

Tell us who you are

Ref: R018

Title

Mr

First name

Jonathan

Surname

Stoddart

Email address

sophie.stocker@cbre.com

Agent's details

Are you an agent?

Yes

No

Title

Mr

First name

Jonathan

Last name

Stoddart

Job title (optional)

Senior Director - Head of London Planning

Organisation

CBRE

Address

Henrietta House, Henrietta Place, London

Postcode

W1G 0NB

Contact number

0207 182 2305

Email address (optional)

sophie.stocker@cbre.com

Representors details

Title

Mr

First name

C/O Agent

Last name

C/O Agent

Organisation

Wolfe Commerical Properties Southbank Limited

Your representation

Please complete this set of questions for each representation you wish to make.

To which part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 does this representation relate? (identify specific reference if possible)

- Paragraph number
- Policy number
- Policies Map - map and/or table number

Please state policy number

ED2

Do you consider the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 that you identified above is:

Legally compliant

- Yes
- No

If you wish to support the legal compliance of the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 that you identified above, please give details

(optional)

Sound

- Yes
- No

For which of following reasons do you consider that the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 you identified above, is unsound:

- It is unsound because it is not positively prepared
- It is unsound because it is not justified
- It is unsound because it is not effective
- It is unsound because it is not consistent with national policy

Please state why it is not positively prepared

WCPS is supportive of Lambeth's aspirations to continue to grow the creative and digital industries sector within the borough and considers this as key to contributing to all of the identified spatial planning issues identified in the Local Plan Review.

The application site sits within the Waterloo Opportunity Area and Central Activities Zone, internationally recognised locations which are key to driving growth and the competitive advantage of Lambeth as a place to do business – particularly in the professional and technical sector, as identified in Lambeth's Creative and Digital industries Strategy for Growth (2018). The Local Plan notes that the key challenge in this type of economic growth is ensuring that there is space (or opportunity), for small and medium enterprises through new, relevant and affordable space for small businesses, to support their development. Further, there is a significant need for additional B1a floorspace. The 2020 Workspace Topic Paper notes that between 2009/10 and 2018/19 there has been a net loss of over 223,000sqm of employment floorspace in the borough, of which 150,000sqm was B1a offices. WCPS is supportive of the aspiration to encourage additional employment growth and has been looking at ways to effectively incorporate an appropriate offer for new companies and start-ups within the refurbished building on site. However, whilst there is an identified need for affordable workspace within the borough, we consider that the current affordable workspace policy – ED2 – is not currently sound in accordance with the tests of paragraph 35 of the NPPF and the spirit of paragraph 81.

Draft Policy ED2 proposes a range of requirements for affordable workspace, depending upon where the site is located and the quantum of development proposed. In Waterloo, development of over 1,000sqm (GIA) of B1a floorspace, should provide 10% of that floorspace at 50% of market rents for a period of 15 years. Supporting paragraph 6.14 notes that the policy will apply to all applications, including those for redevelopment and

extension of existing offices, continuing that the policy will also apply to planning applications that involve refurbishment of existing office space where this would result in an increase in the quality and rental value of the space.

We consider that the draft policy is not currently positively prepared by requiring affordable workspace on refurbishment schemes. The 2019 Deloitte Crane Survey has found that of all office development under construction in London, over a third of the floorspace under construction is from refurbishment projects. In the Southbank office area, this figure rose to 42%. Therefore, refurbishment projects play a significant part in delivering much needed office floorspace in Lambeth as well as ensuring that the key employment areas in the borough can continue to compete with City and West End markets. Refurbishment schemes and investment in existing office floorspace inherently poses viability challenges in comparison to delivering new floorspace, with a commercial return required to provide the incentive to undertake the refurbishment. Refurbishment projects will always aim to result in an increase in the quality and rental value of the space by the nature of the works. Requiring a portion of this space to be for affordable workspace, reduces the incentive not only for refurbishment but also for extending existing floorspace. A refurbishment project with no external changes will not require planning permission, but if an extension is proposed, all of the existing floorspace would be required to provide affordable workspace. Therefore, in its current form, the policy actively discourages parties from delivering new and/or refurbished floorspace as part of a refurbishment project. This could have negative consequences for Lambeth in terms of meeting the objectively assessed need for office space (not positively prepared), failure of the plan to provide spaces suitable for a range of workspaces (not effective) and failure to promote the refurbishment of offices (not consistent with the aims of the London Plan – Policy SD5).

In accordance with NPPF paragraph 81, Draft Policy ED2 as drafted does not positively or proactively encourage sustainable economic growth (clause a), address potential barriers to investment (clause c) or enable a rapid response to changes in economic circumstances (clause d).

The indicative discount to market rent was tested via BNP Paribas' 2019 report (LB Lambeth: Local Plan and Community Infrastructure Levy Viability Review). At paragraph 7.2, the report confirms that the discount rents have been 'tested on schemes which provide new or replacement B1 floorspace' – there is a substantial difference in these scenarios and there is a lack of clarity and detail in this regard, for instance, it is not clear whether the report has tested the impact to viability of applying discounted rent to refurbished floorspace that is being extended. Further, the proposed rents were tested against the existing CIL rates, not the new rates, which almost double the cost of new office floorspace in Waterloo. The document also states that it assumes an MCIL rate of £60 per sqm, when in some areas of Waterloo, the rate is £185 per sqm for offices. Therefore, it is unclear whether the effect of the increased CIL rate and the requirement for affordable workspace has been appropriately tested.

Such concerns regarding viability were also raised by the GLA in their response to the previous iteration of this plan. They stated 'The Mayor welcomes Lambeth's draft policy on affordable workspace in order to support, in particular, creative and digital industries. However, it should ensure that the detailed requirements are viable and will not undermine the overall delivery of office floorspace and affordable workspace.'

We consider that the policy could address the above concern and be found sound by only requiring affordable workspace to be provided on any net increase in floorspace, rather than on existing floorspace, so as not to frustrate the overall delivery of workspace and subsequently affordable workspace. This should be clarified in the supporting text.

In addition, the policy as drafted is not flexible in terms of the approach to affordable workspace. We suggest that some flexibility to this policy should be added, so the principle of providing affordable space is maintained, but the way in which it is delivered is site specific. This ensures that the policy is positively prepared and results in sufficient affordable workspace being delivered. Related to the lack of flexibility within the policy, we do not consider that Policy ED2 is justified or based on all reasonable alternatives. The BNP Report tests the levels of discounted rent within Waterloo. Paragraph 6.7 states that 'as an alternative the Council may also wish to consider requiring a proportion of office floorspace to be provided as 'collaborative' or 'shared workspace' which is a model that developers are increasingly bringing forward'. This alternative to affordable workspace or as a model of affordable workspace has not been fully tested or considered as a reasonable alternative. We consider that the type of affordable workspace sought should be done so on a site by site basis, based on the site's location and constraints, rather than a blanket approach to provision.

Further, it is the intention for these to be secured via S106 obligations. Paragraph 56 of the NPPF requires that obligations are necessary to make the development acceptable in planning terms, directly related to the development and fairly and reasonably related in scale and kind to the development. Requiring affordable workspace across existing floorspace is not reasonably related to the development and therefore draft policy ED2 is also not consistent with national policy.

Complies with the Duty to co-operate

Yes

No

If you wish to support the compliance with the duty to co-operate of the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 that you identified above, please give details

(optional)

Please set out what change(s) you consider necessary to make the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 that you identified above, legally compliant or sound, having regard to the tests of soundness if applicable. (Please note that non-compliance with the duty to co-operate is incapable of modification at examination.)

(optional)

We suggest that some flexibility to this policy should be added, so the principle of providing affordable space is maintained, but the way in which it is

delivered is site specific. This ensures that the policy is positively prepared and results in sufficient affordable workspace being delivered. Related to the lack of flexibility within the policy, we do not consider that Policy ED2 is justified or based on all reasonable alternatives. The BNP Report tests the levels of discounted rent within Waterloo. Paragraph 6.7 states that 'as an alternative the Council may also wish to consider requiring a proportion of office floorspace to be provided as 'collaborative' or 'shared workspace' which is a model that developers are increasingly bringing forward'. This alternative to affordable workspace or as a model of affordable workspace has not been fully tested or considered as a reasonable alternative. We consider that the type of affordable workspace sought should be done so on a site by site basis, based on the site's location and constraints, rather than a blanket approach to provision.

The policy should also be amended to relate only to new floorspace, rather than extensions/refurbishment, for the reasons provided above

Please note your representation should cover succinctly all the information, evidence and supporting information necessary to support / justify your representation and your suggested change, as there will not normally be a subsequent opportunity to make further representations based on the original representation at publication stage.

After this stage, further submissions may only be made if invited by the Inspector, based on the matters and issues he/she identifies for examination.

If your representation is seeking a change to the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 that you identified above, do you consider it necessary to participate at the oral part of the examination?

- No - I do not wish to participate at the oral examination
- Yes - I do wish to participate at the oral examination

Please note that while this will provide an initial indication of your wish to participate in hearing sessions(s), you may be asked at a later point to confirm your request to participate.

Please outline why you would like to participate at the oral examination

Our client has an application that is currently being determined and this policy is relevant to its determination.

Please note the Inspector will determine the most appropriate procedure to adopt to hear those who have indicated that they wish to participate at the oral part of the examination. You may be asked to confirm your wish to participate when the Inspector has identified the matters and issues for examination.

Your representation 2

Do you want to submit a further representation for another part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020?

Yes

No

Require further notification

Please tick relevant boxes if you require notification of any of the following to the address stated previously in personal/agent details

(optional)

- That the DRLLP PSV Jan 2020 and associated PCPM Jan 2020 have been submitted for independent examination
- The publication of the inspector's recommendations following the independent examination
- The adoption of the Revised Lambeth Local Plan and Policies Map.

Review your answers

Review your answers

Before submitting your form you can review all of the answers you have given so far by clicking on the link below.

[Open a read only view of the answers you have given \(this will open in a new window\)](#)

Declaration

By submitting this claim you are agreeing to the following declaration. To view this declaration please click on the link below

I declare that the information I have provided on this form is accurate

Now submit your form using the submit button below.