken into account in determining whether the principal components of Lambeth's housing trajectory stack up? Overall, is the target of 1,335 dpa to be implemented over the plan period realistic?

The trajectory may or may not be correct in its assumptions over supply and while it represents a view of potential housing supply, it is constrained itself by the policy approach adopted. It is restricted to 10 years within a plan timescale of 15 years and no commitment is made thereafter.

In terms of its detailed components, the Inspectors for the London Plan expressed doubt over the small sites allowance, we have some concern over the attrition rate and instances where consents have or may lapse and not been implemented either at all or in a timely fashion. There is also a reliance on a relatively small number of large sites which may be delayed for a range of reasons and for much of the detail on delivery, capacity and densities we have to await the preparation of a Site Allocations DPD. The small sites policy relies in large measure on a new policy designed to allow the subdivision of existing housing stock into smaller units and development in gardens, something that often fails to deliver quality housing and erodes family homes.

Overall, therefore, we consider the trajectory to carry significant risks of under-delivery, both in periods of the Plan and overall. The level of margin within the trajectory does not adequately reflect the uncertainties that are inherent in its formulation.

The trajectory for non-self-contained accommodation appears to understate the potential of largescale shared living proposals. It appears to be based on the limitations imposed by policy which significantly limits the areas and circumstances that such housing will be considered acceptable.

(v) In terms of housing provision and site allocations, what is the relationship between this Plan and the Site Allocations Plan which the Council intends to prepare in the near future?

Given that the housing provision in the plan only covers the first 10 years and the Site Allocations Plan DPD is yet to be prepared. The scope of this appears limited to those major sites identified in the Plan

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trajectory as contributing to housing supply over this period. It does not appear the intention is to consider any policy change or delivering new sites in addition to those already identified under the terms of the Plan's policies as currently proposed.

3.2 Delivering affordable housing (AH)

(i) Is policy H2 (delivering affordable housing) justified and effective?

As a matter of principle, the approach set out in policy H2 should follow that of the London Plan and national planning policy. This applies to the definition of which schemes will benefit from the fast track route and the circumstances where affordable housing will be sought and at what level.

(ii) The policy links into policy H5 of the London Plan, which indicates specific percentages of AH for different types of sites. Policy H2 (a) (iv), however, seeks financial contributions towards AH on sites providing fewer than 10 units (gross), subject to viability testing. The London Plan policies H4 and H5 refer to AH on major sites, and paragraph 63 of the Framework likewise limits AH provision to 4 major sites. Lambeth clearly has a significant AH need, but is it sufficiently greater than the Greater London average to justify such a departure from the London Plan and national policy?

The nature of the need is such that it is directly comparable to that elsewhere in London and should accord with the policies of the London Plan.

3.11 Large-scale purpose-built shared living:

(i) Is the requirement in policy H13 for the provision of 15 sqm of functional living space separate from the communal living facilities, justified?

Large-scale purpose-built shared living proposals have the potential to add significantly to the choice and stock of housing products available to Londoners. They offer a new form of housing that addresses modern lifestyles, providing a combination of smaller private living spaces with more extensive communal or shared facilities.

The Plan considers (para 5.122) that such schemes can make a positive contribution to help meet housing need among single-person households in Lambeth by adding to the stock of rooms available for rent in the borough.

Typically, each apartment will contain a bedroom, study space, en-suite bathroom and breakfast bar style kitchenet for basic meals. Each floor will contain a shared kitchen serving a number of individual apartments and other communal spaces, such as lounges, library, cinema room, entertaining spaces, gym, laundry and café. The developments are managed and have full concierge facilities to coordinate the provision of additional services.

As with any form of development, the precise model adopted will vary between providers and individual developments.

Large-scale purpose-built shared living proposals are recognised by the Mayor and can offer a high-quality alternative to traditional house and flat shares and sub-division which can often be characterised by poor quality conversions, variable management, fewer facilities, smaller rooms and higher rents.

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It is appropriate for large-scale purpose-built shared living proposals to provide a high standard of accommodation that reflects the specific characteristics of this form of development. This requires a balanced approach to the provision of private functional living space and communal, shared facilities in order to provide an appropriate balance between private space and the more comprehensive facilities afforded by this form of housing.

Caddick promote a high quality of shared living adopting good space standards for both the private living spaces and the shared amenity spaces. It is considered that 15sqm is a reasonable baseline for the provision of private living space, but we accept that this will not always be the case for all providers.

(ii) Is the provision of rent caps justified and in line with national policy?

There is no basis in national planning policy for the introduction of rent caps for shared living proposals. This is in principle not something that is supported in national policy and runs counter to the aim of increasing market investment in new forms of innovative housing.

The only reason provided in the Plan is to ensure such proposals meet local need, rather than attracting higher-earning tenants from outside the borough. This is not a legitimate purpose under the terms of national policy or the ITP London Plan. Borough's are required to meet the need for housing as part of a London wide strategy, there is no basis in policy to seek to restrict provision to local people only. If there is a more diverse supply of housing types, it is more likely to meet local and wider housing needs.

No comparable provision for rent controls on traditional housing supply or BTR and there is no evidence to show why large-scale, purpose-built shared housing should be subject to such draconian intervention.

While the provision of large-scale purpose-built shared living offers an intermediate cost option for housing, sitting between affordable homes and market homes and BTR products, they are not a form of affordable housing and it is not appropriate that they are regulated as such with any form of rent controls.

The Secretary of State's letter of the 13 March 2020 made clear his opposition to rent controls and the principle of this opposition applies equally in this case.

The introduction of rent controls would have a significant negative impact on investment in this sector. These are substantial capital and operational investments and the risk that future income would be subject to regulation would seriously undermine the potential of this housing sector.

The policy requires rents to be set according to the mean rental level for studios in the rental sector in the postcode area. This may be a very small pool of properties but equally covers a range of types, ages and conditions of property, which may or may not be comparable to the provision of new accommodation. Existing studios are equally unlikely to benefit from the quality or range of facilities and services provided by largescale shared living proposals. The comparison is neither equal, fair nor likely to be effective.

Typical rents sit below that of BTR and below that of flat shares and similar rentals of traditional housing stock. However, they reflect the high quality of the accommodation, the management and support services provided and need to reflect the nature and quality of the specific development.

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Rent caps should, therefore, be removed as being clearly contrary to national planning policy, are unjustified and likely to be ineffective.

(iii) What is the basis for limiting the applicability of this policy to certain areas?

There appears to be no cogent or rational basis for limiting the application of this policy to certain areas. Large-scale purpose-built shared living meets a potentially diverse range of needs and has the potential to increase the variety and supply of housing products available to local communities.

The Local Plan seeks to justify the restriction to Vauxhall and Waterloo in paragraph 5.121 on the basis that these locations can viably provide the required affordable housing contribution and because they are also well-connected by public transport and services. However, as the Council have accepted elsewhere, this is a well-served and connected Borough with good access to transport, shops and services over much of its area. It is entirely possible, indeed likely, that proposals can come forward viably and deliver affordable housing contributions in accordance with the ITP London Plan outside of the identified areas. Indeed, the proposals by Caddick and Bizspace seek to do just that at Lilford Road.

In addition, the viability of affordable housing contributions should not be a determinant on the location of any form of housing. There is no equivalent policy approach for C3 housing or BTR in H12 or elsewhere. The provision of housing (and innovative forms of housing) is of itself a planning policy objective. H1 and national and regional policy tells us opportunities to increase supply should be maximised. There is no basis in national policy to limit the location or supply of housing where it cannot meet affordable housing contributions. To the contrary, policy says we should maximise housing delivery wherever possible and where necessary, we should undertake viability assessments to determine the level of affordable provision proposed where it cannot be sustained at policy compliant levels.

In any event, part c) of the policy already provides the policy requirement for an affordable housing contribution, irrespective of location.

In the case of the proposals by Caddick and Bizspace, the proposals are aimed at providing high quality managed accommodation suitable for, but not exclusive to, key healthcare workers at Kings College Hospital and the associated cluster of healthcare, research and educational facilities nearby. The site at Lilford Road has a PTAL of 3, lies within close walking distance of the hospital and of Loughborough Junction (Thameslink). Kings is a world leading teaching hospital with a global reputation and a strong research and teaching history.

However, they face increasingly difficult challenges in recruiting and retaining top professional staff. They recruit top talent from around the world and in order to enhance the offer and attraction of Kings they need to be able to offer a better standard and availability of accommodation for staff. At present much of the accommodation occupied by staff that can find a place within the local area is in the form of flat shares and HMOs which offer a poor quality of accommodation and are variable in nature and difficult to manage. Kings require flexible, high quality accommodation that can provide a well-managed space with both private rooms and shared facilities and support services and on lease terms that suit the changing requirements of staff. The new accommodation needed must also be within walking distance of the hospital and associated facilities to be able to provide 'on call' accommodation that increases the availability and attraction to staff. It is clearly also a more

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sustainable option that reduces unnecessary journeys and journey time compared to more distant locations outside this catchment. The development proposed is designed specifically to support this objective and reflects discussions between Caddick and Kings to date.

The proposed co-living component aims to create a long-term, sustainable community within the development, and the synergy with the employment floorspace is a central tenet to the proposed scheme. The integrated nature of the scheme follows through in the provision of a central entrance and reception space, with café, meeting and training space and workspaces available for residents and business users alike. The creation of flexible business spaces, shared facilities and living accommodation creates a vibrant and dynamic community that is fully integrated and promotes cohesion and innovation. The café is located towards the frontage of the site adjoining the courtyard and forms the core of the new hub and would also serve the wider community within the local area.

It is also the case that housing supply within the Borough has been tilted in favour of the north of the Borough around Oval, Waterloo and Vauxhall and will relatively less investment in new homes outside of these areas. The nature of provision has been focussed on forms of development that suit these locations and areas such as the Vassal ward and surrounding areas, have not seen significant provision. By removing the area restriction, there is greater freedom to address the needs within these areas. While the Plan goes some way towards addressing this with some of the allocations, the trajectory is still weighted to the north.

There is a clear planning case for the provision of high quality, largescale, purpose built shared living accommodation to serve the needs of the community, including the healthcare community, within the area, both in housing need terms and in order to provide for a more sustainable pattern of development, in an accessible location and close to where people work.

There is no reason why a suitable policy could not be drafted to ensure that as far as possible any large-scale shared living proposals provide an appropriate level of affordable housing contribution in accordance with the ITP London Plan and provide for accessible and sustainable transport options, embracing the potential of sites such as Lilford Road.

The policy restriction in is therefore, not justified by the evidence and is clearly not in accordance with national policy and will not be effective in maximising the delivery of new forms of housing. The area restriction should be deleted.

(iv) Is part B of the policy too limiting and negatively framed, and is the exclusion of public sector land from the provisions of the policy justified?

Policy H13 is negatively framed and although it does not in part a) expressly rule out development outside of Vauxhall and Waterloo, other than in the circumstances detailed in part b), the supporting text at paragraph 5.121 makes it clear that the intention is actually to restrict such development to those areas set out in part a). I have explained why this is not an appropriate restriction in response to question iii) above.

However, part b) also prevents such development where it is on public sector land, would result in the loss of (any) C3 residential accommodation or consented residential accommodation, be on land designated for another purpose or would result in an over-concentration of such accommodation.

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The effect of these restrictions is to tightly limit the potential of this form of residential development and its potential to contribute to the housing trajectory. The restriction on public sector land does not appear to have any planning basis. The restrictions also lack any clear justification or evidential basis and are at odds with national or London Plan policy.

There is no basis for the additional restriction on sites allocated or protected for other uses. This is not a restriction that is proposed to apply to other forms of housing and there is no reason why purpose-built shared living should be treated differently in this regard.

Whether land should be protected from forms of residential development is a matter for those specific policies dealing with that constraint and it does not require unnecessary duplication in this policy. The Plan must be read as a whole, in this regard. We have however, noted our objections to the approach to KIBAs and their review, which is set out in response to Matter 4.

While the Plan (paragraph 5.125) cites a justification for restricting large-scale purpose-built shared living to not compromise delivery of self-contained housing to meet the Plan target, this does not reflect the fact that shared living is included within the housing trajectory as a legitimate form of housing. It would add to not compromise the trajectory.

While the protection of existing housing and housing commitments is understood, proposals for shared living are also a form of housing that meets a growing market requirement and is particularly suited to the provision of first time accommodation, enabling local people to take the first step into independent living, a flexible, mobile workforce and key workers who are benefit from living close to their place of work. Although characterised as a young persons form of accommodation, it actually suits a wide sector of the housing market by providing consistent, high standards, flexible lease terms, a good range of facilities and services and more affordable market rents than BTR and traditional rentals.

Hence, whilst policy should rightly seek to protect the loss of residential accommodation from other forms of development, where there is a net gain in the number of homes provided (allowing for London Plan discounting for shared living), then there should be no policy restriction on this form of development. To restrict supply in that way would be counter to policies seeking to maximise supply. While there may be circumstances where the specific need in an area is for larger, family homes, these cases are likely to be limited and in normal circumstances, and in accordance with declining household size, it is likely that shared living proposals can form a legitimate part of overall housing supply.

The restriction on a perceived over-concentration of similar accommodation in an area misunderstands the nature of largescale-purpose built shared living and the need it meets. Various reasons are cited including a comparison with specialist student accommodation, distortion of the mix and balance of the population.

However, shared living schemes are very different to student accommodation and serve an entirely different demographic. It serves a wide age range and appeals to local people seeking their first independent home, key workers and professionals who need to be in a given location and who already form a large part of the community in these areas. There is little difference between these and BTR and market focussed flatted development which contain a large proportion of studios, 1 and 2 bed flats in terms of the community they serve or the impacts of their development.

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Annex 1

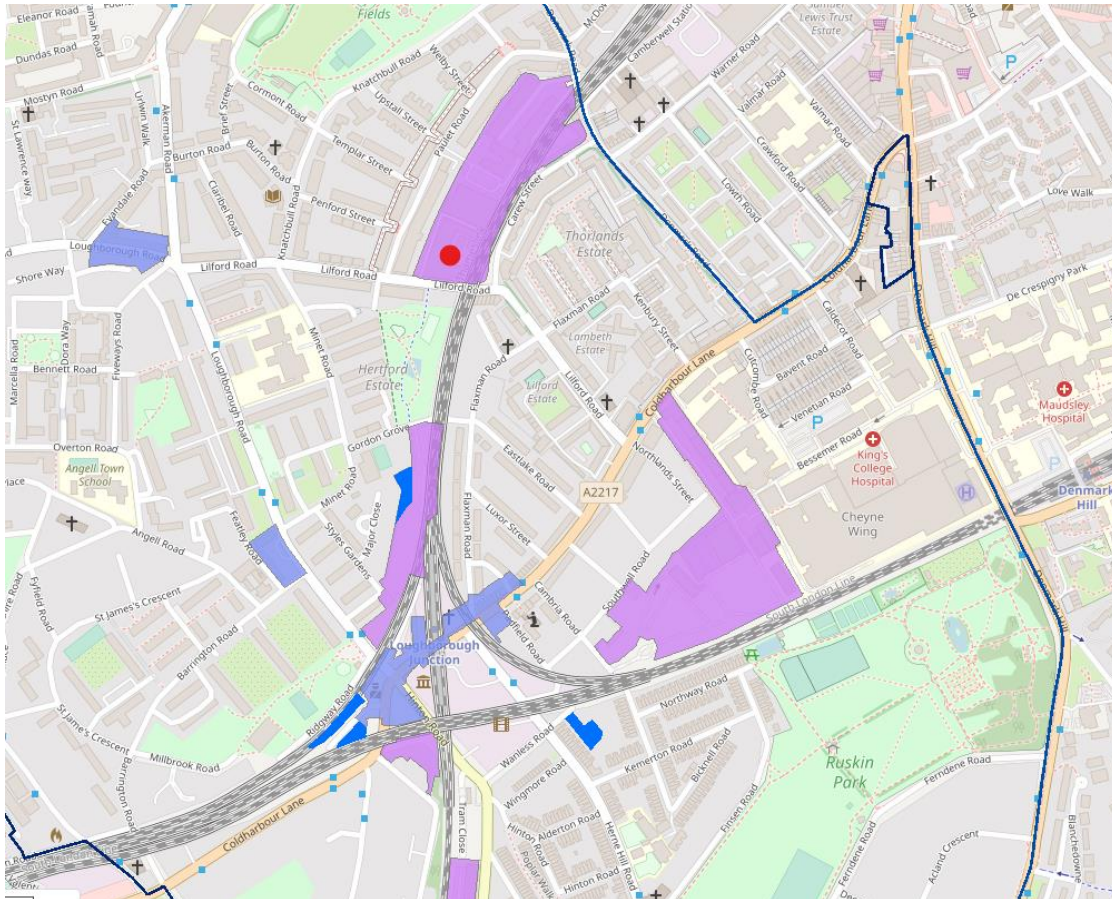
(see attached letter)



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Annex 2

Extract from the Lambeth Local Plan Proposals Map showing the Camberwell Trading Estate in the context of defined town centres, Loughborough Junction and Kings College (note Lilford Road Business Centre marked red).





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Extract from TfL PTAL Map showing Lilford Business Centre just east of the marker (in Green under Alifya Education marker) in PTAL 3.

