

**04/4971/P: 110,112,128 Wellesley Avenue and H. Wallace & Co. Ltd,
172 St James Road, Croydon**

1. SUMMARY

- 1.1 On 2 March 2006, the Committee resolved to grant full planning permission for demolition of existing buildings; erection of a three/four/twenty storey building comprising 154 two bedroom, 21 one bedroom and 9 three bedroom flats; formation of vehicular accesses onto Wellesley Road and Newgate and provision of 55 parking spaces.
- 1.2 The resolution to grant permission was subject to the prior completion of a legal agreement under Section 106 of the Town & Country Planning Act 1990 to cover the provision of affordable housing, financial contributions towards public open space, sustainable transport, environmental improvements, air quality and the Croydon skyline. The legal agreement has not yet been issued. The applicant now wishes to vary the terms of the legal agreement in relation to affordable housing provision.

2. BACKGROUND

- 2.1 It was originally reported to Committee in paragraph 6.7 that 33% of the units would be provided as affordable housing (61 units). The applicant proposed that the affordable housing units be transferred to a Housing Association / Registered Social Landlord (RSL) at a price that would represent value for money to the Housing Corporation (and therefore be likely to obtain grant funding from the Housing Corporation).
- 2.2 Recently, the applicant identified that development costs would be higher than anticipated. It is worth noting that the Council engaged an independent financial consultant) to thoroughly examine all aspects of the scheme in economic terms. The consultant confirmed that costs associated with this scheme had been underestimated by a large margin.
- 2.3 Higher costs would mean that the affordable housing units would have to be transferred to a RSL at a higher price or the scheme would not be financially viable. The RSL has advised that it may require financial assistance (in the form of grant funding from the Housing Corporation) to buy the 61 units.
- 2.4 There is concern from the Director of Housing that the new cost of the 61 affordable units may not represent value for money to the Housing Corporation, and as a result grant funding may not be provided.

- 2.5 To provide for a situation where the Housing Corporation refuses grant funding, it is proposed that 'cascade' clauses be inserted into the S106 agreement. Effectively three 'cascading' options are proposed:
- 2.6 **Option 1.** Developer provides 61 affordable units at the higher transfer value which allows the scheme to be financially viable. An application is to be made to the Housing Corporation by the RSL for grant funding. If the application for grant funding fails, then Option 2 is to be implemented.
- 2.7 **Option 2.** Reduce the cost of the affordable housing units to a level which would represent value for money to the Housing Corporation and thus be likely to receive grant funding. Currently 33% of all the units in the scheme are to be affordable. The number of affordable housing units would be reduced from the 33% (61 units) to 24% (45 units), a reduction of 16 units.

The developer could then sell the 16 units at market value. The additional money that could be made by selling the 16 affordable units at market rates would be used to reduce the cost of the 45 remaining affordable units to the level likely to receive grant funding from the Housing Corporation.

The application as originally approved noted that 51% of affordable units would be for social rent and 49% would be shared ownership. This tenure split would not be changed.

An application would then to be made to the Housing Corporation for grant funding. If the application for grant funding fails, then Option 3 is to be implemented.

- 2.8 **Option 3.** Should the Housing Corporation still not provide grant funding of the 45 affordable as set out in Option 2, the Council would seek a commuted sum from the developer to provide affordable housing off site (i.e. all the on site units would be sold privately at full market value).

The commuted sum would be equal to the difference between the market value of the units and the higher transfer value at which they would have been transferred to a registered Social Landlord, i.e. a commuted sum of approximately £2.9 million. This money would be required to be paid to the Council by the developer before occupation of the development and would be used as a contribution towards affordable housing on an alternative site within the Borough to be determined by the Council's Housing Department. The Housing Department have existing processes and procedures in place so as to be able to undertake this task.

3. Comments from Housing Department

- 3.1 Croydon Council's Supplementary Planning Guidance No. 6 'Affordable Housing' (SPG 6) makes it clear that apart from in exceptional circumstances, on-site provision is preferable to either off site provision or a cash in-lieu payment.
- 3.2 Exceptional circumstances include situations where grant funding is not

available or where the mix of market and affordable housing is not economically viable (as is the case with the subject scheme).

- 3.3 SPG 6 states that the Council should ensure that financial contributions do not lead to the loss of opportunity to provide affordable housing where it is most needed.
- 3.4 The first 2 'cascade' clauses (Options 1 and 2) would provide an opportunity to achieve affordable housing on site; it is only if these options are not successful that the S106 legal agreement would allow the developer to pay a commuted sum in lieu of providing affordable housing on the site.
- 3.5 Some times, major sites can support a limited amount of affordable housing without the assistance of grant funding from the Housing Corporation. However, in this case, analysis by the Council's Housing Department shows that nearly twice as many affordable housing units could be provided off site with the £2.9 million commuted sum, as could be supported on site by the Housing Association without any grant funding.
- 3.6 Additionally, the provision of one and two bedroom affordable units secured on site would not meet the Council's pressing need for larger family accommodation (whereas cash in lieu payment could be used to develop such properties elsewhere).

4. OTHER ISSUES

- 4.1 55 parking spaces are provided and given the high PTAL rating of 6 in this location this is considered acceptable for the development. The reduction in affordable housing is not considered to have any significant impact on the overall parking need generated by the development. The parking would all be in the basement and it would not be possible to provide more in the area available.

5. RECOMMENDATIONS

- 5.1 It is recommended that the Committee accept the provision of the 'cascade' clauses to enable the Section 106 Agreement to be concluded and the planning permission released.

Case Officer: Kieran Gilmore

Background Documents: E-mail from Applicant's solicitors dated 31.10.2006

Contact Officer: Mr. P. Mills 0208 686 4433 (x62922)

04/04971/P

30/11/2004

Fairfield

Application for full planning permission

Agent:

DP9

Cassini House

57-59 St Jame's Street

London

SW1A 1LD

Applicant:

Phoenix Logistics

Location: 110,112,128 Wellesley Road & H.W.Wallace & Co Ltd 172 St James's Road (Newgate Roundabout) Croydon

Description: Demolition of existing buildings; erection of three/four/twenty storey building comprising 154 two bedroom, 21 one bedroom and 9 three bedroom flats; formation of vehicular accesses onto Wellesley Road and Newgate; provision of associated parking

Drawing No(s): Plans no (PL)01, 02 rev.D,03 rev.E,04 rev.D, 05 rev.C, 06 rev. C, 07 rev. C, 08 Rev. B, 09 rev. B,10 rev. B, 11, 20 rev. B, 21. rev. B, 22. rev. B, 23, 24 rev. C,25 all received 26. 1.2006

Recommendation: Grant Permission, subject to the prior written conclusion of a Section 106 Agreement within a period of six months from the date of this resolution, or such longer period as may be agreed in writing by the Head of Planning Control

Subject to the following condition(s) and reason(s):-

1. The approval of the Local Planning Authority shall be obtained with respect to the following matters before the development is begun:-

- (1) boundary walls
- (2) external facing materials
- (3) vehicular turning area
- (4) sound insulation

Reason: To ensure an acceptable standard of development having regard to the policies of the Unitary Development Plan and of the Second Deposit Draft Replacement Unitary Development Plan (the Croydon Plan)

2. Unless otherwise previously agreed by the Local Planning Authority in writing the matters approved in compliance with Condition1 shall be provided before any part of the development is commenced.

Reason: To ensure than an acceptable standard of development is provided

3. Unless otherwise previously agreed by the Local Planning Authority in writing the following shall be provided as specified in the application before any part of the development is occupied and those in Section A shall also be retained for so long as the development remains in existence.

- (1) parking arrangements including disabled parking persons vehicle parking bays
section B

(2) refuse storage

Reason: To ensure that an acceptable standard of development is provided and retained

4. A landscaping scheme to include existing and proposed planting shall be submitted to the Local Planning Authority for approval before the development is begun; when approved, the planting shall be provided before any part of the development is occupied or within such longer period or periods as the Local Planning Authority may previously agree in writing and shall be maintained for a period of five years from the date of planting; any planting which dies or is severely damaged or becomes seriously diseased or is removed within that period shall be replaced by planting of similar size and species to that originally provided

Reason: To enhance the appearance of the development, protect the visual amenities of the locality, and to ensure that the new planting becomes established in accordance with Policy BE14 of the Unitary Development Plan and Policy UD13 of the Second Deposit Draft Replacement Unitary Development Plan (the Croydon Plan)

5. The new planting and/or other landscaping treatment specified in the application shall be provided before any part of the development is occupied or within such longer period or periods as the Local Planning Authority may previously agree in writing and shall be maintained for a period of ten years from the date of planting; once planted the trees shall not be lopped, topped or otherwise removed, unless with prior written authority from the Council; any planting which dies or is severely damaged or becomes seriously diseased or is removed within that period shall be replaced by planting of similar size and species to that originally provided

Reason: To ensure that the new planting becomes established and thereby enhances the appearance of the development and contributes to the visual amenity of the locality in accordance with Policy BE14 of the Unitary Development Plan and Policy UD13 of the Second Deposit Draft Replacement Unitary Development Plan (the Croydon Plan)

6. Prior to the commencement of any building or engineering operations, a Construction Method Statement shall be submitted to the local planning authority for approval. The Statement shall include the following information and shall only be complied with throughout the implementation of the programme-

- (1) hours of construction,
- (2) hours of deliveries,
- (3) parking of vehicles associated with deliveries, site personnel, operatives and visitors,
- (4) loading and unloading of plant and materials,
- (5) storage of plant and materials used in constructing the development.

Reason: To ensure that the development does not prejudice the free flow of pedestrian and vehicular traffic and conditions of safety on the highway or cause inconvenience to other highway users.

7. Details of the signalized crossings showing safe access to and from the site for wheelchair users and the visually impaired shall be submitted to and approved by the Local Planning Authority prior to the completion of the development.

Reason: To ensure an acceptable level of highway safety in accordance with Policy T46 of the Unitary Development Plan and Policy T43 of the Second

Deposit Draft Replacement Unitary Development Plan (the Croydon Plan)

8. A site investigation and assessment into the possibility of soil contamination shall be carried out to the approval of the Local Planning Authority before the development is begun and except with the prior written agreement of the Local Planning Authority, any remedial measures identified in the assessment shall be carried out to the approval of the Local Planning Authority before the development is begun

Reason: To ensure the safe development of potentially contaminated land in accordance with Policy EP8 of the Unitary Development Plan and Policy EP9 of the Second Deposit Draft Replacement Unitary Development Plan (the Croydon Plan)

9. No development shall take place until the applicant has provided to the Local Planning Authority for approval an independently verified EcoHomes report that achieves 'Excellent' rating with certification. The approved scheme shall then be provided in accordance with these details. A certificated EcoHomes Post Construction Review shall be provided, verifying that the agreed standards have been met, prior to the first occupation of the development.

Reason: To accord with Policies UD1 and UD18 of the Second Deposit Draft Replacement Unitary Development Plan (the Croydon Plan)

10. No development shall take place until the applicant has provided to the Local Planning Authority a report for approval identifying how a minimum of 10% of the energy requirements generated by the development will be achieved by renewable energy production methods. The carbon savings which result from this will be above and beyond what is required to comply with Part L Building Regulations. The approved scheme shall then be provided in accordance with these details prior to the first occupation of the development and thereafter retained for so long as the development remains in existence. In this case, the applicant needs to develop the submitted plans for biomass energy use on site. In particular, this means specifying the biomass boiler to be used, and to present plans which demonstrate how biomass fuel delivery, storage, boiler feed, boiler operation and flue can all be satisfactorily accommodated on site (with the associated gas back-up and peak load plant), and ensure the plans are approved by the Local Planning Authority, prior to development.

Reason: To comply with Policy EP16 of the Unitary Development Plan and Policies EP22 and EP23 of the Second Deposit Draft Replacement Unitary Development Plan (the Croydon Plan)

11. The development shall be begun within five years of the date of the permission.

Reason: To comply with the provisions of the Town and Country Planning Act 1990

In granting permission the local planning authority had regard to the following policies:-

1. The relevant policies of the Unitary Development Plan are are SP1, BE1, BE3 - BE7, BE10 - BE14, BE16 -BE18, BE23, SP4, T23, T46, SP30, SP31, H2, H8 and H11.
2. The relevant policies of the Second Deposit Draft Replacement Unitary Development Plan (the Croydon Plan) are SP3,SP20,SP21,SP22,SP24,UD1,UD2,UD6,UD8,UD9,UD10,UD11,UD13,UD14,UD16,UD18,RO15,SP16,T30,T31, H3 and H5,H8,H10,H13,T30

The development is considered to be satisfactory in relation to the following:-

- (a) the appearance of the development in the street scene
- (b) the relationship of the development to adjacent property
- (c) the character of the development in the surrounding area
- (d) the impact on the amenities of the occupiers of adjacent and nearby properties
- (e) the light and outlook of occupiers of adjacent and nearby properties
- (f) the privacy of occupiers of adjacent and nearby properties
- (g) the relationship of the development to trees to be retained
- (h) the safety of pedestrians and motorists on the adjacent highway
- (i) the safety and security of buildings and the spaces around them
- (j) accessibility to buildings
- (k) the employment policies of the development plan
- (m) the housing policies of the development plan
- (n) the archaeology policies of the development plan
- (o) the setting of the nearby listed building
- (r) sustainability issues
- (t) the recreational open space policies of the development plan
- (w) the high buildings policies of the development plan
- (gg) the provision of satisfactory living accommodation for future residents of the flats

and having regard to all other matters raised.

Ward: Fairfield DEVELOPMENT CONTROL COMMITTEE
Lead Officer: Head of Planning Control 2nd March 2006

**04/4971/P: 110,112,128 Wellesley Avenue and H. Wallace & Co. Ltd,
172 St James Road, Croydon**

1. SUMMARY

- 1.1 This report concerns an application for full planning permission for demolition of existing buildings; erection of a three/four/twenty storey building comprising 154 two bedroom, 21 one bedroom and 9 three bedroom flats; formation of vehicular accesses onto Wellesley Road and Newgate and provision of 55 parking spaces.
- 1.2 An Officer of the Council has declared an interest in this application

2. RECOMMENDATIONS

- 2.1 That planning permission is granted subject to the conditions and reasons set out in the agenda and subject to:
 - (a) Any Direction from the Mayor of London,
 - (b) The prior completion of a Section 106 legal agreement relating to:
 - the provision of affordable housing
 - securing a Travel Plan
 - any necessary TV reception remedial measures
 - public art
 - a contribution of £346,000 towards:
 - Public open space
 - Croydon Skyline
 - Public transport infrastructure

3. BACKGROUND

(a) Site Description

- 3.1 The application site is a traffic island located at the intersection of St James's Road and Wellesley Road at the northern edge of Croydon Town centre. The main traffic routes to Croydon from the north, east and west all converge on the site. The site has an area of. 58 hectares
- 3.2 The site is occupied by two semi detached two storey Victorian houses on the south west corner, a three storey pub called the Goose and Carrot on the north west corner, a three storey office building to the north east and an industrial building along the eastern boundary. The majority of the buildings are in a poor state of repair. The land between the buildings is used for car parking. The perimeter of the site has only a fragmented built edge, with much of the land lying unkempt.
- 3.3 Surrounding the site is a mixture of low and medium rise buildings. To the west is a terrace of two storey housing fronting onto Wellesley Road, dropping to a single storey at the intersection with the railway line to the north. To the south and west of the site along Newgate are three and four storey housing blocks, surrounded by amenity space. To the north is a four-storey housing development, which backs onto the railway line. West Croydon Baptist Church, which is Grade 2 Listed, lies to the west of the railway line along St James Road. This is in close proximity to a 12 storey residential building in Whitehorse Road

(b) Relevant Planning History

- 3.4 The planning history mainly refers to minor applications and adverts for the buildings within the site.

(c) Proposal

- 3.5 Full planning permission is sought for the demolition of the existing buildings and the erection of three/four/twenty storey building comprising 154 two bedroom, 21 one bedroom and 9 three bedroom flats; formation of vehicular accesses onto Wellesley Road and provision of 55 parking spaces at basement level and cycle provision.
- 3.6 The proposed building would rise to twenty storeys in the northeast part of the site and to four and five storeys to the southeast. The 184 residential units would include 21 one bedroom, 154 two bedroom and 9 three bedroom flats. Of this, 33% would comprise affordable housing for the Horizon Housing Association.
- 3.7 The main reception area would be accessed by a footpath and ramp from the northwest entrance of the site.
- 3.8 The materials would be primarily aluminium framed glazing with panelling using a total of 6 colours.

- 3.9 The application has been accompanied by Planning, Design and Landscape Statements, a Daylight Assessment, Transport Impact Assessment, Archaeological Statement, Sustainability and Ecohomes Statements, Air Quality and Wind Assessments and an Employment Marketing Report.
- 3.10 The proposals have been amended by revisions to the car parking and access arrangements, landscaped areas and design of the building.

4. PLANNING POLICIES

- 4.1 The relevant Policies of the Unitary Development Plan are SP1, BE1, BE3 - BE7, BE10 - BE14, BE16 -BE18, BE23, SP4, T23, T46, SP30, SP31, H2, H8, H18 and H11.
- 4.2 The relevant policies of the Second Deposit Unitary Development Plan are SP3,SP20,SP21,SP22,SP24,UD1,UD2,UD6,UD8,UD9,UD10,UD11,UD13,UD14,UD16,UD18,RO15,SP16,T30,T31, H3 and H5,H8,H10,H13,T30, RO15 .

5. CONSULTATIONS

- 5.1 The application has been advertised in the local press as a Major Development.
- 5.2 The occupiers of one hundred and ninety nine nearby properties were notified of this application. 3 letters of objection have been received. A summary of the comments are as follows;
- (a) the additional traffic would add to congestion with more pollution in the area
 - (b) tall buildings should be located away from built up area to deter terrorist attacks
 - (c) There should no repeat of 1960s building boom with development out of character with the area as a 20 storey building is not right in the area
 - (d) the loss of the pub should not be allowed
 - (e) it will result in overcrowding in the area and a five storey building would be more appropriate to the area
 - (f) There are not enough recreational facilities in the area to support the number of the flats.
- 5.3 A letter has also been received stating that an additional pedestrian crossing should be provided connecting to the south side of St James Road as this is the preferred route for wheelchair users.
- 5.4 3 letters supporting the application have also been received.
- 5.5 Cllr Pat Knight has requested that the application be referred to Committee for the following reasons
- (1)-dominating structure out of keeping with surroundings and high density
 - (2)- limited amenity area and car parking
 - (3)- some possible adverse impact on residents of nearby properties
- 5.6 Cllr Nuala O'Neill has expressed concern regarding the development.
- 5.7 English Heritage has commented that Archaeology is not likely to be an issue and no additional condition is required.
- 5.8 The Commission for Architecture and the Built Environment: have stated that they

have inadequate resources to make comments

- 5.9 The Mayor of London has commented that overall the scheme has the potential to deliver a positive addition to the Croydon skyline. The architecture and design is of a high standard and responds appropriately to the existing townscape. It has the potential to deliver a truly sustainable development. The main outstanding concern is the level of affordable housing which is short of the levels required by the London Plan.

6. CONSIDERATIONS

- 6.1 The principal issues to be considered are:

- (a) the loss of an employment use
- (b) residential density,
- (c) design and massing
- (d) impact on adjoining properties and residential amenity
- (e) amenities of future occupiers
- (f) affordable housing
- (g) highways and parking.

6.2 Loss of employment use

The industrial uses on the site have been vacant since September, 2003. The building is outside but close to Central Croydon as defined in the UDP. A submitted marketing report indicates that the buildings are no longer in a suitable location for employment use and are no longer satisfactory to meet the demands of modern industrial operators. The redevelopment of the site for residential purposes is considered acceptable in this location and would bring an otherwise vacant site into beneficial use. The proposal would also concur with Policy EM8 that seeks to retain sites in employment use unless they are considered no longer suitable, with housing. There are no objections to the loss of the other uses on the site and their replacement with residential accommodation.

6.3 Residential Density

The proposal would have a density of 935 habitable rooms per hectare. This is above the density range of 160- 300 HRH for mixed housing schemes in policy H8 of the draft Croydon Plan but it is accepted that the site is located in an area of good accessibility and good public transport links with a PTAL rating of 6. Policy H10 permits proposals for higher density development in areas such as Central Croydon subject to amenity considerations. Although the application is not in Central Croydon it is adjacent to it. The London Plan indicates that for sites within ten minutes walking distance of a town centre with a high PTAL the density range for residential development should be 165- 275 units per hectare.

6.4 Design and Massing

The proposal drops down from 20 storeys to the north to 4 storeys on the south and east sides. The tall building would have a curved shape and appear to wrap round the northeast corner of the site. The lower level responds to the existing residential properties on the southeast side of the site. The development would provide a number of urban design benefits to Central Croydon. Notably, the introduction of a well designed contemporary 'statement' building into an area of relatively indifferent architecture which has neither stylistic consistency or any focal point. Policy UD8 of the UDP identifies parts of Central Croydon as suitable for tall buildings. Although this site is outside that area the Croydon Plan does not

preclude the siting of tall buildings in this location. The building would be clearly higher than those immediately surrounding the site, which are generally 3 storeys. The next highest building would be the 12 storey one situated close to junction with Whitehorse Road. On balance, it is considered that the site's position as an island and as a gateway to Central Croydon justifies a prominent building.

6.5 Residential Amenity

The siting and design of the building has been carefully considered. The submitted daylight assessment shows that there would be no material impact on the adjacent residential properties.

6.6 The proposed flats would have room sizes and layouts to an acceptable standard and would be designed to lifetime home standards.

6.7 Affordable Housing

Council policy requires that that 50% of the habitable rooms on a proposal of this scale should comprise affordable housing. In this instance 33% of the units would be affordable consisting of 31 social rented flats and 30 shared ownership flats (this equates to 39% of all habitable rooms). A thorough financial assessment of the project has been provided. This shows that higher levels of affordable accommodation are likely to affect the viability of the development. The Director of Housing concurs with this view.

6.8 Highways and Parking

A total of 55 parking spaces would be provided for the development with use of basement with provision for cycles. This is considered acceptable given the high PTAL rating of 6 in this location which is only 375 m from the major transport interchange at west Croydon. A new pedestrian crossing would be provided in the northwest corner linking to St James Road. Pedestrian controlled signals would be introduced to the junction between Newgate and Wellesley Road. Subject to the conditions requiring the submission of construction management programme and a travel plan the scheme is considered acceptable. As a result of these measures it is not considered that the scheme would have an adverse impact on the highway network of the area.

6.9 Local Open Space

Policy RO15 of the draft Croydon plan requires that major residential schemes of this size and scale provide public open space or commuted sums towards the improvement of existing open space or purchase of new open space. The site is within an area deficient in local parks and is approximately 740 metres from the nearest local park at Boulogne Road/Whitehorse Road Recreation Grounds. A contribution of £156,000 would normally be sought. The applicants have proposed a contribution of £100,000. With regard to the submitted financial assessment this is considered to be acceptable.

6.10 Public Art

An area for public art along the perimeter of the site would be provided and this would be included within the provisions of a legal agreement

6.11 Other Issues

The erection of a building of this height may have an impact on television reception in the locality. The BBC and Ofcom have jointly produced a document that states that it is difficult to predict the impact of tall buildings on TV reception at the design stage.

The applicants have agreed to the inclusion in the 106 agreement of a requirement that any necessary remedial measures are addressed.

7. ENVIRONMENTAL CONSIDERATIONS

- 7.1 An Eco Homes report has been provided which shows a possible rating of “excellent”. This is considered acceptable subject to the imposition of a condition to secure this. The development also anticipates achieving 10% renewable energy which would also be secured by condition.
- 7.2 An Air Quality Assessment has been provided. This shows that there would be no adverse impact would occur from the development as a result of the increased traffic flows. The applicants have also agreed to contribute £6000 to the Council’s Air Quality Action Plan as part of a legal agreement. A Wind Assessment has also been carried out. Due to the isolated nature of the site situated away from other large scale buildings it is not considered that the proposal would be significantly affected by surrounding buildings nor have a significant impact on pedestrians.

8. EQUALITIES CONSIDERATIONS

- 8.1 7 disabled parking spaces have been provided

Case Officer: Kieran Gilmore

Background Documents: 3 letters from adjoining and nearby occupiers.
Referral from Cllr Knight
Letter from Cllr O’Neill
Greater London Authority
English Heritage
Commission for Architecture and the Built Environment

Contact Officer: Philip Mills 020 8760 5419