

ADDENDUM EMPLOYMENT LAND REPORT

PREPARED BY
GRANT MILLS WOOD

IN RESPECT OF
LAND AND PREMISES
KNOWN AS

**MAYBREY FACTORY WORKS,
WORSLEY BRIDGE ROAD,
LOWER SYDENHAM**

ON BEHALF OF
BELLWAY HOMES LTD

MARCH 2017

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1.0 Scope of Report

1.1 Further to the circulation of our Employment Land Report dated November 2016 we have been asked to provide responses upon a number of points that have arisen following a consultation with Council Officers. These have been highlighted in a letter from Lucinda Roach dated 20th December 2016. Needless to say we have only addressed potential Employment Land issues in market terms in this Addendum. Planning Policy is addressed by Messrs Savills. The points raised are as follows, with our responses which follow in the sections below.

- The Mayors SPG refers to Bromley as a 'restricted transfer' Borough.
- There is an alleged shortage of supply of small and medium industrial premises across the Borough.
- There is a lack of evidence regarding the viability of 'B Use' space.
- Further marketing detail is required.
- It is alleged that the majority of units in the property were occupied in April 2014.
- A comparison of the subject scheme with the adjoining Dylon site is made, which included a B element providing the potential for replacement of many more 'B' jobs in the proposed redevelopment.
- A suggestion is made that some of the reports we have referred to have been updated and/or superseded.

2.0 The Mayors SPG – Bromley 'Restricted Transfer' Borough

2.1 The Mayors SPG: Land for Industry and Transport 2012 confirmed that Bromley is a 'restricted transfer' Borough. This categorisation normally applies to Boroughs with typically low levels of industrial land relative to demand. There are 3 groupings; restricted, limited and managed. The adjoining Borough of Lewisham is a limited transfer Borough. As for the other adjoining Boroughs the categorisations are as follows:

Bexley:	Managed
Greenwich:	Managed
Croydon:	Restricted

- 2.2 Croydon and the Wandle Valley is a distinct market area but given the location of the subject site on the northern boundary with Lewisham the market area effectively includes, Lewisham, Bexley and Greenwich. Bexley and Greenwich have recognised surpluses of industrial land and Lewisham is a limited transfer Borough (the midpoint of the 3 categorisations). In our view a broader market view needs to be taken in accordance with Government Guidance.
- 2.3 Whilst changes of use in restricted transfer areas should in theory be resisted this is not an absolute position suggesting that no transfers should occur. Indeed the Council has permitted several examples of other forms of development on numerous employment sites in the Borough.
- 2.4 The 2011 Roger Tym & Partners and Jones Lang LaSalle report titled 'The Industrial Land Demand and Release Benchmark Study' found a differing position as to land supply. This report was commissioned to provide evidence to inform London-wide and local planning policy in order to ensure that London has the right quantity and quality of industrial land to support its economy and its population while using land efficiently. Despite predating the SPG by one year the report confirmed a future decline in the 'general industrial' sector resulting in the recommendation to release some 732.7 hectares of industrial land across London from 2011 to 2031.
- 2.5 With a benchmark release of industrial land in 3 of the 4 local Boroughs to Bromley (as a reasonable market area) totalling over 85 hectares through to 2016. It is recommended that 114.1ha of industrial land is released from the south London sub region, (which includes Bromley, Lewisham, Sutton, Richmond-upon Thames, Wandsworth, Merton, Croydon and Kingston-upon Thames) in the period 2011-2031. This document also confirms that structural change in the London economy over recent decades which has led to a shift in employment away from traditional manufacturing industries and into the service sector. Over the period 1998-2008, London's employment in industrial production has declined by 35%, a loss of nearly 100,000 jobs.
- 2.6 Although, Bromley is technically in a category of 'restricted transfer', the comments made above clearly shows that there is a declining demand for employment land in and around the application site. As demand continues to fall, poorly located employment land should be made available for alternative uses.

- 2.7 The interpretation of the Mayors SPG as set out in the letter from Ms Roach is therefore overly narrow and has not properly reflected either the reasons behind the restricted transfer classification or acknowledged the poor location of the application site for industrial uses.
- 2.8 Firstly it should be noted that the SPG acknowledges the structural changes in the London economy over recent decades which have caused shifts in employment away from traditional manufacturing industries towards the service sector. However, even this observation as to the growth of the service sector is now questionable as the recession has caused structural and policy changes in the office sector in particular. Office uses should now be directed to town centres. The application site is not within a town centre. Furthermore the demand for suburban offices from traditional occupiers has been reduced through cost cutting in the public and private sectors. Also the large new supply of offices in recognised hubs around central London areas has deflected demand away from locations such as Bromley. Such market factors were not reflected in the 2012 SPG.
- 2.9 Secondly the SPG specifically highlights the need for what is termed ... 'industrial type activities and transport'. The subject site for reasons of its location and character (of the immediate area) could not possibly be considered suitable for some form of transport infrastructure or a transport hub.
- 2.10 The SPG in referring to 'industrial type activities' specifically notes that these will include logistics, waste management, recycling, environmental industries including renewable energy generation, transport functions, utilities, wholesale markets and some creative industries.
- 2.11 For reasons already given in our first report none of these potential uses would be seen as suitable or appropriate for the application site with the possible exception of ... creative industries. The restrictive transfer allocation should therefore only apply to sites suitable for the types of uses that have been highlighted.
- 2.12 The Council is required to prepare and maintain a robust evidence base through implementing a 'Monitor and Manage' approach to the release of surplus industrial land. This position acknowledges the fact that industrial land will become surplus and references to the Councils Employment Land Study of 2010 (see third paragraph under the heading ... Principle of Development) ... suggests that the monitoring position in Bromley is lacking credibility given we are now in 2017. With regard to the application site it was recently allocated in an earlier stage of

the Draft Local Plan as a mixed use re-development site. This does indicate that the shortcomings of the location for industrial uses and its dominant residential character had at least been acknowledged by informed policy makers.

3.0 Alleged Shortage of Supply of Small and Medium Industrial Premises

3.1 With regard to the alleged shortage of small and medium sized industrial premises across the Borough and a reasonable market area we have found in our research that the majority of available space actually falls within the small or medium categories, as is shown in the table below. This can also be seen in paragraph 9.3 of our main report.

- Small – less than 2,000 sq ft
- Medium – 2,000 – 5,000 sq ft
- Large – more than 5,000 sq ft

OFFICES	Bromley	Lewisham	Bexley	Greenwich	TOTAL
Small	25	36	19	25	105
Medium	6	10	2	12	30
Large	10	2	5	4	21

INDUSTRIAL	Bromley	Lewisham	Bexley	Greenwich	TOTAL
Small	21	5	13	6	45
Medium	19	5	17	8	49
Large	9	3	17	11	40

3.2 As for the comment that the supply position in Lewisham is of no relevance we would respond as follows. Firstly the application site is within a few meters of the Borough boundary with Lewisham and secondly Government Guidance on the preparation of Employment Land Reports states that "labour and property markets extend across district boundaries" (Employment Guidance Note, 2004). Consequently vacant properties and new developments within the wider search area will also have an effect on any theoretical demand for the subject site.

4.0 Viability

4.1 We refer extensively in our first Report at Section 10, to the lack of viability for both office and industrial redevelopment of this site.

- 4.2 Residual appraisals are used to quantify the value of a site or to assess viability (whether positive or negative). A very basic interpretation of the formula for any residual valuation is the gross development value (GDV) minus all the costs (including construction, professional/legal fees, marketing etc.) and developers' profit. The remaining figure equates to the estimated purchase price/land value for the site. If the appraisal creates a negative land value (or even a nominal land value), the project is clearly not viable.
- 4.3 It is suggested by the Council that the existing buildings could be refurbished and re-occupied. As a first step in considering such an approach Bellway have obtained a cost breakdown for such an exercise from the building surveying department of G.L Hearn. This is attached at **Appendix 1**.
- 4.4 GL Hearn estimates the cost of refurbishing the site to be £4,063,723. Rental values for such space (after refurbishment) will be lower than new space at approximately £6 per sq ft. Further some existing accommodation will need to be demolished to improve access and circulation areas. We therefore estimate a net lettable area of 48,960 square feet. Attached is an appraisal (**Appendix 2**) for such a refurbishment exercise. For the purpose of analysis we have adopted the following assumptions:-
- Rent Value of £6 psf
 - 10% yield
 - £83 psf refurbishment costs
 - Developers profit of 25% on costs
 - Finance rate of 6.5%
 - Lead in period 3 months
 - Construction period of 9 months
 - Letting period of 18 months
 - Letting agents fees 15%
 - Marketing costs £25,000
 - Sale fee 2.5%
- 4.5 This appraisal produces a value of **minus £1.2m**. If a reasonable land cost is included the loss will increase to approximately **minus £2.2m**, see **Appendix 3**.
- 4.6 There is no prospect of the site being refurbished or redeveloped for B uses.

5.0 **Marketing**

- 5.1 We are aware from our local knowledge that the property and its various parts have been available to the market certainly since 2008 (and probably before) as this was apparent when we were first instructed by the owner of the adjoining "Dylon" site. Whilst we were not the principal sale/letting agents for Maybrey Works our agency team have been aware of its availability as part of the well established network which exists between agents engaged in the industrial sector. We are a 6 times winner of the Estates Gazette competition for the most active industrial agent in London
- 5.2 It is well known to the market and the author of this report that the accommodation is very poor and many parts have remained vacant for lengthy periods. The freehold ownership has changed hands but not through occupational demand or a need for its existing industrial use. Consequently different agents have held sale and letting instructions over varying periods.
- 5.3 Since June 2015 marketing agents, Acorn, who have a very strong presence in south east London and Bromley in particular have undertaken extensive marketing of the existing building. They have actively sought a tenant or purchaser for the building on an unconditional basis for its existing use, without success.
- 5.4 The property was intensively marketed from 8th June 2015 to 23rd December 2016. During this period the agents circulated a detailed set of particulars (shown in **Appendix 4**) to their database of contacts which included 10,500 investors, developers and commercial occupiers. In addition the agents advertised the property on their website consistently throughout the marketing process and often as a 'feature property'. Acorn also advertised the property through a number of respected property websites including;-
- Each (www.each.co.uk)
 - Move Hut (www.movehut.co.uk)
 - CoStar (www.costar.co.uk)
- 5.5 In addition, the particulars (see copy in **Appendix 4**) were also mailed to all local businesses on Worsley Bridge Road and the adjacent industrial estate on Kangly Bridge Road.

- 5.6 Throughout the 18 month marketing period the agents received enquiries from 12 parties; however 8 of these were from developers looking to purchase the property to redevelop the site for residential purposes. The remaining 4 enquires which were received found the property unsuitable due to its poor condition. General feedback from the parties who enquired was that both the condition and extensive size of the property deemed it unviable for 'B' uses on any short, medium or long term basis.
- 5.7 It must be concluded that there has been a comprehensive marketing campaign over extensive periods of time (dating back for at least 11 years) and most recently since June 2015. During this last marketing effort the agents have been unsuccessful in generating any genuine interest in the property in its current form or for its current use. In our opinion and supported by the report produced by Acorn the property is no longer viable as an industrial building and should be released for alternative uses.

6.0 Majority of Units Occupied in April 2014

- 6.1 It is alleged that as of April 2014 the majority of the units on site were occupied by B1, B2 and Sui Generis employment generating uses providing a variety of unit sizes that catered for a range of employment uses and had strong occupancy rates, demonstrating considerable ongoing viability.
- 6.2 We were commissioned to undertake an employment land report as of March 2013 and did not find the same results. At the time the site was divided into 9 units, 3 of which were vacant. The remaining 6 units employed 40 staff. Whilst the property was in partial use at this time, (and even then not exclusively by 'B' users), this only arose since the freeholder was prepared to let accommodation on uneconomic terms. This included receiving very low rents and the tenants were aware that they would occupy on a temporary basis.
- 6.3 The physical character of the premises demonstrates the poor, outdated nature of the buildings. Indeed it is appropriate to note the following:-
- Low Eaves
 - Limited clear spans
 - Poor energy statistics
 - Inadequate heating and Mechanic and Engineering provision

- Damp – There is severe damp where the east to west valley guttering penetrates the elevation to the downpipes, the guttering has been overflowing and there is extensive vegetation growth from the brick work.
- Asbestos roofing – The cement sheeting has become porous and is leaking internally, the temporary weathering and roof sheeting to try and prevent this is peeling back.
- Flat roofing – The office parts of the front (north) of the Henderson Unit are low grade and badly affected by damp as a result of the water ingress from the decaying flat roof at first floor level.
- Brickwork – The brickwork elevations have severe erosion of the pointing at parapet level and the extended oaraoet wall above the first floor window, the curved entrance door has a bow to the wall beneath the flagpole, this suggests that the wall is possible unstable due to water erosion. There are also miscellaneous vertical settlement cracks to the brickwork,
- First floor – the first floor secondary means of escape stairs have decayed and the escape blocked off. This means that the first floor office could not be occupied, and used only for storage.
- Guttering – The steel valley guttering is heavily corroded and rotted right through; several tenants have built an internal guttering system beneath the as-built guttering system.
- Roof lights – The roof lights are generally of reinforced chicken wire construction and are heavily stained and leak around the aluminium framework.
- Steel reinforcement – there has been heavy decay and fracturing.

6.4 Our Report of 2013 concluded there was a significant level of under occupancy on the Maybrey estate and we believed this trend would continue over time. This has been the case. The levels of obsolescence and access issues (for large distribution occupiers) further deter potential occupiers. These buildings are physically and economically obsolete.

7.0 Dylan Site; Potential for Higher Density Occupation

7.1 A reference is made to the redevelopment of the neighbouring Dylan site. It is currently in the Business Area but will be excluded as a Locally Significant Industrial Site under the Draft Local Plan. The Council suggest it is not a direct precedent for the proposed development of Maybrey. Whilst the Council

acknowledge the Inspectors conclusions in relation to the Dylon site are material considerations they suggest the following distinctions apply:-

- The building was vacant and had been unsuccessfully marketed for business use for a significant period of time.
- The building was not suitable for sub-division.
- The proposed employment floor space was comparable in quantum to that replaced and would have the potential for a higher density of occupation.

7.2 We would like to comment on these points as follows:-

7.3 We largely agree with the first bullet point although some temporary occupation had occurred to mitigate rating liabilities on a very low if not nominal rent. This is not dissimilar to Maybrey works where occupiers have been encouraged to remain to mitigate rating liabilities. This type of 'occupation' does not show real demand. The physical character of Maybrey Works was very similar to the Dylon buildings prior to their demolition. Consequently one must ask why can it be accepted that there was no market demand for Dylon but now an argument is put forward to suggest that there would be demand for the existing buildings on Maybrey? There is an obvious inconsistency/tension between these two positions as taken by the Council.

7.4 At the first Planning Inquiry the Council argued strongly that the building (Dylon) could be sub-divided but this was not accepted by the Inspector.

7.5 It is correct that the original residential led scheme for Dylon did include an office building fronting Station Road but as a consequence of marketing of this accommodation no occupier interest arose. The marketing effort did relate to a period of time when structural changes in office requirements had occurred, particularly in relation to suburban locations and out of centre locations in particular. Consequently a further planning application was made to remove the majority of the permitted office scheme and this was accepted by the Inspector at a second appeal.

7.6 Having regard to the above the third bullet point made by the Council (at 7.1 above) is in fact poorly made. Once again the market signals for this locality have demonstrated that there is no market demand or need of any consequence from

B1 users for this part of the larger estate cluster of industrial buildings. The majority of which can be found on the other side of the railway lines. Clearly the Inspector's decision in relation to the second Appeal at Dylon should carry the most weight as it confirms a lack of demand in the specific location of Maybrey.

8.0 Updated/Superseded Reports

- 8.1 It is suggested that some of the documents that are referred to in our first Report were out of date or have been superseded. Some of the older reports were being used to simply demonstrate trends in the property market. Those trends have been borne out and the documents therefore remain relevant.
- 8.2 The London Office Policy Review 2009 and 2012, show that there was a declining office market in Bromley. The 2012 Review asserted that Bromley is unlikely to be a significant office centre in the long run. We have found this to be the case and the office market has continued to decline in Bromley and this is a recognised fact.
- 8.3 The Industrial Land Demand and Release Benchmark in London 2011 report suggested that there will be a continual decline in the 'general industrial' sector resulting in more employment land being given up for alternative uses. We have found that this has been the case as the industrial sector has continued to decline and as a result employment land is being managed and released. In fact between 2006 and 2013 almost 604ha has been released in London alone.
- 8.4 With regard to the Employment Land Review 2010 and the DTZ update report 2012; these were referred to as the most up to date employment land studies forming the Councils evidence base.

9.0 Conclusions

- 9.1 We have addressed above the points raised by Council Officers as confirmed in a letter dated 20th September 2016. Some of the issues had in fact been dealt with in our first Report but we have endeavoured to expand upon them in this Addendum Report. In summary our conclusions are as follows:-

- The Restricted Transfer categorisation only arises in view of a perceived need to provide land for ... 'Industrial type activities and transport'. Those industrial activities mainly relate to waste

management, recycling, environmental industries, renewable energy generation and transport functions. In view of the location of the site (and the surrounding residential occupiers) plus the access difficulties which are aggravated by a local low bridge none of these uses are appropriate for the subject site. As for a logistics operation on the site (as another example) again such operators would not consider the site to be suitable because of adjoining residential occupiers. The only potential use highlighted in the examples given is that of "creative industries" and indeed the application proposal incorporates accommodation for such occupiers.

- The wider market area includes Boroughs with excessive supplies of Industrial land and given the location of the site immediately upon the boundary with Lewisham a less rigid approach is justified in terms of the restricted transfer designation.
- We have demonstrated that the majority of supply of buildings in the market area comprise small and medium sized units. Consequently the suggestion that there is a shortage of supply is not based on fact.
- We have provided evidence in our first Report as to the lack of a viable redevelopment option for this site and this is reinforced within this Addendum by reference to a potential scheme of refurbishment. The buildings and property are physically and economically obsolete for industrial and other 'B' uses. There is no prospect of a B class refurbishment or redevelopment occurring on this site.
- Marketing of the property has been continuously undertaken for over one and a half years. Further detail has been provided in this Addendum by reference to a commentary provided by the agents most recently appointed.
- Based upon our own inspections and Reports prepared during earlier periods we do not accept the proposition that most of the property was occupied in 2014.
- The Council have wrongly referred to the Dylon Inspectors decision regarding the provision of employment space in that development since a more recent appeal has removed that accommodation in favour of further residential accommodation. This resulted from the fact that the Inspector accepted that there was a lack of demand in the market for the B space in this location.

- As for the historic Reports these have been referred to by us as a demonstration of evidential trends in market activity for employment purposes. These reinforce our own market experience in such matters.

9.2 Having regard to the above we do not believe the loss of employment land should be an issue in considering the subject application for a residential led mixed use scheme.

10.0 DECLARATION

10.1 We can confirm that this Addendum Report has been prepared in accordance with the RICS Practice Statement and Guidance Notes for Surveyors acting as Expert Witnesses. In particular, we declare our belief in the accuracy and truth of the matters put forward to the best of our knowledge at the time of preparing this report. The document includes all those factors, which we believe to be relevant to the formation of the opinions we have expressed.

John Stephenson FRICS MCIArb

Grant Mills Wood Chartered Surveyors & Development Consultants

March 2017

APPENDIX 1

GL Hearn Report (Refurbishment Costs)

Cost Advice for Refurbishment

Maybrey Works
Worsley Bridge Road
Sydenham
Kent
London
SE26

On behalf of Bellway Homes Ltd

21 December 2016

Prepared by

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Quality Standards Control

The signatories below verify that this document has been prepared in accordance with our quality control requirements. These procedures do not affect the content and views expressed by the originator.

This document must only be treated as a draft unless it has been signed by the Originators and approved.

DATE

21 Dec 2016

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Limitations

This document has been prepared for the stated objective and should not be used for any other purpose without the prior written authority of GL Hearn, part of Capita plc; we accept no responsibility or liability for the consequences of this document being used for a purpose other than for which it was commissioned.

1. EXECUTIVE SUMMARY

- 1.1 Maybrey Works, Worsley Bridge Road, Sydenham, Kent, London, SE26 was inspected by G L Hearn on 12 December 2016 in order to provide cost advice for works to put the premises in to a suitable state of repair for re-letting.
- 1.2 The site and structures were found to be in poor condition with extensive works required to all of the buildings. Welfare facilities were inadequate and no provisions for access with regards to DDA were evident. The methods of construction adopted, along with lack of maintenance and poorly executed repairs were found to be causing premature deterioration across the site and have created an unsuitable environment for any prospective tenant.
- 1.3 Various repairs and reinstatement items have been advised to both the internal and external areas in order to provide a property capable of being re-let, along with the installation of new washrooms and kitchen facilities and complete renewal of mechanical and electrical installations
- 1.4 The budget cost of **£4,063,723** (excluding VAT) has been provided for putting the premises into tenatable repair, including professional fees, contingency, overheads and profit. The budget cost equates to approximately £863.37/m² GIA.

2. INTRODUCTION

- 2.1 Instructions were received from Jamie MacArthur of Bellway Homes Limited to inspect the premises at Maybrey Works, Worsley Bridge Road, Sydenham, Kent, London, SE26 on 9 December 2016 and provide budget cost advice for their refurbishment.
- 2.2 We inspected on 12 December 2016 when the weather was overcast and wet.
- 2.3 Our inspection was carried out on a visual basis only, with no opening up works undertaken. Access was not available internally to the first floor of Building 1 (front), the whole of Building 3 and 2 units within Building 2. Where access was provided to internal areas, views were restricted to varying degrees by the storage of materials and equipment.
- 2.4 The visible parts of the roofs were viewed from ground level only. No access was available to the east and south elevations of Building 1 and the views to the elevations of Building 3 were extremely restricted.

3. GENERAL DESCRIPTION OF THE PROPERTIES

- 3.1 Generally
 - 3.1.1 The site comprises 3 separate buildings, predominantly of industrial use with integrated office accommodation, referred to as Buildings 1, 2 and 3. Buildings 1 and 2 can be sub-divided further in to front, middle and rear and Building 3 is a standalone structure. The buildings currently provide 9 separate units, 3 of which are located within Building 1, Building 2 encompasses 5 units and Building 3 forms a unit within itself. Only 2 of the units were occupied during our inspection, one of which was situated in Building 1 (middle) and the second within Building 2 (middle).
 - 3.1.2 According to our investigations the buildings are of circa 1930's construction on a site of approximately 5,690m² of which the buildings comprise approximately 4,542m².

3.2 Sub-structure

- 3.2.1 We did not expose the foundations to the units in any location. No drawings or other design information were available concerning the form of the foundations. It is likely that a variety of foundations are present, reflecting the different construction methods, but which will predominantly include trench and pad foundations.

3.3 Structure and Fabric Externally

- 3.3.1 Buildings 1 (middle) and 2 (middle) are single storey industrial buildings of almost identical construction formed of structural steel frames, solid brickwork external walls and north light roofs consisting of corrugated asbestos cement sheets and Georgian wired rooflights.
- 3.3.2 Building 1 (rear) is a three storey office block comprising of reinforced concrete frame, external brickwork cavity walls and a flat roof. The roof could not be accessed during our inspection, but it is thought to be formed of a concrete deck with asphalt covering.
- 3.3.3 Building 1 (front) is a two storey office building formed of external solid brickwork walls with a flat roof. The roof was not visible during our inspection, but is likely to comprise a concrete deck with an asphalt roof covering.
- 3.3.4 Building 2 (front) is a two storey office structure of similar construction to Building 1 (front), however, Building 2 (front) is larger in plan and comprises 4no. separate roof areas. Two of the roof areas have flat asphalt coverings and two are felt covered pitched roofs in a north light arrangement. The asphalt roof located at first floor level also incorporates 2no. lantern lights.
- 3.3.5 Building 2 (rear) is a single storey extension consisting of solid brickwork external walls and a pitched corrugated asbestos sheet roof with GRP rooflights.
- 3.3.6 Building 3 is of steel frame construction with pitched roof clad in corrugated asbestos cement sheets. The external walls are mostly clad in the same sheeting as the roof, however, there is a rear steel framed extension infilled with concrete blocks.
- 3.3.7 Across all buildings, where not previously removed / infilled, external windows are single glazed metal framed (crittal) casements and external doors vary in specification. There are also a number of roller shutter doors providing access into the industrial units.

3.4 Structure and Fabric Internally

- 3.4.1 Buildings 1 (middle) and 2 (middle), due to their previous industrial use, are provided with ground bearing concrete slab floors, a mixture of unfinished blockwork and studworks partitions and unfinished / painted brickwork external walls. A mezzanine floor has also been installed to one of the units supported from a steel frame.
- 3.4.2 Building 1 (rear) has a ground bearing concrete slab at ground floor level and suspended concrete upper floors. Floor finishes vary, but predominately consist of exposed / painted floor screeds and vinyl tiles. The ceilings comprise either painted plaster or painted concrete soffits. Unfinished metal studwork partitions have been installed throughout to divide up the space into separate units, but have been left short so as not to create separate fire compartments.
- 3.4.3 Building 1 (front) could only be accessed on the ground floor and currently provides 2no. separate rooms. The floor is painted concrete and the walls and ceilings are painted plaster.

3.4.4 Building 2 (front) has concrete ground and first floors and due to its previous office use, has been divided into separate office space by blockwork partitions. A mixture of finishes have been used including, painted plaster walls and ceiling, suspended ceilings, carpet tiles and vinyl.

3.4.5 Building 2 (rear) and Building 3 were not accessed, but are assumed to be unfinished with exposed floor slabs and unfinished external walls similar to that of Buildings 1 (middle) and 2 middle).

3.5 Service Installations

3.5.1 We did not test the mechanical and electrical installations, however, from a Building Surveyor's viewpoint, the services are dated and / or damaged and are highly unlikely to conform to current statutory requirements. Some new installations have been provided in Building 1 (rear), however these are of a temporary nature and would have been installed to support a very specific short term occupancy.

4. **CONSIDERATIONS AND LIMITATIONS OF REFURBISHMENT**

4.1 In this section of our report, we summarise the principal issues and limitations when considering a refurbishment of the site.

4.2 Unless otherwise stated, the improvement, repair and refurbishment works described below have been included in the appended budget cost plan at Appendix A.

4.3 Externally

4.3.1 Roofs

4.3.1.1 The roofs and rooflights across all buildings are in poor condition with water ingress and damp areas identified throughout. The roofs have reached the end of their serviceable life and complete replacement is now required to all buildings.

4.3.1.2 The rainwater goods are also in poor condition across the site and renewal will be required as part of the re-roofing works.

4.3.2 Elevations

4.3.2.1 The external brickwork to Building 1 (front), Building 1 (rear) and Building 2 (front) is in fair condition for the most part, although there are isolated areas of damage and general soiling. The remaining areas of brickwork across the site are generally in poor condition with various poorly executed ad hoc repairs and block / brickwork infills. Allowance has been made for repointing and cleaning of all external brickwork. In addition, provision has been made for isolated repairs, removal of poorly executed existing repairs and reconstruction of localised areas as required.

4.3.2.2 The concrete copings to the parapet walls of the flat roofs, although only viewed from ground level, show signs of deterioration including general soiling, areas of spalling and displaced mortar joints. Allowance has been made for isolated replacement, complete re-bedding of existing coping stones and repointing.

4.3.2.3 Isolated areas of spalled concrete and exposed reinforcement were noted to the concrete frame of Building 1 (rear) and as the full extent of the elevations could not be inspected, further damage is to be anticipated. An allowance has been made for repairs to the concrete frame including works to treat carbonation.

- 4.3.2.4 The cladding to Building 3 is in poor condition with widespread damage evident necessitating complete replacement. The blockwork to Building 3 is also in poor condition and rebuilding is recommended.
- 4.3.2.5 The external windows are suffering from heavy corrosion to frames, desiccated beading and various cracked panes. Allowance has been made for complete replacement of all existing windows including reinstatement of previously infilled windows in order to fully utilise the site accommodation. Window sills across all buildings are also in poor condition and an allowance has been made for replacement in conjunction with the window works.
- 4.3.2.6 External doors are generally in poor condition and complete replacement is advised. Similarly to the windows, various infills have been undertaken previously and an allowance has been made to reinstate doors in these locations in order to maximise usage of the site.
- 4.3.2.7 The roller shutter doors are in poor condition with areas of corrosion and damage to mechanical and electrical components. Allowance has been made for replacement of all roller shutter doors.
- 4.3.2.8 The external stair case to Building 1 (front) is suffering from corrosion and an allowance and been made for replacement.

4.3.3 External Areas

- 4.3.3.1 The hard standings are in very poor order with friable and heavily degraded concrete and numerous deep potholes. The condition will continue to deteriorate and complete resurfacing of external hard standings has been provisioned.
- 4.3.3.2 The site is generally suffering from areas of overgrown vegetation and the storage of debris and materials. Allowance has been made for clearing vegetation and debris.

4.4 Internally

- 4.4.1 The structural steel frames to Building 1 (middle) and Building 2 (middle) are suffering from surface corrosion generally, with more intense corrosion evident in isolated areas. Allowance has been made for treatment of steel frames to remove rust, respray and carry out isolated repairs.
- 4.4.2 The concrete floors, particularly with Buildings 1 (middle) and 2 (middle), are in poor condition and in addition have been modified to suit the operations of previous occupants. A provision has been made to repair and re-level all concrete floors within the costings.
- 4.4.3 Finishes throughout all buildings are in poor condition and allowances have been made for complete renewal of plaster, decorations, floor coverings and ceilings. Building 1 (front), Building 1 (rear) and Building 2 (front) have been treated as office accommodation for the purposes of this report.

4.5 Mechanical and Electrical Installations

- 4.5.1 The lighting and small power is functional in some areas, but basic. Various units have been altered and added to by the occupiers resulting in a haphazard configuration throughout. In order to meet the demands of modern occupiers, the installation should be re-wired throughout, with new distribution boards which will allow future occupiers to run cabling to suit their requirements. We have also made an allowance to complete renewal of lighting and fire protection throughout.

- 4.5.2 Renewal of washrooms and kitchen facilities will be required in order to re-let the premises and an as such an allowance has been made within the cost plan.

4.6 Compliance with Legislation

- 4.6.1 The refurbishment work recommended in this report would require an application to be made under the current Building Regulations and all works will need to comply with the regulations.

4.7 Deleterious and Problematic Materials

- 4.7.1 Before any works are carried out, a full refurbishment and demolition asbestos survey should be undertaken to identify the location of all ACM's using destructive sampling. We have allowed for this in our budget costing but have not allowed for the removal of any asbestos under controlled conditions which cannot be accurately estimated at this time. Consideration will need to be given to either removing or managing these materials as part of the refurbishment and future occupancy.

- 4.7.2 Due to the previous site uses, ground contamination is considered likely and without further investigation costs for remedial works cannot be accurately provided. No allowance has been made within the cost plan for ground contamination and further investigation is recommended.

4.8 Suitability for Proposed Uses

- 4.8.1 The office spaces, although capable of being refurbished, are generally dated in their configuration and are unlikely to be suitable for many prospective tenants. By way of example, the extent and scale of the welfare provisions are way below that of modern offices and where facilities are located on stairwells, access provisions are uncompliant with current legislation.
- 4.8.2 The industrial units have low eaves details and provide limited clear spans between columns which make the units limited in their potential uses. In addition, due to the density of the site, the access to the industrial units is extremely restricted and heavy goods vehicles in particular would find it difficult to gain access. As such, potential tenants would likely value the units far below that of their modern equivalent.

5. BUDGET COSTINGS

- 5.1 Attached under Appendix A is a budget cost plan for the refurbishment of the existing site and all buildings thereon. The budget cost, inclusive of professional fees and contingency is **£4,063,723**. VAT is excluded.

6. LIMITATIONS OF REPORT

- 6.1 The information contained in this report has been obtained by the inspection of those parts of the buildings which were visible at time of our survey.

7. THIRD PARTIES AND PUBLICATIONS

- 7.1 This report is intended solely for the use of the instructing client, Bellway Homes Limited, to whom it is addressed and no responsibility is accepted to any third party for the whole or part of its contents.
- 7.2 Neither the whole nor any part of this report may be included in any professional document, circular or statement, nor published, reproduced or referred to in any way without our written approval of the form and context in which it may appear.

APPENDIX A

PHOTOS



1. Building 1 (front) - North elevation



2. Building 1 (front) - External staircase



3. Building 1 (front) - Ceiling



4. Building 1 (middle) - West elevation



5. Building 1 (middle) - West elevation



6. Building 1 (middle) - Example of corrosion to steel frame



7. Building 1 (middle) - Example of damage to roof covering



8. Building 1 (middle) - Example of electrical distribution



9. Building 1 (middle) - Example of fire protection



10. Building 1 (middle) - Example of roller shutter door



11. Building 1 (middle) - Internal overview



12. Building 1 (middle) - Mezzanine floor



13. Building 1 (middle) - Water tank



14. Building 1 (rear) - Damage to external concrete frame



15. Building 1 (rear) - Damaged lantern light to flat roof



16. Building 1 (rear) - Example of ceiling finish



17. Building 1 (rear) - Example of incomplete studwork partition



18. Building 1 (rear) - Example of temporary water installations



19. Building 1 (rear) - Example of typical radiator installation



20. Building 1 (rear) - Hoist built into studwork partitions



21. Building 1 (rear) - Internal view



22. Building 1 (rear) - Lift



23. Building 1 (rear) - Localised metering



24. Building 1 (rear) - Typical floor finish



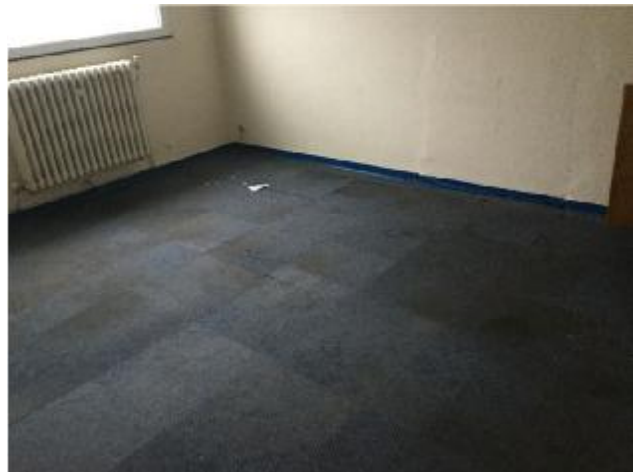
25. Building 2 (front) - North elevation



26. Building 2 (front) - Ceiling tiles and lighting



27. Building 2 (front) - Damp to office wall



28. Building 2 (front) - Example of carpet tile finishes



29. Building 2 (front) - Example of damaged window sill



30. Building 2 (front) - Example of felted pitched roof



31. Building 2 (front) - Lantern lights to lower flat asphalt roof



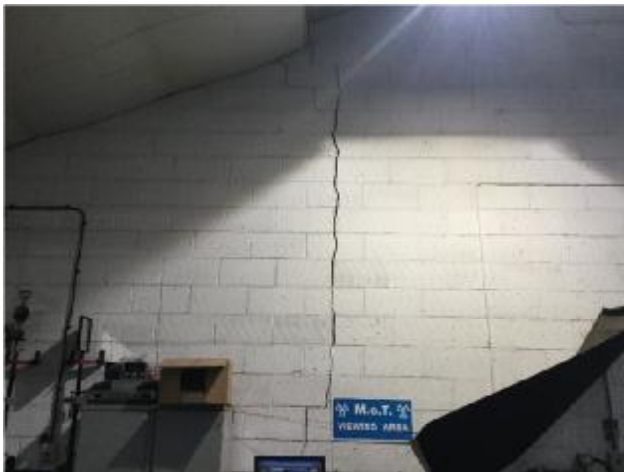
32. Building 2 (front) - Lower flat asphalt roof



33. Building 2 (front) - Typical internal view



34. Building 2 (middle) - East elevation



35. Building 2 (middle) - Crack to internal blockwork partition



36. Building 2 (middle) - Example of infilled doors and windows



37. Building 2 (middle) - Example of roller shutter door



38. Building 2 (middle) - Example of roof leak



39. Building 2 (middle) - Floor slab



40. Building 2 (middle) - Internal view



41. Building 2 (middle) - Typical internal view



42. Building 2 (middle) - Typical internal view



43. Building 2 (middle) - Underside of north light roof



44. Building 2 (middle) - West elevation



45. Building 2 (middle) - West elevation



46. Building 2 (rear) - East elevation



47. Building 2 (rear) - South elevation



48. Building 3 - Cladding



49. Building 3 - Rear extension



50. External Areas - Brickwork wall to entrance



51. External Areas - Concrete hardstandings



52. External Areas - Vegetation and hardstandings to the West of the site

APPENDIX B
BUDGET COST PLAN

1.00 GENERALLY

- 1.01 These budget costings have been prepared by GL Hearn.
- 1.02 These budget costings are intended to provide a high level cost overview for the project.
- 1.03 These costs reflect current day prices and no allowance has been included for inflation to the start on site date.
- 1.04 A site visit was undertaken on 12 December 2016 and a photographic record and certain key dimensions were prepared and established.
- 1.05 All areas are approximate and subject to re-measure.
- 1.06 Refer to Appendix A for further pricing notes.

Item	Quantity	Unit	Rate	Total £
2.01				
<u>Building 1 (front)</u>				
<u>Externals</u>				
Replace existing flat roof covering including insulation and associated roof drainage.	95	m ²	130	12,373
Allowance for repairs and replacement of concrete copings to parapet wall	43	m	60	2,580
Allowance for carrying out localised repairs to brickwork	10	m ²	121	1,210
Clean and repoint all external brickwork	97	m ²	49	4,763
Remove blockwork infill to external window aperture	1	No.	200	200
Replace all external crittal windows and install new windows into previously infilled apertures.	16	No.	700	11,200
Take out and insert new steel bars to ground floor windows	8	No.	150	1,200
Replace all concrete window sills	16	No.	150	2,400
Remove blockwork infills to external door apertures	4	No.	200	800
Install new external doors to previously infilled apertures.	4	No.	1000	4,000
Replace external steel staircase	1	Item	6000	6,000
Allowance for access to undertake the works	1	Item	5000	5,000
<u>Internals</u>				
Make good floor screeds in preparation for floor finishes	171	m ²	16	2,736
Carry out localised repairs to internal blockwork	10	m ²	120	1,200
Redecorate all internal walls and ceilings	521	m ²	15	7,815
Remove and replace all doors and door furniture	15	No.	500	7,500
Renew WC and kitchen facilities	1	Item	5000	5,000
Remove redundant mechanical and electrical installations	171	m ²	20	3,420
Install new space heating throughout	171	m ²	46	7,884
Install new water supplies and services including water heating	171	m ²	23	3,942
Install new lighting, power and electrical supplies	171	m ²	70	11,998
Install fire protection and lighting throughout	171	m ²	17	2,914

Item		Quantity	Unit	Rate	Total £
	Total to Summary				
					106,135

Item	Quantity	Unit	Rate	Total £
2.02				
<u>Building 1 (middle)</u>				
<u>Externals</u>				
Replace roof coverings, associated glazing and roof drainage.	1,145	m²	150	171,750
Carry out localised repairs to external brickwork	100	m²	122	12,198
Clean and repoint all brickwork	816	m²	49	39,984
Replace all brickwork copings	110	m	40	4,400
Replace all external crittal windows	6	No.	700	4,200
Replace all concrete window sills	6	No.	150	900
Remove blockwork infills to external door apertures	2	No.	200	400
Replace all external doors and install new doors into previously infilled apertures	5	No.	1000	5,000
Replace roller shutter doors	2	No.	2500	5,000
Allowance for access to undertake the works	1	Item	60000	60,000
<u>Internals</u>				
Repair and re-level concrete slab	1,120	m²	25	28,000
Carry out localised repairs to blockwork partitions	20	m²	120	2,400
Redecorate all internal walls	950	m²	15	14,250
Allowance for repairs to steel frame	300	m	60	18,000
Remove mezzanine floor structure and make good	1	Item	5000	5,000
Remove and replace all doors and door furniture	10	No.	500	5,000
Renew WCs and kitchen facilities	2	Item	6000	12,000
Remove redundant mechanical and electrical services	1,120	Item	20	22,400
Install new space heating throughout	1,120	m²	46	51,520
Install new water supplies and services including water heating	1,120	m²	8	8,960
Install new lighting, power and electical supplies	1,120	m²	83	92,960
Install fire protection and lighting throughout	1,120	m²	25	28,000

Item		Quantity	Unit	Rate	Total £
	Total to Summary			£	592,322

Item	Quantity	Unit	Rate	Total £
2.03				
<u>Building 1 (rear)</u>				
<u>Externals</u>				
Replace existing flat roof coverings including insulation and associated roof drainage.	304	m ²	130	39,593
Allowance for complete reconstruction of roof top plant room	1	Item	8000	8,000
Allowance for repairs and replacement of concrete copings	98	m	60	5,880
Allowance for repairs to external concrete frame	520	m	49	25,652
Repoint all brickwork and carry out isolated repairs	470	m ²	49	23,050
Remove and replace all external crittal windows	56	No.	700	39,200
Replace all concrete window sills	56	No.	150	8,400
Replace all external doors	6	No.	1000	6,000
Allowance for access to undertake works	1	Item	45000	45,000
<u>Internals</u>				
Make good floor screeds in preparation for floor finishes	832	m ²	16	13,312
Remove and replace floor finishes to stairs and WC's	75	m ²	35	2,625
Remove all internal partitions and reconstruct to full height	265	m	257	68,190
Decorate all internal walls	2,650	m ²	15	39,750
Break off plaster to ceiling, installing new plasterboard and skimming throughout	832	m ²	22	18,306
Decorate all ceilings	832	m ²	15	12,480
Renew all doors and door furniture	75	No	500	37,500
Renew WC facilities and supply kitchen facilities	3	Item	8000	24,000
Remove redundant mechanical and electrical services	832	m ²	20	16,640
Install new space heating throughout	832	m ²	162	134,784
Install new water supplies and services including water heating	832	m ²	23	19,136
Install new lighting, power and electrical supplies	832	m ²	70	58,240

Item		Quantity	Unit	Rate	Total £
	Install fire protection and lighting throughout	832	m ²	17	14,144
	Allow for removal of redundant lifting hoist	1	Item	2500	2,500
	Replace existing lift for modern passenger lift.	1	Item	70000	70,000
	Total to Summary				732,381

Item	Quantity	Unit	Rate	Total £
2.04				
<u>Building 2</u>				
<u>Externals</u>				
Renew north light roof coverings including glazing and associated roof drainage	2,109	m ²	150	316,350
Replace flat roof coverings including insulation and associated roof drainage	121	m ²	130	15,759
Repoint and clean all external brickwork walls	1,530	m ²	49	74,970
Carry out localised repairs to external brickwork	100	m ²	122	12,198
Allowance for repairs and replacement of concrete copings	70	m	60	4,200
Replace all brickwork copings	220	m	40	8,800
Remove and replace all external crittal windows	57	No	700	39,900
Allow for replacement of window sills	57	No	150	8,550
Replace all external doors	12	No.	1000	12,000
Replace roller shutter doors	5	No	2500	12,500
Allowance for access to undertake works	1	Item	110000	110,000
<u>Internals</u>				
Repair and re-level ground floor slab	1,500	m ²	25	37,500
Make good floor screeds in preparation for floor finishes in offices	680	m ²	16	10,880
Remove and replace floor finishes to office areas	680	m ²	35	23,800
Allowance for repairs to steel frame	400	m	60	24,000
Allowance for localised repairs to blockwork	70	m ²	120	8,400
Allowance for repairs to plaster wall finishes	300	m ²	22	6,600
Redecoration throughout	2,620	m ²	15	39,300
Renew ceilings to first floor offices	107	m ²	22	2,356
Renew ceiling tiles and grid to ground floor offices	330	m ²	104	34,297
Renew all doors and door furniture	55	No.	500	27,500
Renew WC and kitchen facilities	5	Item	8000	40,000

Item		Quantity	Unit	Rate	Total £
	Remove redundant mechanical and electrical services	2,281	Item	20	45,620
	Install new space heating throughout	2,281	m²	46	104,926
	Install new water supplies and services including water heating	2,281	m²	8	18,248
	Install new lighting, power and electrical supplies	2,281	m²	83	189,323
	Install fire protection and lighting throughout	2,281	m²	25	57,025
Total to Summary					1,285,002

Item	Quantity	Unit	Rate	Total £
2.05				
<u>Building 3</u>				
<u>Externals</u>				
Renew roof coverings and GRP rooflights	381	m²	87	33,147
Replace external wall cladding	300	m²	87	26,100
Demolish and reconstruct external blockwork walls	65	m²	84	5,490
Replace all external doors	1	No.	1000	1,000
Remove and replace roller shutter door	1	No	2500	2,500
Allowance for access to undertake works	1	Item	15000	15,000
<u>Internals</u>				
Repair and re-level ground floor slab	321	m²	25	8,025
Allowance for renewal of all doors and door furniture	5	No	500	2,500
Allowance for renewal of WC and kitchen facilities	1	Item	8000	8,000
Remove redundant mechanical and electrical services	303	m²	20	6,060
Install new space heating throughout	303	m²	46	13,938
Install new water supplies and services including water heating	303	m²	8	2,424
Install new lighting, power and electrical supplies	303	m²	83	25,149
Install fire protection and lighting throughout	303	m²	25	7,575
Total to Summary			£	156,908

Item	Quantity	Unit	Rate	Total £
2.06 External Areas				
Allowance for repairs to concrete hard standings	1,990	m ²	80	159,200
Clean and repoint dwarf brickwork wall	40	m ²	49	1,960
Replace coping stones to dwarf brickwork wall	40	m	60	2,400
Replace steel railings with new	10	m	50	500
Allow for re-instating palisade fencing	25	m	160	3,995
Allowance for removal and replacement of large sign	1	Item	200	200
Replace large steel double gate	1	Item	2000	2,000
Replace large steel single gate	1	Item	1000	1,000
Allowance for renewal of external security system	1,990	m ²	10	19,900
Allowance for removal of extensive vegetation growth	1	Item	8000	8,000
Allowance for repairs to site foul and rainwater drainage	1,990	m ²	15	29,850
Total to Summary			£	229,005

Item	Quantity	Unit	Rate	Total £
SUMMARY				
2.01 Building 1 Front				106,135
2.02 Building 1 Middle				592,322
2.03 Building 1 Rear				732,381
2.04 Building 2				1,285,002
2.05 Building 3				156,908
2.06 External Areas				229,005
TOTAL TO MAIN SUMMARY			£	3,101,753

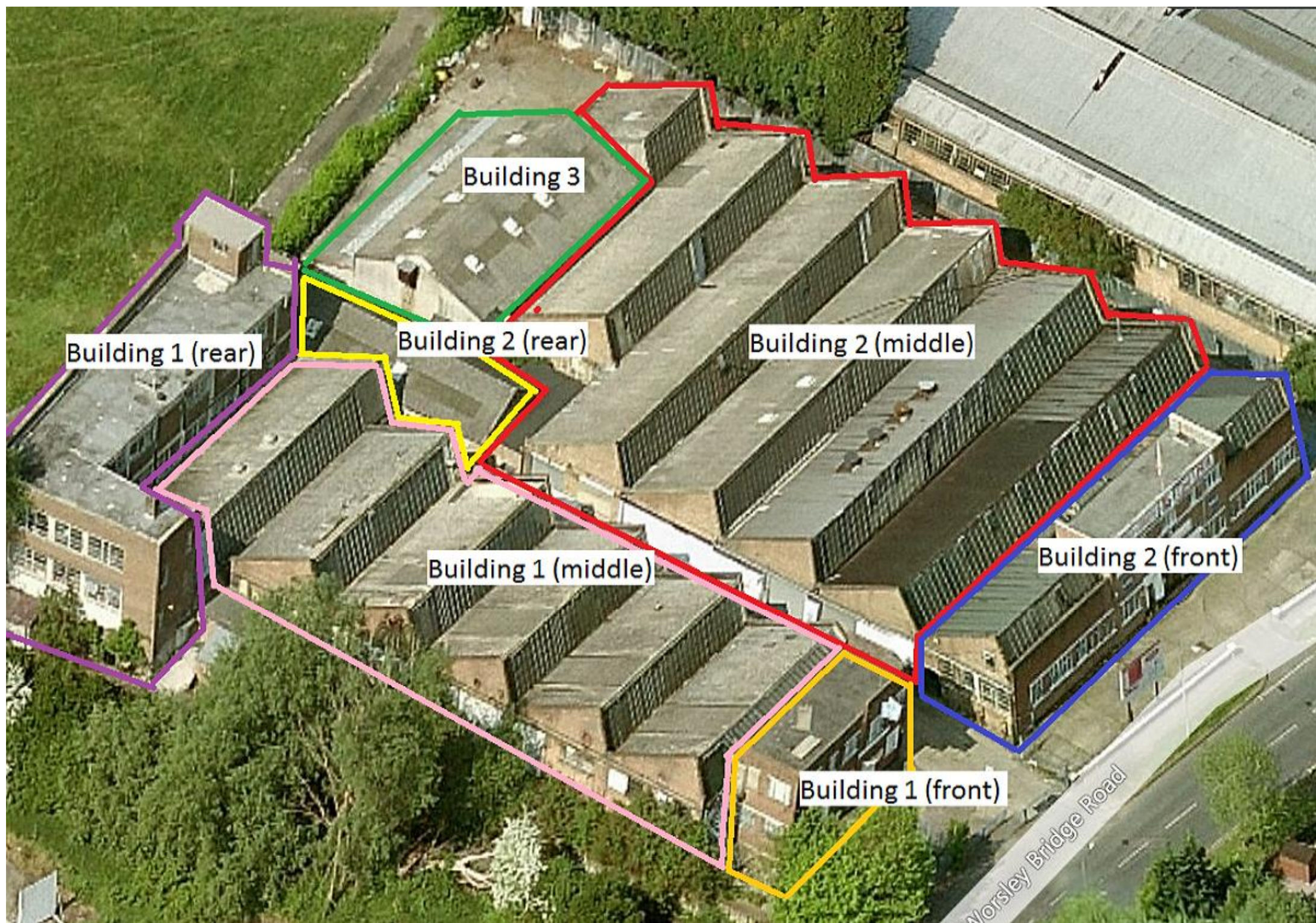
Item		Quantity	Unit	Rate	Total £
3.00	<u>MAIN SUMMARY</u>				
	Cost of Works				3,101,753
	Contractor's prelims & OHP's @ 15%				465,263
	Professional fees @ 8.5%				303,196
	Contingency @ 5%				193,511
	TOTAL BUDGET COST			£	4,063,723

APPENDIX A - NOTES / ASSUMPTIONS / EXCLUSIONS

- A VAT - excluded.
- B Increased costs beyond fourth quarter 2016 - excluded.
- C Land acquisition or associated costs - excluded.
- D Allowance for Asbestos removal - excluded.
- E Allowance for ground remediation - excluded.
- F Other exclusions noted in the main body of the cost report.
- G Costings are based upon the information currently made available to GLH.
- H No Structural or Building surveys have been made available and at this stage it is assumed that the structures are all sound and stable unless stated otherwise

APPENDIX C

SITE PLAN



Building 1 (rear)

Building 3

Building 2 (rear)

Building 2 (middle)

Building 1 (middle)

Building 2 (front)

Building 1 (front)

Worsley Bridge Road

APPENDIX 2

Viability Appraisal

APPRAISAL SUMMARY**GRANT MILLS WOOD****Maybrey Business Park
Employment****Summary Appraisal for Phase 1****REVENUE**

Rental Area Summary	ft²	Rate ft²	Gross MRV
Industrial Development	18,872	£6.00	113,232

Investment Valuation**Industrial Development**

Current Rent	113,232	YP @	10.0000%	10.0000
--------------	---------	------	----------	---------

Additional Revenue

NET REALISATION				1,132,320
------------------------	--	--	--	------------------

OUTLAY**ACQUISITION COSTS**

Residualised Price			(1,191,335)	(1,191,335)
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CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost	
Industrial Development	19,556	£83.00	1,623,148	1,623,148
Contingency		5.00%	81,157	81,157

MARKETING & LETTING

Marketing			25,000	
Letting Agent Fee		15.00%	16,985	41,985

DISPOSAL FEES

Sales Agent Fee		2.50%	28,308	28,308
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Additional Costs**Developer's Profit**

Developer's Profit		25.00%	283,080	283,080
--------------------	--	--------	---------	---------

FINANCE

Multiple Finance Rates Used (See Assumptions)				
Land			(3,395)	
Construction			3,395	
Letting Void			39,513	
Total Finance Cost				39,513

TOTAL COSTS**905,856****PROFIT****226,464****Performance Measures**

Profit on Cost%	25.00%
Profit on NDV%	20.00%
Equivalent Yield% (Nominal)	10.00%
Equivalent Yield% (True)	10.66%
Gross Initial Yield%	10.00%
Net Initial Yield%	10.00%
IRR	N/A
Rent Cover	2 yrs
Profit Erosion (finance rate 6.000%)	3 yrs 9 mths

Maybrey Business Park
Employment

1,132,320

APPENDIX 3

Viability Appraisal including a Land Cost

APPRAISAL SUMMARY**GRANT MILLS WOOD****Maybrey Business Park
Employment****Summary Appraisal for Phase 1****REVENUE**

Rental Area Summary	ft²	Rate ft²	Gross MRV
Industrial Development	18,872	£6.00	113,232

Investment Valuation**Industrial Development**

Current Rent	113,232	YP @	10.0000%	10.0000
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Additional Revenue

NET REALISATION **1,132,320**

OUTLAY**ACQUISITION COSTS**

Residualised Price	(2,191,335)		
Fixed Price	1,000,000		
Total Acquisition		(1,191,335)	(1,191,335)

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost
Industrial Development	19,556	£83.00	1,623,148
Contingency		5.00%	81,157
			81,157

MARKETING & LETTING

Marketing			25,000
Letting Agent Fee		15.00%	16,985
			41,985

DISPOSAL FEES

Sales Agent Fee		2.50%	28,308
			28,308

Additional Costs**Developer's Profit**

Developer's Profit		25.00%	283,080
			283,080

FINANCE

Multiple Finance Rates Used (See Assumptions)			
Land			(3,395)
Construction			3,395
Letting Void			39,513
Total Finance Cost			39,513

TOTAL COSTS**905,856****PROFIT****226,464****Performance Measures**

Profit on Cost%	25.00%
Profit on NDV%	20.00%
Equivalent Yield% (Nominal)	10.00%
Equivalent Yield% (True)	10.66%
Gross Initial Yield%	10.00%
Net Initial Yield%	10.00%
IRR	N/A
Rent Cover	2 yrs

APPRAISAL SUMMARY

GRANT MILLS WOOD

Maybrey Business Park

Employment

Profit Erosion (finance rate 6.000%)

3 yrs 9 mths

**Maybrey Business Park
Employment**

1,132,320

Maybrey Business Park
Employment

APPENDIX 4

Marketing Report

MAYBREY WORKS

WORSLEY BRIDGE ROAD, SYDENHAM, LONDON SE26 5AZ



ACCOMMODATION

Unit 1

Ground floor storage - 84.54 sqm / 910 sqft

First floor offices & toilets - 83.61 sqm / 900 sqft

Unit 2

Ground floor industrial - 475.66 sqm / 5,120 sqft

Total - 643.80 sqm / 6,930 sqft

SUMMARY/DESCRIPTION

A single storey factory unit of steel framed constructions with brick elevations, with minimum head room of approximately 3.65m (12ft). The front two storey section (former offices) are brick built with a flat roof. There is a small forecourt area providing loading / parking facilities.

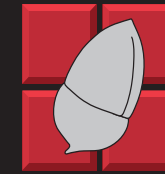
The property is located close to Lower Sydenham Station providing regular services to London Charing Cross and Cannon Street.

USE

We understand the property benefits from B1 (office and light industrial) and B8 (storage) use. Any planning or use enquiries should be diverted to the London Borough of Lewisham's planning department on 020 8314 7400.

MAYBREY WORKS

WORSLEY BRIDGE ROAD, SYDENHAM, LONDON SE26 5AZ



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EPC

A copy of the current Energy Performance Certificate is available upon request.

BUSINESS RATES

Business rates are available upon request.

TERMS

Available upon request.

VAT

Is chargeable on the rent or sale price.

VIEWINGS

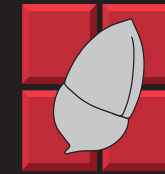
All internal inspections are strictly by prior appointment.



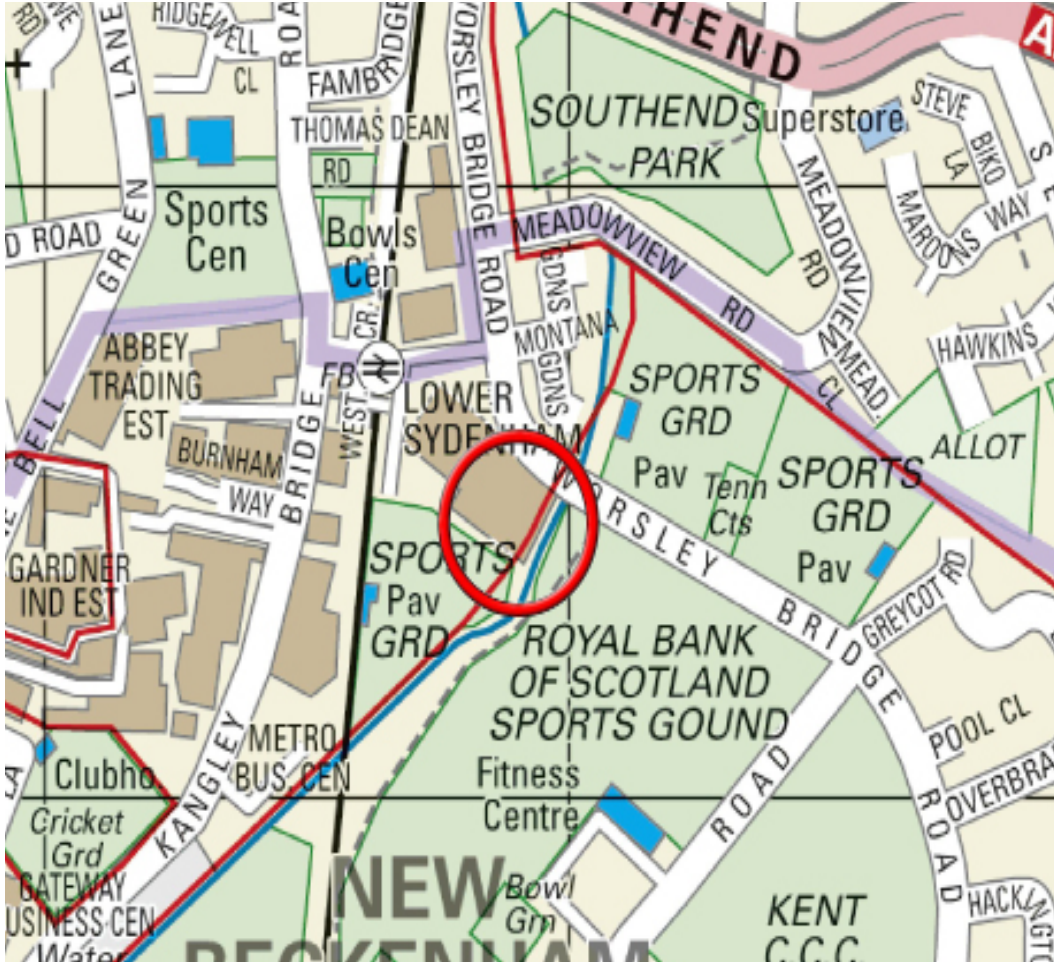
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MAYBREY WORKS

WORSLEY BRIDGE ROAD, SYDENHAM, LONDON SE26 5AZ



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Bromley Office

1 Sherman Road
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Kent BR1 3JH

020 8315 5454

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 @acorncommercial

Acorn as our vendor's agent have endeavoured to check the accuracy of these sales particulars, but however can offer no guarantee, we therefore must advise that any prospective purchaser employ their own experts to verify the statements contained herein. All measurements are approximate and should not be relied upon. No equipment, utilities, circuits or fittings have been tested.

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GREATER LONDON AUTHORITY
Development, Enterprise and Environment

Ms Claire Harris
Town Planning
Bromley Council
Civic Centre
Stockwell Close
Bromley
LONDON BR1 3UH

Our ref: D&P/4095/01
Your ref: DC/16/05897/FULL
Date: 6 March 2017

Dear Ms Harris,

**Town & Country Planning Act 1990 (as amended); Greater London Authority Act 1999 & 2007; Town & Country Planning (Mayor of London) Order 2008.
Maybrey Works, Maybrey Business Park, Worsley Bridge Road, SE26 5AZ
Local planning authority reference: DC/16/00701/FUL**

I refer to the copy of the above planning application, which was received from you on the 30 January 2017. On 6 March 2017, the Mayor considered a report on this proposal; reference D&P/4095/001. A copy of the report is attached, in full. This letter comprises the statement that the Mayor is required to provide under Article 4(2) of the Order.

The Mayor considers that the application does not comply with the London Plan, for the reasons set out in paragraph 77 of the above-mentioned report; these issues require resolution prior to the Mayor's decision making stage.

If Bromley Council subsequently resolves to make a draft decision on the application, it must consult the Mayor again under Article 5 of the Order and allow him fourteen days to decide whether to allow the draft decision to proceed unchanged, or direct the Council under Article 6 to refuse the application. You should therefore send me a copy of any representations made in respect of the application, and a copy of any officer's report, together with a statement of the decision your authority proposes to make, and (if it proposed to grant permission) a statement of any conditions the authority proposes to impose and a draft of any planning obligation it proposes to enter into and details of any proposed planning contribution.

Please note that the Transport for London case officer for this application is Shivani Bhatnagar (email shivaniibhatnagar@tfl.gov.uk), telephone 0203 054 7090.

Yours sincerely,



Colin Wilson
Senior Manager – Development & Projects

cc Gareth Bacon, London Assembly Constituency Member
Nicky Gavron, Chair of London Assembly Planning Committee
National Planning Casework Unit, DCLG
Alex Williams, TfL
Laura Fletcher-Gray, Savills, 33 Margaret Street, London W1G 0JD

6 March 2017

Maybrey Works, Worsley Bridge Road

in the London Borough of Bromley

planning application no. 16/05897/FULL1

Strategic planning application stage 1 referral

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008.

The proposal

Demolition of existing buildings and redevelopment of the site to provide new buildings ranging from five to nine storeys in height comprising 159 residential units and 1,243 sqm of commercial floorspace (Class B1a-c), 157 sqm residents gym (Class D2) together with associated car and cycle parking, landscaping and infrastructure works.

The applicant

The applicant is **Bellway Homes**, and the architect is **StockWool**

Strategic issues

- **Principle of development:** The proposals are located within locally designated industrial land. The applicant needs to provide additional information to justify the loss of industrial land and the acceptance of residential uses, as set out in paragraphs 17 to 29.
- **Housing:** The applicant has proposed 35% affordable housing, which is potentially delivering a 'Route B' compliant scheme, as set out in the Draft Affordable Housing and Viability SPG. Insufficient information, however, has been provided in relation to rental levels and how these relate to local and strategic need. Further information is therefore required before this offer can be supported as set out in paragraphs 30-38.
- **Urban design:** The proposed density is acceptable and the scheme will not have an adverse impact on the openness of MOL. The application is supported in terms of London Plan design policy.
- **Flood risk:** The applicant proposes mitigation measures that make the application compliant with London Plan flood risk policy.
- **Transport:** The proposals are broadly acceptable in strategic terms although further information is required before the application can be considered fully compliant with London Plan transport policy, as set out in paragraphs 67 to 72.

Recommendation

That Bromley Council be advised that the application is not acceptable in strategic planning terms and does not fully comply with the London Plan; but that the possible remedies set out in paragraph 77 of this report could address these deficiencies.

Context

1 On 30 January 2017 the Mayor of London received documents from Bromley Council notifying him of a planning application of potential strategic importance to develop the above site for the above uses. Under the provisions of The Town & Country Planning (Mayor of London) Order 2008 the Mayor has until 10 March 2017 to provide the Council with a statement setting out whether he considers that the application complies with the London Plan, and his reasons for taking that view. The Mayor may also provide other comments. This report sets out information for the Mayor's use in deciding what decision to make.

2 The application is referable under Category 1A of the Schedule to the Order 2008: *"Development which comprises or includes the provision of more than 150 houses, flats, or houses and flats."*

3 Once Bromley Council has resolved to determine the application, it is required to refer it back to the Mayor for his decision as to whether to direct refusal; take it over for his own determination; or allow the Council to determine it itself.

4 The Mayor of London's statement on this case will be made available on the GLA website www.london.gov.uk.

Site description

5 The 0.6 hectare site is bounded to the west by the former Dylon site (under construction for redevelopment), Pool River to the east and Worsley Bridge Road to the north. To the south and beyond the river is Metropolitan Open Land which comprises sports fields. The site currently contains two storey light industrial units and a small area of hard standing fronting Worsley Bridge Road. The two buildings are subdivided into nine smaller units (Use Classes B1/B2/B8/Sui Generis). A pumping station for the river is located in the north eastern corner of the site.

6 Lower Sydenham railway station is 80 metres to the west and offers connections between London Charing Cross, Cannon Street and Hayes. Trains arrive at a frequency of four per hour. There are numerous bus stops close to the site which provide services between Lewisham, Bromley, Grove Park and Bell Green. The site is within 800 metres walking distance of Beckenham, which is identified as a district town centre with night-time economy activities of more than local significance in the London Plan. The site has a PTAL rating of 2, which indicates a poor level of accessibility to public transport.

Details of the proposal

7 The proposals envisage redevelopment of the site to deliver 159 new residential dwellings and 1,243sqm of employment floorspace, which could be delivered as Use Class B1a, b or c. There would also be provision of a private residents gym of 157 sqm as well as private amenity space, cycle parking, car parking and associated public realm and landscaping.

8 The scheme is arranged as two parallel linear blocks along the east and west site boundaries, with a lower base block running parallel with Worsley Bridge Road along part of the northern boundary. The northern ends of the eastern and western linear blocks terminate in taller elements of 7 and 9 storeys respectively. The remainder of the scheme varies between 5, 6 and 7 stories.

9 A central podium deck at first floor partially covers a ground floor residential car park. The car park is accessed from Worseley Bridge Road at the north-eastern corner of the site, which is also the access point for a small surface car park for the commercial uses. The western edge of the site bounds the perimeter road proposed for the adjacent Dylon site. All commercial uses would be located within the ground floors, with residential units in the floors above. Car and cycle parking would be provided at ground floor within the courtyard, with a residents amenity space at the podium level above the partially covered car park. Some undercroft car parking is also provided at ground floor within the eastern block.



Figure 1: Site layout. Note northern half of carpark is contained within podium- boundary denoted by black line.

Case history

10 On 3 November 2016 a pre-application meeting was held between the applicant and GLA officers. The applicant was subsequently advised that the principle of development could be accepted provided further work was done to address the points raised in the report. Furthermore it was stressed that any planning application should be supported by robust evidence demonstrating that the commercial uses proposed would be viable and support local growth. The applicant was also strongly encouraged to contact GLA Housing & Land and explore ways of maximising the affordable housing offer.

11 The former Dylon Works site, which is located adjacent to the application site to the west, has an extensive and complex planning history. On 15 April 2010, planning permission was granted at appeal (Ref. 09/01664/FULL1, appeal reference AAP/G5180/A/09/2114194) for: "Mixed use redevelopment comprising basement car parking and 2 part five/ six/ seven/ eight storey blocks for use as Class B1 office accommodation (6884 sqm)/ Class A1 retail (449 sqm)/ Class A3 cafe/ restaurant (135 sqm)/ Class D1 crèche (437 sqm) and 149 flats (32 one bedroom/ 78 two bedroom/ 39 three bedroom)".

12 Following this original consent, planning permission was granted at appeal on 16 February 2015 (Ref. 13/03467/FULL1, appeal reference AAP/G5180/A/14/2219910) for: *“Erection of five storey building comprising 74 residential units; A1 retail; A3 cafe/ restaurant and a D1 crèche in place of Block A03 forming part of the approved planning permission Ref.09/01664 for the redevelopment of the Dylon site.”*

13 Overall the former Dylon Works site has planning permission for 223 residential units and 986 of Class A1/A3/D1 floorspace extending to between 5 and 8 storeys in height. Whilst referring to the adjacent site, the planning history of the Dylon site gives important planning context to the immediate area in which the application site is situated and is referenced in the submission documents.

Strategic planning issues and relevant policies and guidance

14 The relevant issues and corresponding policies are as follows:

- | | |
|---------------------------|--|
| • Mix of uses | <i>London Plan;</i> |
| • Housing | <i>London Plan; Housing SPG; Housing Strategy; draft Affordable Housing and Viability SPG;</i> |
| • Urban design | <i>London Plan; Shaping Neighbourhoods: Character and Context SPG</i> |
| • Density | <i>London Plan; Housing SPG</i> |
| • Green Belt/MOL | <i>London Plan</i> |
| • Sustainable development | <i>London Plan; Sustainable Design and Construction SPG; Mayor’s Climate Change Adaptation Strategy; Mayor’s Climate Change Mitigation and Energy Strategy; Mayor’s Water Strategy</i> |
| • Transport | <i>London Plan; the Mayor’s Transport Strategy</i> |

15 For the purposes of Section 38(6) of the Planning and Compulsory Purchase Act 2004, the development plans in force for the area are; the ‘saved’ policies of Bromley Council’s Unitary Development Plan, originally adopted on 20 July 2006 with the majority of policies saved in 2009, and the London Plan 2016 (The Spatial Development Strategy for London Consolidated with Alterations since 2011).

16 The following are also relevant material considerations:

- Bromley Council’s Draft Local Plan (consultation closed December 2016);
- The Mayor’s Draft Affordable Housing and Viability SPG (Consultation closed February 2017)
- The National Planning Policy Framework and National Planning Policy Guidance

Principle of development

Loss of industrial land and replacement commercial uses

17 London Plan policy 4.4 supports a rigorous, evidence-led approach to release of industrial land, through a plan, monitor manage approach. The Bromley UDP proposals map identifies the site as being within Lower Sydenham Business Area, which is a Locally Significant Industrial Site (LSIS). Where land is to be released from LSISs it must be based on strategic and local evidence and the proposed new uses must not compromise the integrity and viability of the remainder of the LSIS.

18 Since the pre-application stage, Bromley Councils Draft Local Plan submissions document has been subject to a period of formal consultation, which ended in December 2016. Draft Local Plan policy 83 related to LSIS, outlining that only B uses would normally be permitted and that loss of industrial uses would be refused unless it can be demonstrated that the site is no longer suitable and viable for its existing or alternative industrial use in the medium to long term. Draft Local Plan policy 82 allows for greater flexibility for new land-uses on industrial sites, including residential provided that a set of criteria can be met. The applicant has provided information to address these criteria as follows:

Suitability and viability

19 The applicant contends that the existing buildings are in poor condition, not compliant with standards and requirements of modern employers and has provided an Employment Land Report which concludes that they are obsolete and uneconomic to refurbish. As such, substantial investment would be required to demolish and rebuild premises that would enable the ongoing use of the site for industrial operators. It is also concluded that the location and access arrangements for the site and render it unsuitable for alternative uses such as logistics. The applicant does not, therefore, consider that there is any reasonable medium or long term prospect of new industrial uses on the site. The applicant also notes that, in relation to the appeal decision on the adjacent Dylon site, the inspector concluded that there was no reasonable prospect of the site being occupied by employment uses.

20 The applicant has also provided some evidence of marketing activity, and explained that a full marketing report will be made available in an attempt to demonstrate that market signals support this. This should be provided before the mayor sees the application again.

Quantum of floorspace

21 The current buildings have 4,132 sq.m of B1/B2/B2/Sui generic floorspace and the proposed development would provide 1,243 sq.m. of flexible B1 a,b or c employment floorspace. Using recognised job density figures the applicant has shown that this could be enough to support up to 141 new jobs, depending on the end user.

22 The Employment Land Report submitted suggests that there is a good local supply of employment floorspace and concludes that the release of poorly located land, on sites such as this, would not have an adverse impact on supply. This is accepted.

23 Whilst the proposal to provide flexible employment space is welcomed, and the quantum proposed would be considered a significant element of employment generating floorspace, the applicant's own supporting information confirms the concerns relating to the viability of this site for office or light industrial uses. The applicant has stated that the units will be designed to be suitable to a range of occupiers, including the creative industries. The addition, since pre-application, of ancillary parking adjacent to the commercial units will help to ensure that they are more attractive to the target market. A key factor determining this will, of course, be rental level. The applicant should provide details of rental expectations, how this relates to existing rates locally as well as any measures agreed with Bromley Council to support local training and employment initiatives.

Introduction of residential use and the function of the LSIS

24 The NPPF requires the planning system to do everything it can to support economic growth, whilst also ensuring that land is proactively recycled where it is surplus to requirements. Paragraphs 1.2.23 and 1.2.24 of the Housing SPG set out how local planning authorities should seek to enable additional housing capacity on surplus industrial land, within the context of London Plan policy 3.3. Subject to successful demonstration that the loss of industrial land be acceptable, the proposals present an opportunity for Bromley Council to reach and exceed its housing targets and further strengthen the residential character of this emerging neighbourhood.

25 It is noted that this site, along with the adjacent Dylon site is separated from the rest of the Lower Sydenham Business Area by the railway tracks to the west and Worsley Bridge Road to the north. The Dylon site already has permission for a residential-led development, and existing development across Worsley Bridge Road is largely residential in nature. Development on this part of the LSIS would be unlikely to compromise the primary function of the LSIS or its use for industrial use because of this separation.

Scale and design

26 The scale and design of the proposed scheme is appropriate considering the existing and proposed development around the site. This is covered in more detail in the Urban Design section of this report.

Conclusion

27 The applicant should provide information relating to proposed rental levels and the marketing evidence alluded to in the submitted Planning statement, substantiating the assertions relating to sustainability and viability. Should this conclude as outlined in the Planning Statement, the loss of industrial land would be acceptable, in line with London Plan policy 4.4 and the draft Local Plan policy 83.

28 Residential development on this site would not compromise business operators in the wider LSIS. Furthermore, this site presents an excellent opportunity to strengthen the emerging residential character of this part of the area and provide a contiguous link between existing and emerging residential development. Given the site's access to adjacent green open space and the fact that it is within walking distance of the nearby train station and Beckenham Town centre, it is considered that that sites such as this are appropriate for new high-density residential development and supporting uses and can make a significant contribution towards London's strategic housing need.

29 The principle of a residential-led mixed-use development on this site can be accepted in strategic terms provided that the applicant can robustly substantiate the points relating to sustainability and viability through production of the marketing report referred to in the Planning statement.

Housing

Housing supply

30 London Plan Policy 3.3 confirms the pressing need for more homes in order to promote opportunity and provide a real choice for all Londoners in ways that meet their needs at a price they can afford. London Plan Table A4.1 sets a target for Bromley Council to deliver a minimum of 641 new residential units a year until 2025. The proposed delivery of 159 homes would provide approximately 25% of Bromley's annual housing target, and as such is strongly supported.

31 The applicant has provided the following accommodation schedule showing unit size mix and tenure split:

Tenure	1 bed 2 person	2 bed 4 person	3 bed 4 person	3 bed 5 person	Units	Habitable rooms
Market	53	35	6	11	108	279
Intermediate rent	6	5	0	3	11	39
Affordable rent	16	16	0	8	40	112
Total	75	56	6	22	159	430

Table 1: Residential accommodation schedule

Unit size mix

32 The Housing SPG identifies London's particular need for meeting the housing requirements of families, particularly within the social/ affordable rent and intermediate tenures. The site has excellent access to green open space and would seem well suited to the provision of family accommodation. At the pre-application stage the scheme proposed 20% family accommodation, with the remainder being one or two bed units. The applicant was encouraged to explore the possibility of providing more three bed and larger units within the mix with the preference being for any family units to be within the affordable tenures.

The revised accommodation schedule shows 18% of the units being provided for family accommodation. This is lower than proposed at the pre-application stage, which is disappointing although it is noted that the applicant contends that the two bedroom, four person units should be considered large enough for small families. Overall this is considered acceptable.

Affordable housing

33 The *Affordable housing and viability* draft SPG sets a framework for delivering the maximum reasonable amount of affordable housing in the context of London Plan policies 3.11 and 3.12. The SPG also sets out the threshold approach to viability. This provides that applicants are not expected to provide viability information, nor be subject to review mechanisms where they:

- Deliver 35% or more affordable housing onsite without public subsidy;
- Are consistent with the relevant tenure split;
- Meet all of the other relevant policy requirements and obligations.

34 London Plan policy 3.11 sets out a preferred strategic tenure split, however, provides a flexibility that the Mayor is keen to maintain in order to meet local needs and ensure delivery of his preferred affordable products. Paragraph 2.28 in the *Affordable housing and viability* draft SPG sets out a preferred approach as follows, with regard to the split within the affordable tenures:

- At least 30% low cost rent (social and affordable rents)
- At least 30% intermediate products, with London Living Rent and/ or shared ownership being the preferred tenures
- The remaining 40% to be determined by the LPA

35 Bromley Council's UDP saved Policy H2 states that the council will seek 35% affordable housing, 70% of which will be social rented and 30% intermediate.

36 The applicant is currently proposing 54 affordable units (151 habitable rooms), equivalent to 35% affordable housing by habitable room. This is split as 74% affordable rent and 26% intermediate (DMR).

37 The 35% affordable housing is welcomed, however, the current offer needs to be supported by sufficient information setting out how the proposed rental levels relate to strategic and local need. The applicant is therefore required to provide information relating to the specific rental levels proposed within the affordable tenures, in light of paragraph 2.28 of the *Affordable housing and viability* draft SPG. The applicant should also finalise arrangements with a registered provider, and demonstrate how the final affordable housing offer has been maximised through the inclusion of any available grant funding.

Children's play space

38 Policy 3.6 of the London Plan deals with play and informal recreation spaces that developments will be expected to have for their expected child populations. The applicant has provided information showing how the proposals would provide 1,107 sqm of children's play space, which exceeds that required. Furthermore, a Design and Access Statement and Landscape Masterplan have been submitted, showing how dedicated play areas would be provided within the amenity spaces across the site, in areas that are accessible, safe and overlooked. As such the proposals are consistent with London Plan policy 3.6.

Urban design

Density

39 London Plan Policy 3.4 seeks to optimise housing density. Given the suburban location and PTAL 2 the London Plan provides an indicative density range of between 150-200 habitable rooms per hectare for this site. The proposed developments provide a residential density of 684 habitable rooms per hectare. The supporting text of London Plan Policy 3.4, however, confirms that the density matrix should not be applied mechanistically and higher densities can be appropriate if the development responds to local context, provides open space and play space, and does not adversely impact upon transport capacity.

40 Given the close proximity of Lower Sydenham railway station, any potential residents would have significantly better access to rail services than the low PTAL of the site suggests. The site is adjacent to large existing open spaces and is also within walking distance of Beckenham Town centre, with its amenities, plus a large supermarket. As discussed elsewhere in this report the higher density is considered acceptable given the high levels of on-site play space, appropriate response to local context and overall high quality of design which should mitigate any potential issues the higher density could produce.

Form and massing

41 The form and massing strategy is supported. The applicant has sought to break up the overall building mass into a series of smaller and distinct massing elements, with the taller elements positioned towards the station and away from the boundary with land designated as Metropolitan Open Land (MOL). The intention to implement a simple appearance, articulated through regular spacing of window openings and varying tones of high quality brickwork is welcomed.

Impact on MOL and local context

42 The applicant has provided a Design and Access Statement in support of the application as well as a Townscape and Visual Impact Assessment showing analysis of eight fully rendered views of the proposed development, as agreed in consultation with Bromley Council. These views show how the proposals would relate to local context and demonstrate the degree of impact the proposals could have on the prevailing townscape and the open quality of the adjacent MOL.

43 The proposals are a significant improvement visually over the low rise, poor quality 1930s industrial buildings currently on the site. As such they would enhance the appearance of the immediate and wider areas and, alongside neighbouring emerging development, help to consolidate the residential character of the area to the east of the railway tracks.

44 London Plan Policy 7.17 gives the strongest protection to Metropolitan Open Land, stating that the Mayor strongly supports its protection from development having an adverse impact on the openness of MOL. Although not in MOL, the application proposals have the potential to impact upon the openness of land immediately to the south, which is designated as MOL and comprises the Dylon site construction compound, a number of vacant former sports clubhouses and the former sports field of the Dylon site, which is not publically accessible.

45 The TVIA considers the impact on views of and from the MOL. The buildings are of a moderate scale, with the taller elements located at the part of the site furthers from the MOL. The applicant's efforts to reduce the height of the tallest element since the pre-application stage to minimises the visual impact on the MOL, are noted. The views assessed in the TVIA show that there is a change to the view, in that there would be larger structures visible than are currently on the site, but they are a visual improvement and therefore this is not a negative change. Furthermore, the buildings appear in views where the emerging Dylon site is already visible. It is not considered that the proposals would have an adverse impact on the openness of MOL.

Layout

46 The general layout proposed is supported. In light of the need to mitigate the higher density envisaged the applicant has paid particular attention to how the site integrates within the wider area. This includes setting out the wider pattern of pedestrian routes and how the proposal will be designed to link into and enhance them (through location of entrances/active frontages/alignment of frontages). The provision of a high quality riverside walkway is strongly supported.

Residential quality

47 Elsewhere, residential quality appears high and includes efficient core to unit ratios, naturally lit/ventilated cores and predominant east/west aspects. This is welcomed. The applicant has stated that the scheme will achieve generous floor to ceiling heights, although a specific height is not given. The applicant has undertaken ADF studies to ensure that all units will receive acceptable levels of daylight/sunlight penetration. The applicant should confirm that all units will achieve a minimum 2,500mm floor to ceiling heights.

Flood risk and sustainable drainage

48 The site is within Flood zone 3 and has areas of risk from surface water flooding and reservoir flooding that border the site. Parts of the site have been recorded as being flooded in 1965 and 1968. A Flood Risk Assessment (FRA) has been prepared by Ardent Consulting Engineers.

49 The FRA states that the flood risk modelling from the Environment Agency has recently been updated to demonstrate that no part of the site is within Flood Zone 3b (1 in 20 year flood risk). This reflects recent flood risk management works for the River Ravensbourne Catchment. Therefore river levels are expected to remain within the river channel under the 1 in 20 year event. Were it not for this updated information, the proposals would not have complied with NPPF and London Plan Policy which prevents development within Flood Zone 3b.

50 The majority of the site remains within Flood Zone 3a, therefore the site can be expected to flood in the 1 in 100 year event. Furthermore for flood events above the 1 in 50 year event, the site is expected to be surrounded by floodwaters to the south, east and north, including the main access/egress to the site via Worsley Road.

51 Therefore it is essential that the proposals include suitable flood mitigation measures.

52 The FRA states that no residential accommodation will be located on the ground floor. Ground floor uses will be commercial, which, as less vulnerable uses, are permitted within Flood Zone 3a.

53 The FRA also states a range of flood resilience measures, emergency planning measures and means of access/egress to safe areas in the event of a flood. These measures should be secured via appropriate planning conditions.

54 The applicant is advised to ensure that the essential utility services are designed to remain operational in the event of a flood, as it is likely that there will be people who will have to remain within the buildings during such an event.

55 Therefore whilst the development can be expected to be flooded during its lifetime, the FRA states a range of appropriate mitigation measures relevant to the relatively high risk present at the site and the proposals are acceptable in terms of London Plan Policy 5.12, subject to the application of suitable planning conditions to secure these mitigation measures.

56 Given the level of flood risk present at and immediately surrounding the site, and further downstream along the Pool River/River Ravensbourne, the control of surface water discharge from this site is an important consideration.

57 The FRA states that the development proposals have been designed to achieve at least a 50% reduction in the rate of surface water discharge from the site (for the 1 in 1 year storm, rising to an 88% reduction for the 1 in 100 year storm), compared to the current situation.

58 This will be achieved through using green roofs, permeable paving, landscaping which reduces the net impermeable area and through attenuation tank(s)/geo-cellular storage totalling 210 cubic metres.

59 Given the site's location and design, this approach is considered to comply with London Plan Policy 5:13.

Climate change mitigation

60 There are no existing or planned district heating networks within the vicinity of the site, however, the applicant has provided a commitment to ensuring that the development is designed to allow future connection to a district heating network should one become available.

61 In addition to the residential elements of the scheme, the provision for the connection of the non-domestic parts of the site should also be made. A drawing showing the route of the heat network linking all buildings on the site should be provided.

62 The applicant is proposing to install a 79 kWth / 50 kWe gas fired combined heat and power unit as the lead heat source for the site heat network, as well as 356 sqm of photovoltaic panels and air source heat pumps. A roof layout should be provided to confirm the location and size of the panels.

63 The applicant should demonstrate that the use of combined heat and power has been optimised before considering the use of the proposed renewable technologies. The applicant should therefore confirm that the CHP will be the lead heat source for all building uses (including space heating) with the air source heat pumps acting as a top up, and that the buildings will be served by a single heat distribution network in order to maximise the potential for connection. Information on the space heating and hot water demand of the residential and non-domestic elements should be submitted in line with GLA guidance.

64 For the domestic element of the scheme the development is expected to achieve on-site carbon dioxide savings of 38%, which is welcomed. As the application was received after 1 October 2016, however, the domestic buildings are required to meet the zero carbon target. The applicant should therefore ensure that the remaining regulated carbon dioxide emissions, equivalent to 118 tonnes per annum, is met through a contribution to Bromley Council's carbon offset fund.

65 For the non-domestic buildings, an overall saving of 36% is expected, which would exceed the on-site target set within Policy 5.2 of the London Plan.

66 The applicant must address the comments set out above in order to confirm compliance with London Plan climate change mitigation policy.

Transport

Car parking

67 A total of 85 car parking spaces will be delivered, which includes 16 blue badge spaces and two car club spaces. The residential parking ratio and level of Blue Badge provision is therefore considered acceptable in line with London Plan policy 6.13.

68 Electric Vehicle Charging Points (EVCPs) should be provided in line with the London Plan standards and should be secured by a condition.

Cycle Parking

69 A total of 249 cycle parking spaces are proposed which is compliant with the London Plan standards for the residential development. The applicant should provide further details confirming the level and type of provision related to the proposed commercial development in order to ensure conformity with London Plan policy 6.9.

Planning Obligations

70 A Framework Travel Plan has been submitted in support of the application. A detailed Travel Plan should be secured with monitoring through the section 106 agreement .

Supporting documents

71 A Delivery and Servicing Plan (DSP) is required as referred to in the London Freight Plan and a Construction Logistics Plan (CLP) should be secured by condition in accordance with London Plan Policy 6.3. This should include measures to reduce peak hour deliveries and conflicts with pedestrians and cyclists.

Community Infrastructure Levy (CIL)

72 The Mayoral has introduced a London-wide Community Infrastructure Levy (CIL) to help implement the London Plan, particularly policies 6.5 and 8.3 toward the funding of Crossrail. This development will be liable and the rate from Bromley is £35 per square metre of floor space. London borough councils are also able to introduce CIL charges which are payable in addition to the Mayor's CIL. insert council name

Local planning authority's position

73 Bromley Council are understood to oppose the principle of residential development.

Legal considerations

74 Under the arrangements set out in Article 4 of the Town and Country Planning (Mayor of London) Order 2008 the Mayor is required to provide the local planning authority with a statement setting out whether he considers that the application complies with the London Plan, and his reasons for taking that view. Unless notified otherwise by the Mayor, the Council must consult the Mayor again under Article 5 of the Order if it subsequently resolves to make a draft decision on the application, in order that the Mayor may decide whether to allow the draft decision to proceed unchanged, or direct the Council under Article 6 of the Order to refuse the application, or issue a direction under Article 7 of the Order that he is to act as the local planning authority for the purpose of determining the application and any connected application. There is no obligation at this present stage for the Mayor to indicate his intentions regarding a possible direction, and no such decision should be inferred from the Mayor's statement and comments.

Financial considerations

75 There are no financial considerations at this stage.

Conclusion

76 Surplus industrial land, in the right locations, can be used to deliver new high-density housing and supporting uses and can make a significant contribution towards London's strategic housing need. The Mayor's preferred approach to releasing such land is through the local plan process, however, release of surplus land through the determination of individual planning applications will also be considered given the strategic objective to maximise the provision of badly needed housing and affordable housing.

77 London Plan policies on industrial land, housing, urban design, flood risk and sustainable drainage, climate change and transport are relevant. The application complies with some of these policies but not with others. Further information and/or work, as detailed below is required before the application can be considered acceptable in strategic terms:

- **Principle of development:** The proposals are located within locally designated industrial land. The applicant needs to provide additional information to justify the loss of industrial land and the acceptance of residential uses, as set out in paragraphs 17 to 29.

- **Housing:** The applicant has proposed 35% affordable housing, however has not provided sufficient information relating to rental levels and how this relates to local and strategic need. This is required before this offer can be supported as set out in paragraphs 30-38.
- **Flood risk:** The applicant proposes mitigation measures that make the application compliant with London Plan flood risk policy.
- **Climate change mitigation:** Further information is required before the application can be considered compliant with London Plan climate change mitigation policy, as set out in paragraphs 60 to 66
- **Transport:** The proposals are broadly acceptable in strategic terms although further information is required before the application can be considered fully compliant with London Plan transport policy, as set out in paragraphs 67 to 72

for further information, contact GLA Planning Unit (Development & Projects Team):

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MAYOR OF LONDON

Jim Kehoe
Chief Planner
Planning Division
Bromley Council
Civic Centre
Stockwell Close
Bromley
LONDON
BR1 3UH

Our ref: D&P/4095/02/MKC
Your ref: 16/05897/FULL1
Date: 15 May 2017

Dear Mr Kehoe,

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008
Maybrey Works, Worsley Bridge Road
Local planning authority reference: 16/05897/FULL1

I refer to your letter of 28 April 2017 informing me that Bromley Council is minded to refuse planning permission for the above planning application. I refer you also to the notice that was issued on 8 May 2017 under the provisions of article 5(1)(b)(i) of the above Order.

Having now considered a report on this case I am content to allow Bromley Council to determine the case itself, subject to any action that the Secretary of State may take, and do not therefore wish to direct refusal or to take over the application for my own determination.

Yours sincerely



Sadia Khan
Mayor of London

cc Gareth Bacon, London Assembly Constituency Member
Tony Devenish, Chair of London Assembly Planning Committee
National Planning Casework Unit, DCLG
Lucinda Turner, TfL
Ben Thomas, Savills, 33 Margaret Street, W1G 0JD

15 May 2017

Maybrey Works, Worsley Bridge Road

in the London Borough of Bromley

planning application no. 16/05897/FULL1

Strategic planning application stage II referral

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008.

The proposal

Demolition of existing buildings and redevelopment of the site to provide new buildings ranging from five to nine storeys in height comprising 159 residential units and 1,243 sqm of commercial floorspace (Class B1a-c), 157 sqm residents gym (Class D2) together with associated car and cycle parking, landscaping and infrastructure works.

The applicant

The applicant is **Bellway Homes**, and the architect is **StockWool**.

Key dates

- Pre-application meeting: 3 November 2016
- Stage 1 considered: 6 March 2017
- Bromley Planning Committee: 25 April 2016

Strategic issues

Bromley Council has resolved to refuse permission for this application. The Mayor may issue direction under section 2A of the Town and Country Planning Act 1990 to take over determination of the application in accordance with Article 7 of the Mayor of London Order 2008 or may decide that he is content for the authority to determine the application itself.

Having regard to the details of the application, the matters set out in the committee report, the outstanding issues from Stage I described in this report and the Council's draft decision notice to refuse the application, there are **no sound planning reasons for the Mayor to intervene** in this particular case and therefore no basis to issue a direction under section 2A of the Town and Country Planning Act 1990.

Should the scheme be considered at appeal or a revised application submitted the applicant should have regard the matters set out in this report.

The Council's decision

In this instance Bromley Council has resolved to **refuse** permission.

Recommendation

That Bromley Council be advised that the Mayor is content for it to determine the case itself, subject to any action that the Secretary of State may take, and does not therefore wish to direct that he is to be the local planning authority.

Context

1 On 30 January 2017, the Mayor of London received documents from Bromley Council notifying him of a planning application of potential strategic importance to develop the above site for the above uses. This was referred under Category 1A of the Schedule to the Order:

- *“Development which comprises or includes the provision of more than 150 houses, flats or houses and flats;*

2 On 6 March 2017, the Mayor considered planning report D&P/4095/01, and subsequently advised Bromley Council that the application was not acceptable in strategic planning terms and did not comply with the London Plan, for the reasons set out in paragraph 63 of the above-mentioned report; but that the possible remedies set out in paragraph 63 that could address these deficiencies.

3 A copy of the above-mentioned report is attached. The essentials of the case with regard to the proposal, the site, case history, strategic planning issues and relevant policies and guidance are as set out therein, unless otherwise stated in this report. On 25 April 2017, Bromley Council resolved to refuse planning permission for the application, in line with Council officer’s recommendation, and on 5 May 2017 advised the Mayor of this decision. Under the provisions of Article 5 of the Town & Country Planning (Mayor of London) Order 2008 the Mayor may allow the draft decision to proceed unchanged, or issue a direction under section 2A of the Town and Country Planning Act 1990 in accordance with article 7 of the 2008 Order that he is to act as the local planning authority for the purpose of determining the application and any connected application. The Mayor has until 18 May 2017 to notify the Council of his decision and to issue any direction.

4 The Council’s draft decision notice includes the following reasons for refusal:

- I. The site is located in a Business Area in the Unitary Development Plan (UDP) and a Locally Significant Industrial Site in the Proposed Submission Draft Local Plan and the proposal would be contrary to Policy EMP4 of the UDP, draft policy 82 of the Local Plan and London Plan policy 4.4 which seek to safeguard sufficient supply of land in the Borough for industrial purposes.
- II. The proposal, by virtue of its height, scale, siting and design, would have a harmful impact on the visual amenities of the adjacent Metropolitan Open Land which, in London, is afforded the same level of protection as Green Belt and would therefore be contrary to policy G6 of the Unitary Development Plan, policy 53 of the Proposed Submission Draft Local Plan and London Plan policy 7.17.
- III. The development, as proposed, would result in a cramped overdevelopment of the site, which would fail to provide a satisfactory form of living accommodation for future occupants and due to its height, scale, siting and design would be detrimental to the visual amenities and character of the area, contrary to Policies BE1 and H7 of the Unitary Development Plan, policies 4 and 37 of the Proposed Submission Draft Local Plan and policies 7.4 and 7.6 of the London Plan.
- IV. The proposal would have an unacceptable visual impact for occupiers of adjacent sites, seriously prejudicing the amenities of the occupiers of those dwellings, contrary to policy BE1 of the Unitary Development Plan and policy 37 of the Proposed Submission Draft Local Plan.

- V. In the absence of information to demonstrate to the contrary, the proposed development would give rise to an unacceptable impact on local public transport infrastructure particularly the local rail network, contrary to Policy T9 of the Unitary Development Plan and Policy 6.3 of the London Plan.

5 The Mayor's decision on this case, and the reasons, will be made available on the GLA's website www.london.gov.uk.

Article 7: Direction that the Mayor is to be the local planning authority

6 The initial policy test regarding the Mayor's power to take over and determine applications referred under categories 1 and 2 of the schedule to the Order is a decision about who should have jurisdiction over the application rather than whether planning permission should ultimately be granted or refused.

7 The policy test consists of the following three parts, all of which must be met in order for the Mayor to take over the application:

- a) significant impact on the implementation of the London Plan;
- b) significant effects on more than one borough; and
- c) sound planning reasons for his intervention.

8 This report considers the extent to which the policy tests under Article 7(1) apply in this case and whether, therefore, the Mayor should direct that he is to be the local planning authority and apply the tests set out under Article 7(3) of the Order 2008.

9 It should be noted that, as the proposals fall within category 1A of the schedule to the order, test (b) does not apply.

10 With regards to test (a), the site has the potential to contribute towards London's housing supply, with the proposed 159 units representing 25% of Bromley's annual housing target of 641.

11 Turning to test (c). It is acknowledged that the proposals potentially offer strategic planning benefits, would improve the public realm around the site and could contribute towards employment and housing delivery in Bromley. Notwithstanding this, having regard to the details of the proposal, the Council's committee report and draft reasons for refusal, it is considered that in this instance there are no sound planning reasons to intervene in this case. As a result there is no basis to issue a direction under section 2A of the Town and Country Planning Act 1990.

Issues outstanding

12 Notwithstanding the above, should the scheme be considered at appeal or a revised application submitted the applicant should have regard to the matters considered in this report and the comments set out within the Stage 1 planning report of 6 March 2017 (attached, ref: D&P/4095/01).

13 On 30 March 2016 the Mayor received notification from Bromley Council that they had received amended plans for the planning application, summarised as follows:

- Design amended to allow all residential cores to have direct access to the internal car park. A new area of semi basement parking has also been introduced with two upper half-levels.
- Car parking has been increased from 72 to 158 parking spaces. This includes 5 commercial spaces and 16 blue badge spaces.
- Cycle parking spaces increased from 249 to 310 (270 for residents, 40 for commercial uses).
- 1,098 sqm flexible commercial floorspace, reduced from 1,243 sq.m.
- Southern boundary treatment amended to prevent ingress from publically accessible spaces.
- Design amended to facilitate access to the central podium garden for residents in Building B and separate private balcony spaces where buildings A and B meet.
- Western access point from Worsley Bridge Road amended to align with existing highway crossover.
- Some residential unit layouts amended to address Bromley Council concerns around accessibility and residential quality.

14 These amendments are taken into account in the assessment below.

Principle of development

15 The site is within a Locally Significant Industrial Site (LSIS). London Plan policy 4.4 supports a rigorous, evidence-led approach to release of industrial land, through a plan, monitor manage approach. At the consultation stage the Mayor advised the applicant that the principle of development could be accepted provided that the applicant could robustly substantiate the points relating to sustainability and viability and the criteria set out in Draft Local Plan policy 82, through production of the marketing report referred to in the Planning statement, as well as details around assumed commercial rent levels.

Marketing report

16 Since the consultation stage, the applicant has provided an Addendum Employment Land Report and Appendices, including marketing evidence, to address the criteria set out in Bromley Council's Draft Local Plan policy 82. The applicant states that the site has been marketed since 2008 and that it would be unviable to refurbish the existing buildings. Bromley Council officers comment on the submitted material on page 26 of the committee report and highlight deficiencies in the submitted material. The submitted material does not provide evidence of marketing prior to 8 June 2015, and marketing between 8 June 2015 and 23 December 2016 only covered 643.8 sqm (in Units 1 and 2) of the existing site- leaving 4,131 sqm unmarketed.

Rental levels and local employment initiatives

17 The applicant has advised that their assumed rental levels for the commercial floorspace would be £14.50 per square foot. Furthermore it is contended that this is considered an affordable level and comparable to the kind of levels expected for creative space let in Deptford. This is accepted and such rates would likely attract interest from small and medium sized businesses in this part of south London.

18 The applicant was also asked to outline any measures agreed with Bromley Council to support local training and employment initiatives. This would have been covered by planning obligations, however, as the application was refused there have been no planning obligations agreed between the applicant and Bromley Council.

19 Given the lack of robust evidence with regards to the criteria set out in Bromley's Draft Local Plan policy 82, the loss of industrial floorspace is not acceptable. However, as acknowledged in the Mayor's consultation response, given the specific context of this site, located distinct from the core LSIS, and the adjacent residential development, the principle of a mixed-use proposal on this site could be considered acceptable. Should a revised application be submitted the applicant is therefore strongly encouraged to increase the proportion of employment floorspace to ensure no net loss.

Affordable Housing

20 At the consultation stage, the applicant proposed to provide 51 affordable housing units (151 habitable rooms), which is 35% by habitable room. This was split 74:26 between affordable rent and intermediate. The applicant was asked to provide information relating to the specific rental levels proposed within the affordable tenures, in light of paragraph 2.28 of the Affordable Housing and Viability draft SPG and demonstrate how the final affordable housing offer has been maximised through the inclusion of any available grant funding.

21 The proposal to provide 35% affordable housing was strongly welcomed. Although no specific rental levels have been committed to, the applicant has confirmed that they have secured an offer from a Registered Provider and that the final rental levels for the affordable housing will be made to comply with either London Affordable Rent (LAR) or Local Housing Allowance (LHA) rates caps. Further information regarding the use of grant to get beyond the 35% threshold has not been provided. Should the applicant submit a revised application information relating to this will need to be provided in order to demonstrate compliance with the London Plan and the Affordable Housing and Viability SPG.

Climate change- mitigation

22 At Stage I the applicant was asked to provide additional information relating to proposed photovoltaic (PV) cells, the site heat network, and to demonstrate that combined heat and power (CHP) has been optimised in order to demonstrate compliance with London Plan climate change mitigation policy. The applicant was also asked to ensure that the shortfall in carbon dioxide savings, equivalent to 118 tonnes per annum, is met through a contribution to Bromley Council's carbon offset fund.

23 The applicant has since provided a layout showing the location of the proposed PV cells on the roofs of Blocks B and C, as well as information relating to the proposed CHP unit. The applicant also contends that the commercial units have been excluded from the site heat network due to the limited demand for hot water and cooling. The applicant has also offered a cash in lieu to meet the anticipated shortfall in carbon dioxide savings. Had Bromley Council resolved to grant planning permission then further discussions, conditions and planning obligations would have been required to ensure compliance with London Plan climate change mitigation policy.

Transport

24 At Stage I the applicant was asked to provide further information and to commit to planning obligations that would ensure that the development impact could be appropriately mitigated.

25 The proposed level of car parking has since increased from 72 to 158 spaces. This incorporates 5 parking spaces for commercial use and 16 spaces for Blue Badge users. The revised level of parking is equivalent to 0.96 spaces per unit, which is considered excessive for this site given the sites location, directly adjacent to Lower Sydenham train station and the proximity to local amenities. The PTAL of the site is 2, however it is considered that in this location the PTAL does not provide a fair representation of the sites accessibility. In accordance with London Plan policy 6.13, parking provision should not undermine the use of sustainable travel modes. Any future planning permission should therefore seek to limit residential car parking to around 0.5 spaces per unit, in line with the proposals prior to amendments. Furthermore, it is recommended that Bromley Council investigate the introduction of a Controlled Parking Zone (CPZ). Future residents of the site should be prohibited from applying for parking permits within the CPZ.

26 The applicant has provided information showing that a total of 310 cycle parking spaces would be provided within the amended scheme. This includes 270 for residents and 40 for the commercial uses, which would be welcome in accordance with London Plan levels.

Response to consultation

27 In addition to inviting comments from statutory consultees, Bromley Council carried out a public consultation with local residents and businesses. The Council publicised the application by notifying neighbouring properties by letter, placing site notices and publishing notices in the local press. A total of 12 responses were received from the public. Of these, 6 were objections and 6 were neutral, neither objecting nor expressing support.

28 The representations made with regards to the application have been set out in detail in the Council's planning committee report dated 25 April 2017. The key issues raised during the the consultations are summarised below:

Objections

- **Historic environment:** Consideration should be given to retention of historic features.
- **Urban design:** Proposals are too tall and dense and should be low-rise, low-density like the contextual residential development.
- **Public realm:** Further greening should be considered.
- **Residential amenity:** Proposals could compromise privacy by providing overlooking of private gardens. The gym proposed is unnecessary as there is existing local provision.
- **Environment:** Increased population could lead to increased littering and fly-tipping.
- **Transport:** Increased footfall and traffic, associated with this and other emerging development, would be detrimental in terms of pollution, congestion and impact on public realm. Additional crossings and parking provision should be considered, and a nearby bus stop relocated. Additional train capacity would be required.

- **Other:** The scheme would place strain on existing social infrastructure

Support

- **Housing:** It is an improvement if the proposed housing is affordable.

29 The following organisations also issued responses to the consultations:

Thames Water

30 No objection provided the applicant ensures storm flow is attenuated or regulated through on or off-site storage. Prior approval should be required for discharge to a public sewer, or building in areas that affect existing sewers. Conditions would also be required relating to a piling method statement and agreeing assessment/ appraisal of the potential impact that the Worsley Bridge Sewage pumping station could have on future residents.

Natural England

31 Advised Bromley Council to refer to their standing advice

Historic England

32 Advised that no archaeological requirements are recommended.

33 A thorough assessment of the design and impact of the proposals has been set out in the Council's committee report, which considers the above concerns. The GLA stage one report (D&P/4095/01) and this report have addressed the substantive strategic planning issues raised above. Bromley Council's planning committee refused the application on the grounds set out in paragraph 4 of this report.

34 The committee report and this report suggest a number of conditions and s106 heads of terms to address the concerns raised in the GLA initial consultation response and from other consultees and these should be included in the event of any future successful appeal by the applicant.

Legal considerations

35 Under the arrangements set out in Article 5 of the Town and Country Planning (Mayor of London) Order 2008 the Mayor has the power to issue a direction under Article 7 that he is to act as the local planning authority for the purpose of determining the application and any connected application. The Mayor may also leave the decision to the local authority. If the Mayor decides to direct that he is to be the local planning authority, he must have regard to the matters set out in Article 7(3) and set out his reasons in the direction.

Financial considerations

36 Should the Mayor take over the application he would be responsible for holding a representation hearing and negotiating any planning obligation. He would also be responsible for determining any reserved matters applications (unless he directs the council to do so) and determining any approval of details (unless the council agrees to do so).

Conclusion

37 Having regard to the details of the application, the matters set out in the committee report and the Council's draft decision notice there are no sound planning reasons for the Mayor to intervene in this particular case and therefore no basis to issue a direction under Article 7 of the Order 2008.

38 Should the scheme be considered at appeal or a revised application submitted the applicant should have regard to the issues raised in this report and the GLA stage one report (D&P/4095/01) and the appropriate conditions and section 106 heads of terms should be secured for any future planning permission.

for further information, contact GLA Planning Unit (Development & Projects Team):

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6 March 2017

Maybrey Works, Worsley Bridge Road

in the London Borough of Bromley

planning application no. 16/05897/FULL1

Strategic planning application stage 1 referral

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008.

The proposal

Demolition of existing buildings and redevelopment of the site to provide new buildings ranging from five to nine storeys in height comprising 159 residential units and 1,243 sqm of commercial floorspace (Class B1a-c), 157 sqm residents gym (Class D2) together with associated car and cycle parking, landscaping and infrastructure works.

The applicant

The applicant is **Bellway Homes**, and the architect is **StockWool**

Strategic issues

- **Principle of development:** The proposals are located within locally designated industrial land. The applicant needs to provide additional information to justify the loss of industrial land and the acceptance of residential uses, as set out in paragraphs 17 to 29.
- **Housing:** The applicant has proposed 35% affordable housing, which is potentially delivering a 'Route B' compliant scheme, as set out in the Draft Affordable Housing and Viability SPG. Insufficient information, however, has been provided in relation to rental levels and how these relate to local and strategic need. Further information is therefore required before this offer can be supported as set out in paragraphs 30-38.
- **Urban design:** The proposed density is acceptable and the scheme will not have an adverse impact on the openness of MOL. The application is supported in terms of London Plan design policy.
- **Flood risk:** The applicant proposes mitigation measures that make the application compliant with London Plan flood risk policy.
- **Transport:** The proposals are broadly acceptable in strategic terms although further information is required before the application can be considered fully compliant with London Plan transport policy, as set out in paragraphs 67 to 72.

Recommendation

That Bromley Council be advised that the application is not acceptable in strategic planning terms and does not fully comply with the London Plan; but that the possible remedies set out in paragraph 77 of this report could address these deficiencies.

Context

1 On 30 January 2017 the Mayor of London received documents from Bromley Council notifying him of a planning application of potential strategic importance to develop the above site for the above uses. Under the provisions of The Town & Country Planning (Mayor of London) Order 2008 the Mayor has until 10 March 2017 to provide the Council with a statement setting out whether he considers that the application complies with the London Plan, and his reasons for taking that view. The Mayor may also provide other comments. This report sets out information for the Mayor's use in deciding what decision to make.

2 The application is referable under Category 1A of the Schedule to the Order 2008: *"Development which comprises or includes the provision of more than 150 houses, flats, or houses and flats."*

3 Once Bromley Council has resolved to determine the application, it is required to refer it back to the Mayor for his decision as to whether to direct refusal; take it over for his own determination; or allow the Council to determine it itself.

4 The Mayor of London's statement on this case will be made available on the GLA website www.london.gov.uk.

Site description

5 The 0.6 hectare site is bounded to the west by the former Dylon site (under construction for redevelopment), Pool River to the east and Worsley Bridge Road to the north. To the south and beyond the river is Metropolitan Open Land which comprises sports fields. The site currently contains two storey light industrial units and a small area of hard standing fronting Worsley Bridge Road. The two buildings are subdivided into nine smaller units (Use Classes B1/B2/B8/Sui Generis). A pumping station for the river is located in the north eastern corner of the site.

6 Lower Sydenham railway station is 80 metres to the west and offers connections between London Charing Cross, Cannon Street and Hayes. Trains arrive at a frequency of four per hour. There are numerous bus stops close to the site which provide services between Lewisham, Bromley, Grove Park and Bell Green. The site is within 800 metres walking distance of Beckenham, which is identified as a district town centre with night-time economy activities of more than local significance in the London Plan. The site has a PTAL rating of 2, which indicates a poor level of accessibility to public transport.

Details of the proposal

7 The proposals envisage redevelopment of the site to deliver 159 new residential dwellings and 1,243sqm of employment floorspace, which could be delivered as Use Class B1a, b or c. There would also be provision of a private residents gym of 157 sqm as well as private amenity space, cycle parking, car parking and associated public realm and landscaping.

8 The scheme is arranged as two parallel linear blocks along the east and west site boundaries, with a lower base block running parallel with Worsley Bridge Road along part of the northern boundary. The northern ends of the eastern and western linear blocks terminate in taller elements of 7 and 9 storeys respectively. The remainder of the scheme varies between 5, 6 and 7 stories.

9 A central podium deck at first floor partially covers a ground floor residential car park. The car park is accessed from Worseley Bridge Road at the north-eastern corner of the site, which is also the access point for a small surface car park for the commercial uses. The western edge of the site bounds the perimeter road proposed for the adjacent Dylon site. All commercial uses would be located within the ground floors, with residential units in the floors above. Car and cycle parking would be provided at ground floor within the courtyard, with a residents amenity space at the podium level above the partially covered car park. Some undercroft car parking is also provided at ground floor within the eastern block.



Figure 1: Site layout. Note northern half of carpark is contained within podium- boundary denoted by black line.

Case history

10 On 3 November 2016 a pre-application meeting was held between the applicant and GLA officers. The applicant was subsequently advised that the principle of development could be accepted provided further work was done to address the points raised in the report. Furthermore it was stressed that any planning application should be supported by robust evidence demonstrating that the commercial uses proposed would be viable and support local growth. The applicant was also strongly encouraged to contact GLA Housing & Land and explore ways of maximising the affordable housing offer.

11 The former Dylon Works site, which is located adjacent to the application site to the west, has an extensive and complex planning history. On 15 April 2010, planning permission was granted at appeal (Ref. 09/01664/FULL1, appeal reference AAP/G5180/A/09/2114194) for: "Mixed use redevelopment comprising basement car parking and 2 part five/ six/ seven/ eight storey blocks for use as Class B1 office accommodation (6884 sqm)/ Class A1 retail (449 sqm)/ Class A3 cafe/ restaurant (135 sqm)/ Class D1 crèche (437 sqm) and 149 flats (32 one bedroom/ 78 two bedroom/ 39 three bedroom)".

12 Following this original consent, planning permission was granted at appeal on 16 February 2015 (Ref. 13/03467/FULL1, appeal reference AAP/G5180/A/14/2219910) for: *“Erection of five storey building comprising 74 residential units; A1 retail; A3 cafe/ restaurant and a D1 crèche in place of Block A03 forming part of the approved planning permission Ref.09/01664 for the redevelopment of the Dylon site.”*

13 Overall the former Dylon Works site has planning permission for 223 residential units and 986 of Class A1/A3/D1 floorspace extending to between 5 and 8 storeys in height. Whilst referring to the adjacent site, the planning history of the Dylon site gives important planning context to the immediate area in which the application site is situated and is referenced in the submission documents.

Strategic planning issues and relevant policies and guidance

14 The relevant issues and corresponding policies are as follows:

- | | |
|---------------------------|--|
| • Mix of uses | <i>London Plan;</i> |
| • Housing | <i>London Plan; Housing SPG; Housing Strategy; draft Affordable Housing and Viability SPG;</i> |
| • Urban design | <i>London Plan; Shaping Neighbourhoods: Character and Context SPG</i> |
| • Density | <i>London Plan; Housing SPG</i> |
| • Green Belt/MOL | <i>London Plan</i> |
| • Sustainable development | <i>London Plan; Sustainable Design and Construction SPG; Mayor’s Climate Change Adaptation Strategy; Mayor’s Climate Change Mitigation and Energy Strategy; Mayor’s Water Strategy</i> |
| • Transport | <i>London Plan; the Mayor’s Transport Strategy</i> |

15 For the purposes of Section 38(6) of the Planning and Compulsory Purchase Act 2004, the development plans in force for the area are; the ‘saved’ policies of Bromley Council’s Unitary Development Plan, originally adopted on 20 July 2006 with the majority of policies saved in 2009, and the London Plan 2016 (The Spatial Development Strategy for London Consolidated with Alterations since 2011).

16 The following are also relevant material considerations:

- Bromley Council’s Draft Local Plan (consultation closed December 2016);
- The Mayor’s Draft Affordable Housing and Viability SPG (Consultation closed February 2017)
- The National Planning Policy Framework and National Planning Policy Guidance

Principle of development

Loss of industrial land and replacement commercial uses

17 London Plan policy 4.4 supports a rigorous, evidence-led approach to release of industrial land, through a plan, monitor manage approach. The Bromley UDP proposals map identifies the site as being within Lower Sydenham Business Area, which is a Locally Significant Industrial Site (LSIS). Where land is to be released from LSISs it must be based on strategic and local evidence and the proposed new uses must not compromise the integrity and viability of the remainder of the LSIS.

18 Since the pre-application stage, Bromley Councils Draft Local Plan submissions document has been subject to a period of formal consultation, which ended in December 2016. Draft Local Plan policy 83 related to LSIS, outlining that only B uses would normally be permitted and that loss of industrial uses would be refused unless it can be demonstrated that the site is no longer suitable and viable for its existing or alternative industrial use in the medium to long term. Draft Local Plan policy 82 allows for greater flexibility for new land-uses on industrial sites, including residential provided that a set of criteria can be met. The applicant has provided information to address these criteria as follows:

Suitability and viability

19 The applicant contends that the existing buildings are in poor condition, not compliant with standards and requirements of modern employers and has provided an Employment Land Report which concludes that they are obsolete and uneconomic to refurbish. As such, substantial investment would be required to demolish and rebuild premises that would enable the ongoing use of the site for industrial operators. It is also concluded that the location and access arrangements for the site and render it unsuitable for alternative uses such as logistics. The applicant does not, therefore, consider that there is any reasonable medium or long term prospect of new industrial uses on the site. The applicant also notes that, in relation to the appeal decision on the adjacent Dylon site, the inspector concluded that there was no reasonable prospect of the site being occupied by employment uses.

20 The applicant has also provided some evidence of marketing activity, and explained that a full marketing report will be made available in an attempt to demonstrate that market signals support this. This should be provided before the mayor sees the application again.

Quantum of floorspace

21 The current buildings have 4,132 sq.m of B1/B2/B2/Sui generic floorspace and the proposed development would provide 1,243 sq.m. of flexible B1 a,b or c employment floorspace. Using recognised job density figures the applicant has shown that this could be enough to support up to 141 new jobs, depending on the end user.

22 The Employment Land Report submitted suggests that there is a good local supply of employment floorspace and concludes that the release of poorly located land, on sites such as this, would not have an adverse impact on supply. This is accepted.

23 Whilst the proposal to provide flexible employment space is welcomed, and the quantum proposed would be considered a significant element of employment generating floorspace, the applicant's own supporting information confirms the concerns relating to the viability of this site for office or light industrial uses. The applicant has stated that the units will be designed to be suitable to a range of occupiers, including the creative industries. The addition, since pre-application, of ancillary parking adjacent to the commercial units will help to ensure that they are more attractive to the target market. A key factor determining this will, of course, be rental level. The applicant should provide details of rental expectations, how this relates to existing rates locally as well as any measures agreed with Bromley Council to support local training and employment initiatives.

Introduction of residential use and the function of the LSIS

24 The NPPF requires the planning system to do everything it can to support economic growth, whilst also ensuring that land is proactively recycled where it is surplus to requirements. Paragraphs 1.2.23 and 1.2.24 of the Housing SPG set out how local planning authorities should seek to enable additional housing capacity on surplus industrial land, within the context of London Plan policy 3.3. Subject to successful demonstration that the loss of industrial land be acceptable, the proposals present an opportunity for Bromley Council to reach and exceed its housing targets and further strengthen the residential character of this emerging neighbourhood.

25 It is noted that this site, along with the adjacent Dylon site is separated from the rest of the Lower Sydenham Business Area by the railway tracks to the west and Worsley Bridge Road to the north. The Dylon site already has permission for a residential-led development, and existing development across Worsley Bridge Road is largely residential in nature. Development on this part of the LSIS would be unlikely to compromise the primary function of the LSIS or its use for industrial use because of this separation.

Scale and design

26 The scale and design of the proposed scheme is appropriate considering the existing and proposed development around the site. This is covered in more detail in the Urban Design section of this report.

Conclusion

27 The applicant should provide information relating to proposed rental levels and the marketing evidence alluded to in the submitted Planning statement, substantiating the assertions relating to sustainability and viability. Should this conclude as outlined in the Planning Statement, the loss of industrial land would be acceptable, in line with London Plan policy 4.4 and the draft Local Plan policy 83.

28 Residential development on this site would not compromise business operators in the wider LSIS. Furthermore, this site presents an excellent opportunity to strengthen the emerging residential character of this part of the area and provide a contiguous link between existing and emerging residential development. Given the site's access to adjacent green open space and the fact that it is within walking distance of the nearby train station and Beckenham Town centre, it is considered that that sites such as this are appropriate for new high-density residential development and supporting uses and can make a significant contribution towards London's strategic housing need.

29 The principle of a residential-led mixed-use development on this site can be accepted in strategic terms provided that the applicant can robustly substantiate the points relating to sustainability and viability through production of the marketing report referred to in the Planning statement.

Housing

Housing supply

30 London Plan Policy 3.3 confirms the pressing need for more homes in order to promote opportunity and provide a real choice for all Londoners in ways that meet their needs at a price they can afford. London Plan Table A4.1 sets a target for Bromley Council to deliver a minimum of 641 new residential units a year until 2025. The proposed delivery of 159 homes would provide approximately 25% of Bromley's annual housing target, and as such is strongly supported.

31 The applicant has provided the following accommodation schedule showing unit size mix and tenure split:

Tenure	1 bed 2 person	2 bed 4 person	3 bed 4 person	3 bed 5 person	Units	Habitable rooms
Market	53	35	6	11	108	279
Intermediate rent	6	5	0	3	11	39
Affordable rent	16	16	0	8	40	112
Total	75	56	6	22	159	430

Table 1: Residential accommodation schedule

Unit size mix

32 The Housing SPG identifies London's particular need for meeting the housing requirements of families, particularly within the social/ affordable rent and intermediate tenures. The site has excellent access to green open space and would seem well suited to the provision of family accommodation. At the pre-application stage the scheme proposed 20% family accommodation, with the remainder being one or two bed units. The applicant was encouraged to explore the possibility of providing more three bed and larger units within the mix with the preference being for any family units to be within the affordable tenures.

The revised accommodation schedule shows 18% of the units being provided for family accommodation. This is lower than proposed at the pre-application stage, which is disappointing although it is noted that the applicant contends that the two bedroom, four person units should be considered large enough for small families. Overall this is considered acceptable.

Affordable housing

33 The *Affordable housing and viability* draft SPG sets a framework for delivering the maximum reasonable amount of affordable housing in the context of London Plan policies 3.11 and 3.12. The SPG also sets out the threshold approach to viability. This provides that applicants are not expected to provide viability information, nor be subject to review mechanisms where they:

- Deliver 35% or more affordable housing onsite without public subsidy;
- Are consistent with the relevant tenure split;
- Meet all of the other relevant policy requirements and obligations.

34 London Plan policy 3.11 sets out a preferred strategic tenure split, however, provides a flexibility that the Mayor is keen to maintain in order to meet local needs and ensure delivery of his preferred affordable products. Paragraph 2.28 in the *Affordable housing and viability* draft SPG sets out a preferred approach as follows, with regard to the split within the affordable tenures:

- At least 30% low cost rent (social and affordable rents)
- At least 30% intermediate products, with London Living Rent and/ or shared ownership being the preferred tenures
- The remaining 40% to be determined by the LPA

35 Bromley Council's UDP saved Policy H2 states that the council will seek 35% affordable housing, 70% of which will be social rented and 30% intermediate.

36 The applicant is currently proposing 54 affordable units (151 habitable rooms), equivalent to 35% affordable housing by habitable room. This is split as 74% affordable rent and 26% intermediate (DMR).

37 The 35% affordable housing is welcomed, however, the current offer needs to be supported by sufficient information setting out how the proposed rental levels relate to strategic and local need. The applicant is therefore required to provide information relating to the specific rental levels proposed within the affordable tenures, in light of paragraph 2.28 of the *Affordable housing and viability* draft SPG. The applicant should also finalise arrangements with a registered provider, and demonstrate how the final affordable housing offer has been maximised through the inclusion of any available grant funding.

Children's play space

38 Policy 3.6 of the London Plan deals with play and informal recreation spaces that developments will be expected to have for their expected child populations. The applicant has provided information showing how the proposals would provide 1,107 sqm of children's play space, which exceeds that required. Furthermore, a Design and Access Statement and Landscape Masterplan have been submitted, showing how dedicated play areas would be provided within the amenity spaces across the site, in areas that are accessible, safe and overlooked. As such the proposals are consistent with London Plan policy 3.6.

Urban design

Density

39 London Plan Policy 3.4 seeks to optimise housing density. Given the suburban location and PTAL 2 the London Plan provides an indicative density range of between 150-200 habitable rooms per hectare for this site. The proposed developments provide a residential density of 684 habitable rooms per hectare. The supporting text of London Plan Policy 3.4, however, confirms that the density matrix should not be applied mechanistically and higher densities can be appropriate if the development responds to local context, provides open space and play space, and does not adversely impact upon transport capacity.

40 Given the close proximity of Lower Sydenham railway station, any potential residents would have significantly better access to rail services than the low PTAL of the site suggests. The site is adjacent to large existing open spaces and is also within walking distance of Beckenham Town centre, with its amenities, plus a large supermarket. As discussed elsewhere in this report the higher density is considered acceptable given the high levels of on-site play space, appropriate response to local context and overall high quality of design which should mitigate any potential issues the higher density could produce.

Form and massing

41 The form and massing strategy is supported. The applicant has sought to break up the overall building mass into a series of smaller and distinct massing elements, with the taller elements positioned towards the station and away from the boundary with land designated as Metropolitan Open Land (MOL). The intention to implement a simple appearance, articulated through regular spacing of window openings and varying tones of high quality brickwork is welcomed.

Impact on MOL and local context

42 The applicant has provided a Design and Access Statement in support of the application as well as a Townscape and Visual Impact Assessment showing analysis of eight fully rendered views of the proposed development, as agreed in consultation with Bromley Council. These views show how the proposals would relate to local context and demonstrate the degree of impact the proposals could have on the prevailing townscape and the open quality of the adjacent MOL.

43 The proposals are a significant improvement visually over the low rise, poor quality 1930s industrial buildings currently on the site. As such they would enhance the appearance of the immediate and wider areas and, alongside neighbouring emerging development, help to consolidate the residential character of the area to the east of the railway tracks.

44 London Plan Policy 7.17 gives the strongest protection to Metropolitan Open Land, stating that the Mayor strongly supports its protection from development having an adverse impact on the openness of MOL. Although not in MOL, the application proposals have the potential to impact upon the openness of land immediately to the south, which is designated as MOL and comprises the Dylon site construction compound, a number of vacant former sports clubhouses and the former sports field of the Dylon site, which is not publically accessible.

45 The TVIA considers the impact on views of and from the MOL. The buildings are of a moderate scale, with the taller elements located at the part of the site furthers from the MOL. The applicant's efforts to reduce the height of the tallest element since the pre-application stage to minimises the visual impact on the MOL, are noted. The views assessed in the TVIA show that there is a change to the view, in that there would be larger structures visible than are currently on the site, but they are a visual improvement and therefore this is not a negative change. Furthermore, the buildings appear in views where the emerging Dylon site is already visible. It is not considered that the proposals would have an adverse impact on the openness of MOL.

Layout

46 The general layout proposed is supported. In light of the need to mitigate the higher density envisaged the applicant has paid particular attention to how the site integrates within the wider area. This includes setting out the wider pattern of pedestrian routes and how the proposal will be designed to link into and enhance them (through location of entrances/active frontages/alignment of frontages). The provision of a high quality riverside walkway is strongly supported.

Residential quality

47 Elsewhere, residential quality appears high and includes efficient core to unit ratios, naturally lit/ventilated cores and predominant east/west aspects. This is welcomed. The applicant has stated that the scheme will achieve generous floor to ceiling heights, although a specific height is not given. The applicant has undertaken ADF studies to ensure that all units will receive acceptable levels of daylight/sunlight penetration. The applicant should confirm that all units will achieve a minimum 2,500mm floor to ceiling heights.

Flood risk and sustainable drainage

48 The site is within Flood zone 3 and has areas of risk from surface water flooding and reservoir flooding that border the site. Parts of the site have been recorded as being flooded in 1965 and 1968. A Flood Risk Assessment (FRA) has been prepared by Ardent Consulting Engineers.

49 The FRA states that the flood risk modelling from the Environment Agency has recently been updated to demonstrate that no part of the site is within Flood Zone 3b (1 in 20 year flood risk). This reflects recent flood risk management works for the River Ravensbourne Catchment. Therefore river levels are expected to remain within the river channel under the 1 in 20 year event. Were it not for this updated information, the proposals would not have complied with NPPF and London Plan Policy which prevents development within Flood Zone 3b.

50 The majority of the site remains within Flood Zone 3a, therefore the site can be expected to flood in the 1 in 100 year event. Furthermore for flood events above the 1 in 50 year event, the site is expected to be surrounded by floodwaters to the south, east and north, including the main access/egress to the site via Worsley Road.

51 Therefore it is essential that the proposals include suitable flood mitigation measures.

52 The FRA states that no residential accommodation will be located on the ground floor. Ground floor uses will be commercial, which, as less vulnerable uses, are permitted within Flood Zone 3a.

53 The FRA also states a range of flood resilience measures, emergency planning measures and means of access/egress to safe areas in the event of a flood. These measures should be secured via appropriate planning conditions.

54 The applicant is advised to ensure that the essential utility services are designed to remain operational in the event of a flood, as it is likely that there will be people who will have to remain within the buildings during such an event.

55 Therefore whilst the development can be expected to be flooded during its lifetime, the FRA states a range of appropriate mitigation measures relevant to the relatively high risk present at the site and the proposals are acceptable in terms of London Plan Policy 5.12, subject to the application of suitable planning conditions to secure these mitigation measures.

56 Given the level of flood risk present at and immediately surrounding the site, and further downstream along the Pool River/River Ravensbourne, the control of surface water discharge from this site is an important consideration.

57 The FRA states that the development proposals have been designed to achieve at least a 50% reduction in the rate of surface water discharge from the site (for the 1 in 1 year storm, rising to an 88% reduction for the 1 in 100 year storm), compared to the current situation.

58 This will be achieved through using green roofs, permeable paving, landscaping which reduces the net impermeable area and through attenuation tank(s)/geo-cellular storage totalling 210 cubic metres.

59 Given the site's location and design, this approach is considered to comply with London Plan Policy 5:13.

Climate change mitigation

60 There are no existing or planned district heating networks within the vicinity of the site, however, the applicant has provided a commitment to ensuring that the development is designed to allow future connection to a district heating network should one become available.

61 In addition to the residential elements of the scheme, the provision for the connection of the non-domestic parts of the site should also be made. A drawing showing the route of the heat network linking all buildings on the site should be provided.

62 The applicant is proposing to install a 79 kWth / 50 kWe gas fired combined heat and power unit as the lead heat source for the site heat network, as well as 356 sqm of photovoltaic panels and air source heat pumps. A roof layout should be provided to confirm the location and size of the panels.

63 The applicant should demonstrate that the use of combined heat and power has been optimised before considering the use of the proposed renewable technologies. The applicant should therefore confirm that the CHP will be the lead heat source for all building uses (including space heating) with the air source heat pumps acting as a top up, and that the buildings will be served by a single heat distribution network in order to maximise the potential for connection. Information on the space heating and hot water demand of the residential and non-domestic elements should be submitted in line with GLA guidance.

64 For the domestic element of the scheme the development is expected to achieve on-site carbon dioxide savings of 38%, which is welcomed. As the application was received after 1 October 2016, however, the domestic buildings are required to meet the zero carbon target. The applicant should therefore ensure that the remaining regulated carbon dioxide emissions, equivalent to 118 tonnes per annum, is met through a contribution to Bromley Council's carbon offset fund.

65 For the non-domestic buildings, an overall saving of 36% is expected, which would exceed the on-site target set within Policy 5.2 of the London Plan.

66 The applicant must address the comments set out above in order to confirm compliance with London Plan climate change mitigation policy.

Transport

Car parking

67 A total of 85 car parking spaces will be delivered, which includes 16 blue badge spaces and two car club spaces. The residential parking ratio and level of Blue Badge provision is therefore considered acceptable in line with London Plan policy 6.13.

68 Electric Vehicle Charging Points (EVCPs) should be provided in line with the London Plan standards and should be secured by a condition.

Cycle Parking

69 A total of 249 cycle parking spaces are proposed which is compliant with the London Plan standards for the residential development. The applicant should provide further details confirming the level and type of provision related to the proposed commercial development in order to ensure conformity with London Plan policy 6.9.

Planning Obligations

70 A Framework Travel Plan has been submitted in support of the application. A detailed Travel Plan should be secured with monitoring through the section 106 agreement .

Supporting documents

71 A Delivery and Servicing Plan (DSP) is required as referred to in the London Freight Plan and a Construction Logistics Plan (CLP) should be secured by condition in accordance with London Plan Policy 6.3. This should include measures to reduce peak hour deliveries and conflicts with pedestrians and cyclists.

Community Infrastructure Levy (CIL)

72 The Mayoral has introduced a London-wide Community Infrastructure Levy (CIL) to help implement the London Plan, particularly policies 6.5 and 8.3 toward the funding of Crossrail. This development will be liable and the rate from Bromley is £35 per square metre of floor space. London borough councils are also able to introduce CIL charges which are payable in addition to the Mayor's CIL. insert council name

Local planning authority's position

73 Bromley Council are understood to oppose the principle of residential development.

Legal considerations

74 Under the arrangements set out in Article 4 of the Town and Country Planning (Mayor of London) Order 2008 the Mayor is required to provide the local planning authority with a statement setting out whether he considers that the application complies with the London Plan, and his reasons for taking that view. Unless notified otherwise by the Mayor, the Council must consult the Mayor again under Article 5 of the Order if it subsequently resolves to make a draft decision on the application, in order that the Mayor may decide whether to allow the draft decision to proceed unchanged, or direct the Council under Article 6 of the Order to refuse the application, or issue a direction under Article 7 of the Order that he is to act as the local planning authority for the purpose of determining the application and any connected application. There is no obligation at this present stage for the Mayor to indicate his intentions regarding a possible direction, and no such decision should be inferred from the Mayor's statement and comments.

Financial considerations

75 There are no financial considerations at this stage.

Conclusion

76 Surplus industrial land, in the right locations, can be used to deliver new high-density housing and supporting uses and can make a significant contribution towards London's strategic housing need. The Mayor's preferred approach to releasing such land is through the local plan process, however, release of surplus land through the determination of individual planning applications will also be considered given the strategic objective to maximise the provision of badly needed housing and affordable housing.

77 London Plan policies on industrial land, housing, urban design, flood risk and sustainable drainage, climate change and transport are relevant. The application complies with some of these policies but not with others. Further information and/or work, as detailed below is required before the application can be considered acceptable in strategic terms:

- **Principle of development:** The proposals are located within locally designated industrial land. The applicant needs to provide additional information to justify the loss of industrial land and the acceptance of residential uses, as set out in paragraphs 17 to 29.

- **Housing:** The applicant has proposed 35% affordable housing, however has not provided sufficient information relating to rental levels and how this relates to local and strategic need. This is required before this offer can be supported as set out in paragraphs 30-38.
- **Flood risk:** The applicant proposes mitigation measures that make the application compliant with London Plan flood risk policy.
- **Climate change mitigation:** Further information is required before the application can be considered compliant with London Plan climate change mitigation policy, as set out in paragraphs 60 to 66
- **Transport:** The proposals are broadly acceptable in strategic terms although further information is required before the application can be considered fully compliant with London Plan transport policy, as set out in paragraphs 67 to 72

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