

4 September 2012

Claire Jones-Hughes
C/O Banks Solutions
Managing Development DPD Programme Officer
6 Brading Road
Brighton
BN2 3PD

100 Pall Mall
London SW1Y 5NQ
telephone 020 7004 1700
facsimile 020 7004 1790
www.dp9.co.uk

Delivered by courier and email

**Issue Number 1
Representor Number 635200**

Dear Sir

**LB TOWER HAMLETS 'MANAGING DEVELOPMENT' DPD PUBLIC EXAMINATION
Position Statement Submitted on behalf of Bishopsgate Goods Yard Regeneration Limited
Policy DM3**

On behalf of our client, Bishopsgate Regeneration Limited, we wish to submit the following 'Position Statement' in advance of appearing at the Public Examination of the LB Tower Hamlets Managing Development DPD. This Position Statement is submitted in respect of Policy DM3 'Delivering Homes'.

We recognise that the scope of the Public Examination is to consider whether the DPD meets the 'soundness' tests set out in the National Planning Policy Framework. However, it should be noted that the previous written representations on the 'Proposed Submission Version' of the Managing Development DPD on 8th March 2012 provided comments on a number of policies including Policy DM3, and the representations within that letter remain valid in respect of this particular issue.

This 'Position Statement' is provided in respect of Issue 1, as follows:

"Are the housing policies consistent with the NPPF, the London Plan and the Core Strategy and/or supported by clear and robust evidence; are they reasonable and realistic, clear, deliverable and appropriate to local needs and circumstances, including in relation to affordable housing?"

The section below sets out the reasons why the proposed wording of Policy DM3 is not consistent with the NPPF, the London Plan and the Core Strategy.



Policy Framework

Following the submission of representations to the 'Proposed Submission Version' of the DPD, the National Planning Policy Framework (NPPF) was published on 27th March 2012. The NPPF replaces a raft of previous national guidance, including PPGs, PPSs and circulars, with one consolidated statement of national planning policy. At the heart of the NPPF is a presumption in favour of sustainable development, which is referred to as a "golden thread" running through plan-making and decision-taking. Decision-takers at every level are advised that sustainable development can be approved without delay.

Paragraph 173 of the NPPF identifies that in order to pursue sustainable development, careful attention to viability and costs in plan making and decision taking needs to be made to make sure plans are deliverable. The NPPF continues that sites should not be subject to such a scale of obligations or policy burdens that their ability to be developed viably is threatened.

Policy 3.12 of the London Plan advises that, "*Negotiations on sites should take account of their individual circumstances including development viability, the availability of public subsidy, the implications of phased development including provisions for reappraising the viability of schemes prior to implementation ('contingent obligations'), and other scheme requirements.*"

Criterion 3(a) of the adopted Core Strategy Policy identifies an overall strategic target of 50% affordable homes to be delivered until 2025. The adopted policy states that this will be achieved by, "*Requiring 35%-50% affordable homes on sites providing 10 new residential units or more (subject to viability)*" [our underlining].

Consideration of 'Soundness'

The current proposed wording of Policy DM3 does not make reference in any form that the level of affordable housing which can be delivered by a development is influenced by viability and individual site specific circumstances. In the case of Bishopsgate Goods Yard, for example, there are significant abnormal costs associated with delivering a viable development, with a significant sum of money having already been expended by our clients to facilitate the East London Line through the site.

Given that both financial viability and the role that the individual circumstances of a site have in affordable housing delivery are recognised in the NPPF, Policy 3.12 of the London Plan and Core Strategy Policy SP02, the currently proposed wording of the Policy DM3 is therefore not consistent with these adopted planning policy documents.

For the above reasons, the proposed wording of Policy DM3 is considered 'unsound' as the policy approach is not consistent with that set out in national, regional and local planning policy.

Proposed Change



To make Policy DM3 'sound', it is suggested that the following changes be made to the wording of the policy:

'1. Development will be required to provide affordable housing ~~in accordance with~~ which contributes towards the Council's overall strategic tenure split (70% Social Rent and 30% Intermediate) as set out in the Core Strategy...

*3. Development should seek to ~~maximise the delivery~~ 35-50% affordable housing on site, **having regard to individual site circumstances including subject to development viability.***

a. Any off-site affordable housing will only be considered in circumstances where it can be demonstrated that:

*i. it is not practical **nor viable** to provide affordable housing on-site....'*

We confirm that we wish to attend the hearing session scheduled for Tuesday 18th September, at which this policy is to be discussed.

If you would like to discuss any aspect of these representations in more detail please feel free to contact Julian Shirley of this office, otherwise we look forward to discussing this issue at the upcoming examination.

Yours faithfully,

DP9