

15 September 2015

Greater London Authority  
City Hall  
The Queen's Walk  
More London  
London  
SE1 2AA  
For the attention of Stewart Murray

DP9 Ltd  
100 Pall Mall  
London SW1Y 5NQ  
  
Registered No. 05092507  
  
telephone 020 7004 1700  
facsimile 020 7004 1790  
  
[www.dp9.co.uk](http://www.dp9.co.uk)

Dear Sirs

**TOWN & COUNTRY PLANNING ACT 1990 (AS AMENDED)  
GREATER LONDON AUTHORITY ACTS 1999 AND 2007  
TOWN AND COUNTRY PLANNING (MAYOR OF LONDON) ORDER 2008**

**BISHOPSGATE GOODSYARD  
LONDON BOROUGH OF TOWER HAMLETS (REF. PA/14/02011) AND HACKNEY  
(REF. 2014/2425)**

We refer to the above planning applications which were submitted simultaneously to the London Boroughs of Tower Hamlets and Hackney ("the Boroughs") on 21<sup>st</sup> July 2014 by DP9 Ltd. on behalf of Bishopsgate Goodsyrd Regeneration Limited ("the applicant") for the redevelopment of Bishopsgate Goodsyrd ("the Site").

The applications are both of 'Potential Strategic Importance' ("PSI") as defined in the Schedule to the Town and Country Planning (Mayor of London) Order 2008 ("the 2008 Order") and as such have been the subject of referral to the Greater London Authority ("GLA").

This letter constitutes a request to the Mayor of London to issue a direction under section 2A of the Town and Country Planning Act 1990 over these applications (and associated applications for listed building consent) and to act as local planning authority for both applications.

This letter sets out the background to both applications, the importance of the proposed development, the way in which the applications meet the criteria set out in Article 7 of the 2008 Order and the reasons we consider it is entirely appropriate for the Mayor now to exercise his discretion and to issue a direction that he is to be the local planning authority for the purpose of determining the planning applications.

**The Site**

The Site is one of the largest strategic vacant brownfield sites (4.4ha) in central London and represents a major opportunity to continue the process of regeneration and renewal in the surrounding area that has been ongoing for the last 15 years. The Site has remained undeveloped



for the last 50 years largely because its regeneration has proved to be economically challenging due to the significant site constraints and complexities summarised below:

- Two Grade II listed structures (the Braithwaite Viaduct and the Oriel Gateway structures) constrain/influence development;
- The London Overground Line runs at high level west to east across the Site;
- Shoreditch High Street Station is located within the Site;
- The proposed eight tracking railway safeguarding restricting development on a swathe of land through the Site;
- The Central Line railway lines cut across the Site;
- The Mainline and Suburban Lines run adjacent to and under the Site;
- There is extensive statutory undertaker apparatus under the Site, including a BT Tunnel running underneath Braithwaite Street;
- The Borough boundary runs through the Site;
- Two strategic views, in addition to a number of important local views, affect the Site; and
- The Site is bounded on all sides by Conservation Areas.

The Site benefits from excellent accessibility to public transport and is within close proximity to a vibrant diversity of surrounding activities. There is scope to provide a high density mixed use sustainable development which would provide a significant contribution to London as a world city and also the local communities in Shoreditch, Brick Lane and Spitalfields.

### **The Proposed Development**

The applications are submitted in outline with part in detail, proposing the comprehensive mixed use redevelopment of the Site. The description of development for which planning permission is sought is as follows:

#### LB Tower Hamlets

*“An OUTLINE application for the comprehensive mixed use redevelopment of the site comprising:*

- *Residential (Class C3) comprising up to 1,356 residential units;*
- *Business Use (Class B1) – up to 65,859 sqm (GIA);*
- *Retail, financial and professional services, restaurants and cafes and hot food takeaways (Class A1, A2, A3 and A5) – up to 17,499 sqm (GIA) of which only 2,184 m<sup>2</sup> (GIA) can be used as Class A5;*
- *Non-residential Institutions (Class D1) – up to 495 sqm (GIA);*



- *Assembly and Leisure (Class D2) – up to 661 sqm (GIA);*
- *Public conveniences (sui generis) – up to 36 sqm (GIA);*
- *Ancillary and plant space – up to 30,896 sqm (GIA);*
- *Basement – up to 8,629 sqm (GIA);*
- *Formation of new pedestrian and vehicular access and means of access and circulation within the site; and*
- *Provision of 22,642 sqm of new public open space and landscaping.*

*The application proposes a total of 12 buildings that range in height, with the highest being 177.6 m AOD and the lowest being 23.6 m AOD.*

*With all matters reserved save that FULL DETAILS are submitted for alterations to and the partial removal of existing structures on the site and the erection of three buildings for residential (Class C3), namely Plot C (ground level, plus 26- 30 storeys, plus plant); Plot F (ground level, plus 46 storeys, plus plant); Plot G (ground level, plus 38 storeys, plus plant) comprising up to 940 of the total residential units; and retail and food and drink uses (A1, A2, A3, A5); and use of the ground and basement levels of the Braithwaite Viaduct for retail and food and drink / community uses (A1, A2, A3, A5/D1). Works to and use of the Oriel and adjoining structures for retail and food and drink uses (A1, A2, A3, A5).*

*For that part of the site within LB Tower Hamlets, the proposed development comprises the following mix of uses:*

- *Up to 91,469 m<sup>2</sup> (GIA) of residential use (Class C3);*
- *Up to 16,670 m<sup>2</sup> (GIA) of Business Use (Class B1);*
- *Up to 10,984 m<sup>2</sup> (GIA) of Retail Use (Class A1, A2, A3, A5 of which only 1,960 m<sup>2</sup> (GIA) can be used for hot food takeaways (Class A5);*
- *Up to 495 m<sup>2</sup> (GIA) of Non-residential Institution Use (Class D1);*
- *Up to 661 m<sup>2</sup> (GIA) of Assembly and Leisure Use (Class D2);*
- *Up to 36 m<sup>2</sup> (GIA) of sui generis use;*
- *Up to 18,147 m<sup>2</sup> (GIA) of ancillary and plant space;*
- *Up to 5,224 m<sup>2</sup> (GIA) of basement.”*

### LB Hackney

*“An OUTLINE application for the comprehensive mixed use redevelopment of the site comprising:*

- *Residential (Class C3) comprising up to 1,356 residential units;*
- *Business Use (Class B1) – up to 65,859 sqm (GIA);*
- *Retail, financial and professional services, restaurants and cafes and hot food takeaways (Class A1, A2, A3 and A5) – up to 17,499 sqm (GIA) of which only 2,184 m<sup>2</sup> (GIA) can be used as Class A5;*
- *Non-residential Institutions (Class D1) – up to 495 sqm (GIA);*
- *Assembly and Leisure (Class D2) – up to 661 sqm (GIA);*
- *Public conveniences (sui generis) – up to 36 sqm (GIA);*
- *Ancillary and plant space – up to 30,896 sqm (GIA);*



- *Basement – up to 8,629 sqm (GIA);*
- *Formation of new pedestrian and vehicular access and means of access and circulation within the site; and*
- *Provision of 22,642 sqm of new public open space and landscaping.*

*The application proposes a total of 12 buildings that range in height, with the highest being 177.6 m AOD and the lowest being 23.6 m AOD.*

*With all matters reserved save that FULL DETAILS are submitted for alterations to and the partial removal of existing structures on the site and the erection of three buildings for residential (Class C3), namely Plot C (ground level, plus 26- 30 storeys, plus plant); Plot F (ground level, plus 46 storeys, plus plant); Plot G (ground level, plus 38 storeys, plus plant) comprising up to 940 of the total residential units; and retail and food and drink uses (A1, A2, A3, A5); and use of the ground and basement levels of the Braithwaite Viaduct for retail and food and drink / community uses (A1, A2, A3, A5/D1). Works to and use of the Oriel and adjoining structures for retail and food and drink uses (A1, A2, A3, A5).*

*For that part of the site within LB Hackney, the proposed development comprises the following mix of uses:*

- *Up to 64,330 m<sup>2</sup> (GIA) of Residential use (Class C3);*
- *Up to 49,189 m<sup>2</sup> (GIA) of Business Use (Class B1);*
- *Up to 6,515 m<sup>2</sup> (GIA) of Retail Use (Class A1, A2, A3 and A5), of which only 224 m<sup>2</sup> (GIA) can be used for hot food takeaways (Class A5);*
- *Up to 12,749 m<sup>2</sup> (GIA) of ancillary and plant space;*
- *Up to 3,405 m<sup>2</sup> (GIA) of basement.”*

## **Background to the Applications**

The applicant originally commenced discussions with the Boroughs and the GLA with regard to the future regeneration of the Site in 2007. A programme of discussions took place with the Boroughs in respect of a preparing a framework for the redevelopment of the Site, in advance of the submission of a planning application(s).

However, recognising that the importance of this large strategic Site, discussions on an emerging scheme were put on hold, as the Boroughs requested a ‘masterplan’ to be prepared in advance of the submission of any planning application. Therefore, pre-application discussions with the Boroughs ceased and as requested, the applicant worked with both Boroughs and the GLA to prepare ‘Interim Planning Guidance’ (“IPG”) for the Site.

Following the completion of public consultation and community engagement, the IPG was adopted by the London Boroughs of Hackney and Tower Hamlets, and approved by the Mayor in late 2009 and was subsequently published in early 2010. The IPG provides a framework for the comprehensive redevelopment of the Site and is a material consideration in the determination of the planning applications.



In terms of the potential quantum of development, the IPG envisages that the Site is an opportunity for a suitable form of high density development and advises that the overall regeneration of the Site could deliver:

- Approximately 350,000 sqm of overall development;
- Up to 2,000 homes, including affordable housing;
- Approximately 75,000 – 150,000 sqm of non-residential floorspace;
- Approximately 1.8ha of publicly accessible open space.

The proposed development has been informed by a site-wide masterplan concept, based on the Site specific development principles in the IPG, taking into account the unique circumstances of the Site to provide a sustainable mix of uses. In land use terms, as set out in the planning application documents, the proposed quantum of development sits comfortably within the appropriate range indicated in the IPG, set out above.

In terms of building heights, the IPG sets out a guiding principle that there should be a transition in scale and building height across the site from west to east. In accordance with this principle, the western part of the Site would comprise the highest density development with the tallest buildings linking with existing and consented tall buildings around Bishopsgate and Shoreditch High Street. The remainder of the Site to the east of Braithwaite Street would comprise a mix of uses and a series of buildings scaling down in height towards Brick Lane.

The IPG sets out the provision of new public spaces and specifically a public park on top of the listed Braithwaite Viaduct as an integral part of the design of any scheme. The IPG refers to the provision of 1.8ha of publicly accessible open space within the Site. A fundamental element of the proposed development is the creation of a raised 0.97ha park and the provision of a total of 2.25ha of public open space.

### **The Planning Applications**

The applications were submitted following a lengthy and thorough period of pre-application discussions from May 2013 to July 2014 with both Boroughs, the GLA and others. Identical site-wide planning applications were submitted to each borough to reflect a holistic approach to the development of this strategic Site. Each Borough is therefore responsible for determining the planning application within its jurisdiction.

Following submission of the planning applications, there has been a significant amount of further consultation with the Boroughs and the GLA and interested parties in respect of the proposed development. During the application, comments were raised by both statutory and non-statutory consultees, principally concerning the following key topics:

- The height and architectural treatment of Plots C, F and G;
- The visual impact of Plots F and G on the Tower of London World Heritage Site;
- The mix of residential units across the site, specifically relating to the high proportion of studio units;
- A requirement to increase the quantum of commercial use, specifically within that part of the site in LB Hackney;
- More detail required in respect of the treatment of Plots A and B (part of the Outline



Component).

The applicant carefully reviewed and considered all consultation responses and has sought to positively address any issues raised, as far as possible. As a result, following discussions with the Boroughs, a number of amendments to the planning applications were submitted to both Boroughs on 15<sup>th</sup> June 2015. We have set out a summary of the amendments to the planning applications below.

- The scale of Plots C, F and G has been reconsidered with a corresponding reduction in building heights, as set out below:
  - Plot C has been reduced by the equivalent of 6 storeys with the removal of 4 floors of apartments from each building along with a series of design amendments reducing the overall heights of each building from 144.4m to 123.9m and 131.6m to 111.4m respectively.
  - Plot F has reduced in height on the basis of design amendments, dropping its overall height from 180.4m to 177.6m.
  - Plot G has reduced in height due to the reduction in the number of storeys from 42 to 38 and design amendments, resulting in a reduction in overall height from 167.6m to 152.4m.
- The parameter plans for Plots A and B have also been revised and further illustrative design work undertaken in respect of these two Plots to provide flexible space that will target the growing Tech City market.
- Plot K has been reconsidered as an opportunity to provide greater employment provision within the development to address LB Hackney planning policy and also the Mayor's emerging policy for the City Fringe / Tech City Opportunity Area. The planning application site boundary was amended to include a revised office building for Plot K that now spans the open cut railway line adjacent to Quaker Street.

Associated applications for listed building consent have also been submitted to the Boroughs for works to the listed structures within their part of the Site. The extent of works proposed in these applications has remained unchanged from that originally submitted in July 2014.

The proposed development has been the subject of extensive public consultation both prior to submission and post submission of the applications in July 2014. During this period, the applicant hosted a significant number of local public exhibitions, workshops, one-to-one meetings, walk-and-talks, which attracted over 1,400 attendees. Following the submission of amendments to the applications in June 2015, the applicant undertook a further round of public consultation by organising an additional four-day public exhibition of the amended scheme. The statutory consultation period following the submission of the amendments to the applications started on 6<sup>th</sup> July 2015 for a three week period. To date, the applicant has received no feedback from the Boroughs following the closure of the statutory consultation period at the end of July 2015.

More recently, an updated Mayor's Stage 1 report (ref. D&P/1200B&C) ("the updated Stage 1 report") was published on 9<sup>th</sup> September 2015 to reflect the amendments made to the scheme. In



summary, the updated Stage 1 report considers that the application is broadly acceptable in strategic terms and the covering statement provided by the Mayor confirms that the amendments made to the applications are welcome, *“particularly the increase in employment floor space and the reduction in the height of the towers.”*

### **Confirmation of applications as PSI applications**

The applications are both PSI applications in their own right under a number of Categories, and both applications individually fall within Category 1A

Category 1A: Development which comprises or includes the provision of more than 150 houses, flats or houses and flats

Both applications individually fall within Category 1A (more than 150 houses and/or flats). The part of the Site within LB Hackney comprises 582 residential units and up to 774 residential units are proposed within LB Tower Hamlets. Taken together the proposed development comprises a maximum of 1,356 and a minimum of 1,257 residential units.

Category 1B: Development (other than development which only comprises the provision of houses, flats or houses and flats) which comprises or includes the erection of a building or buildings...in Central London (other than the City of London) and with a total floorspace of more than 20,000 sqm

Both applications individually fall within Category 1B (mixed development of over 20,000 sqm). The part of the Site within Hackney comprises up to 149,352 sqm of floorspace and the part of the Site within Tower Hamlets comprises up to 143,508 sqm of floorspace.

Category 1C: Development which comprises or includes the erection of a building of...more than 30 metres high and is outside the City of London

Both applications individually fall within Category 1C (buildings more than 30 metres high outside the City of London). Both parts of the Site contain buildings in excess of 30m in height.

### **Criteria to be met for the Mayor to make a direction that he is to be the Local Planning Authority**

The 2008 Order sets out the criteria that must be met for the Mayor to exercise his discretion and become the local planning authority. These are set out in Article 7 (1) of the Order as follows:

- (a) the development or any of the issues raised by the development to which the PSI application relates is of such a nature or scale that it would have a significant impact on the implementation of the spatial development strategy;
- (a) the development or any of the issues raised by the development to which the application relates has significant effects that are likely to affect more than one London Borough; and
- (b) there are sound planning reasons for issuing a direction.



The Order states that, where, as in the case of both these applications, the applications fall within Category 1A then by virtue of paragraph 7(4), paragraph 1(b) does not apply.

We have also had regard to the London Planning Statement SPG May 2014 (“the SPG”) which sets out more guidance on the circumstances where the Mayor’s powers may be used to become the local planning authority.

We deal with each of the criteria in turn as follows:

**(a) Significant Impact on the Implementation of the London Plan**

The developments to which the PSI applications relate are of such a nature or scale that they would have significant impacts on the implementation of the London Plan. These are:

a) The Need for Regeneration

The site lies within the Central Activities Zone (“CAZ”) and the City Fringe / Tech City Opportunity Area. Policy 2.13 of the London Plan (2015) relates to Opportunity Areas and states that development proposals within such areas should:

- Support the strategic policy directions for Opportunity Areas;
- Seek to optimise residential and non-residential densities and where appropriate contain a mix of uses;
- Contribute towards meeting (or where appropriate, exceeding) the minimum guidelines for housing and/or employment capacity; and
- Support wider regeneration (including in particular improvements to environmental quality) and integrate development proposals to the surrounding areas especially areas for regeneration.

The regeneration of the wider area and the Site in particular is referenced in the Mayor’s 2020 Vision and the draft City Fringe Opportunity Area Planning Framework to provide a significant number of uses which include new housing, retail, offices, public open space, community and leisure uses. Specifically, the London Plan sets a target of a minimum of 8,700 new homes (and 70,000 new jobs) to be provided in the Opportunity Area by 2036.

Policy 2.11 of the London Plan encourages a range of uses within the Central Activities Zone (“CAZ”) and states that where a development proposes an increase in office floorspace, proposals should include a mix of uses including housing. Policies 2.10 and 2.11 of the London Plan also seek to support and improve the retail offer of the CAZ residents, workers and visitors.

The Site has remained vacant for approximately 50 years and is widely recognised in planning policy at regional and local levels as a major opportunity to provide a range of site specific regeneration benefits and also benefits to the wider surrounding area, including:

- A significant contribution to local regeneration, including local employment opportunities;
- Creation of new jobs through both the construction and operational phases;
- Increasing London’s supply of quality housing;





- Facilitating the development of affordable housing;
- Improving the provision of local retail and community facilities;
- Improving and enhancing public realm, particularly open space in the area, providing new opportunities for recreation, community interaction and enjoyment;
- Increasing permeability of the site, facilitating improved pedestrian movement and access within the local area;
- Restoring the historic fabric of the site, enhancing structures and emphasising historical past and previous uses of the site;
- Creating active and engaging street frontages which improve the local environment and streetscape, and encourage a feeling of safety, particularly at night; and
- Providing a mix of uses to facilitate the delivery of this strategic site, resulting in local benefits including job creation and a new park.

A key element of the proposed scheme is the large area of public open space on top of the retained Braithwaite Viaduct. This is a significant area that would provide a new 2.4 acre new public park for London. This in itself will bring significant regeneration benefits and create a new destination for London.

The proposed development will also provide key on-site heritage benefits to on-site structures, including those that are on the Historic England 'At Risk' register, namely:

- Repair and reuse of the Grade II listed Braithwaite Viaduct, a building at risk, and full integration of the structure into the wider scheme;
- Repair and reuse of the Grade II listed Former Forecourt Walls and Gates (the Oriel), a building at risk, and full integration of the structure into the wider scheme;
- Repair and incorporation of the unlisted Sclater Street wall (northern boundary) into the wider scheme with some alteration to provide increased openings;
- Repair, refurbishment and reuse of the unlisted Sclater Street weavers' cottages which are currently in a very poor state of repair;
- Repair, refurbishment and reuse of the unlisted Sclater Street Mission Hall and incorporation into the wider scheme;
- Alterations to the Brick Lane perimeter wall to improve access from Brick Lane into the site and increase public access to the Braithwaite Viaduct;
- Retention, repair and reuse of the unlisted vaults to the south of the Grade II listed Braithwaite Viaduct;
- Repair and refurbishment of the jack-arches to London Road and incorporation of London Road into the scheme as a principal, public east-west route; and,
- Retention and repair of the former Goodsyrd external wall north of the existing ramp and full incorporation into the wider scheme.

All adopted and emerging development plan policy documents at regional and local levels have consistently recognised the Site as an opportunity for regeneration providing a substantial quantum of housing, office, open space and other uses. Specifically, the IPG sets out that the development of the Site will help to regenerate the surrounding areas.

The proposed development will provide high quality new buildings of outstanding design quality, which addresses the policy requirements of both Boroughs and the Mayor's objectives



for the Opportunity Area, while responding positively to the on-site heritage assets referred to above. The proposed development has been formulated in accordance with the key principles set out in the IPG for the Site.

b) The Delivery of Housing

The London Plan sets a target of 8,700 new homes for the Opportunity Area by 2036. London Plan Policy 3.3 specifically relates to increasing housing supply in London, stating that the Mayor will seek to ensure the housing needs identified in paragraphs 3.17 and 3.18 are met, particularly through provision consistent with at least an annual average of 32,210 net additional homes across London.

The London Plan sets out that through LDF preparation, boroughs should seek to achieve and exceed the relevant minimum borough average housing target, which for LB Hackney is a minimum of 1,599 new residential units a year until 2025 and for Tower Hamlets, a minimum of 3,391 homes.

Both Boroughs' Core Strategies seek to maximise affordable housing, and that 50% of additional housing to be built in the borough over the plan period should be affordable, subject to site characteristics and viability.

The London Plan Annual Monitoring Report 11 (2013-14) was published in March 2015 and sets out the performance of the Boroughs in housing delivery over the past five years. The tables below set out the performance of the Boroughs in 'conventional' housing delivery over the past five years.

It can be seen in the table below that Tower Hamlets has consistently and by significant margins failed to meet its London Plan target for the past five years.

<b>Tower Hamlets</b>	<b>Net Completions (units)</b>						
	Market	Social Rent	Intermediate	Affordable Rent	Total Delivered	London Plan Target	Difference (+/-)
2009	1,807	379	266	0	2,465	3,150	- 685
2010	981	191	124	0	1,296	3,150	-1,854
2011	189	547	167	0	903	2,462	-1,559
2012	696	172	102	0	997	2,462	-1,465
2013	580	73	31	0	684	2,462	-1,778
<b>Total</b>	<b>4,253</b>	<b>1,362</b>	<b>690</b>	<b>0</b>	<b>6,345</b>	<b>13,686</b>	<b>- 7,341</b>

The table below shows that Hackney in recent years has failed to meet the London Plan housing targets, although it did exceed this in 2012.



Hackney	Net Completions (units)						
	Financial Year	Market	Social Rent	Intermediate	Affordable Rent	Total	London Plan Target
2009	1,016	334	277	0	1,627	1,085	542
2010	41	197	153	0	391	1,085	-694
2011	572	247	183	0	1,002	1,124	-122
2012	585	378	184	13	1,160	1,124	36
2013	669	305	146	0	1,120	1,124	-4
Total	2,883	1,461	943	13	5,300	5,542	-242

The proposed development would deliver up to 1,356 new residential units across the Site (up to 782 in Tower Hamlets and 582 in Hackney) which would be a clear benefit to housing delivery for both Boroughs and for London as a whole. As such, based on the maximum number of proposed residential units, this represents 36.4% of the London Plan (2015) yearly target for LBH and 19.7% for LBTH for new build development. A strategic site, such as Bishopsgate Goodsyard, is important in terms of contributing to the Boroughs' housing targets set out in the London Plan.

#### c) London's Economy

As stated above, the London Plan expects the City Fringe / Tech City Opportunity Area to provide at least 70,000 new jobs by 2036.

As recognised by the Mayor in the updated Stage 1 report, the planning applications have been amended to significantly increase the employment opportunities of the scheme to meet the policy aspirations of the Mayor's draft City Fringe OAPF and also the policy requirements of LB Hackney. The proposed development will provide an estimated 494 net construction employment jobs and an estimated 6,095 net operational phase jobs for a range of employment generating uses (under the minimum parameter development).

LB Tower Hamlets 2012/2013 Annual Monitoring Report states that, of completed schemes, there was a net loss of 821 m<sup>2</sup> of employment floor space in the reporting year. Further, within this monitoring period, there would be a greater net loss of 37,028 m<sup>2</sup> of employment floor space once all planning approvals were completed.

LB Hackney 2013/2014 Annual Monitoring Report confirms a net loss of 13,960 m<sup>2</sup> of employment floor space in the reporting year.

It can be seen that both Boroughs are failing to deliver a net increase in employment floor space to meet the strategic objectives of their Core Strategies and the London Plan, namely the development aspirations of the Opportunity Area.

The proposed scheme would deliver a significant quantum of office floorspace, which comprises flexible space for a range of potential occupiers. The provision of business and flexible workspace will contribute to the achievement of a mixed use development, the principle of



which is set out in the London Plan and the Boroughs' adopted and emerging planning policy documents.

The proposed job creation generated from the proposed development would therefore contribute significantly to the City Fringe / Tech City Opportunity Area. In accordance with the Central Activities Zone policies, the proposed development would bring forward a mixed use scheme including a significant quantum of office accommodation, with employment also created by the proposed retail and other uses.

**(b) Development Likely to Affect Other Boroughs**

We note that Article 7(4) of the 2008 Order states that where a development falls into Category 1A of the Schedule (i.e. more than 150 residential units) then this criterion does not apply.

Nevertheless, the Mayor will note that the project straddles the boundary of two boroughs, that both applications are promoted on a holistic basis and that this is a fundamental principle of the IPG for the Site, jointly adopted by the two boroughs and endorsed by the GLA in 2010.

Clearly, the scale of the proposed development and the fact that the Site straddles the Borough boundary, will result in significant effects that are likely to affect more than one Borough.

**(c) Sound planning reasons for issuing a direction**

There are a number of reasons why it would be appropriate for the Mayor to issue a direction in this case, as follows:

a) Development Principles

The principle of redevelopment of this strategic site is supported by the London Plan. As set out in the Mayor's Stage 1 report (ref. D&P/1200b&c) issued to the Boroughs on 12<sup>th</sup> December 2014, the Mayor recognises that "*the principle of the regeneration of this site has been established for some time. The draft City Fringe OAPF (2008) identifies the site as a major mixed use development opportunity and suitable location for tall buildings.*" The principle of the future redevelopment of the Site was established in the IPG that was consistent with then draft OAPF.

Subsequently, the Draft City Fringe OAPF (December 2014) highlights the Site as "*the largest brownfield site in the City Fringe. Any development on this site should take account of the adopted Interim Planning Guidance...*" The Site is also identified as a major development opportunity in the LB Hackney Proposed Site Allocations Local Plan (2015) and the LB Tower Hamlets Managing Development Document (April 2013).

The Mayor's Stage 1 report concluded that, in general, the submitted application "*is generally acceptable in strategic planning terms*" and generally complied with the London Plan policies on land use, housing and affordable housing, strategic views, World Heritage Site and heritage assets, urban design and tall buildings, open space, inclusive access, sustainable development and transport.



The proposed development for the regeneration of the Site is entirely consistent with planning policy at all levels, namely:

- The NPPF promotes mixed use development on previously developed land.
- The London Plan (2015) and the Mayor of London's '2020 Vision' and the draft City Fringe OAPF all support proposals that optimise density, increase housing supply and contribute to employment and housing targets within the CAZ and the Opportunity Area.
- The Site has consistently and continues to be specifically identified as a major development opportunity within the Boroughs' Core Strategies and emerging Development Plan Documents.
- The IPG prepared for the Site identifies the site as suitable for high density development that strengthens the local economy, significantly contributes to the housing market and provides a place for new and existing communities to enjoy.

The objectives of planning policies all levels seek the provision of much needed residential accommodation (including affordable housing) and a mix of non-residential uses providing a range of employment opportunities, significant public realm and landscaping, set within a high quality designed masterplan.

However, it is recognised that further topics were identified in the GLA Stage 1 report requiring further discussion. The amendments submitted to the scheme in June 2015 sought to address the comments raised by The Mayor, but also those raised by the Boroughs and other consultees.

The updated Stage 1 report addresses the amendments made to the planning applications, as follows:

#### *Housing*

The Mayor recognises that while the proposed number of units has reduced from 1,464 to 1,356, this would still represent a significant contribution to new housing in London. The amendments made to the mix of units are welcomed, particularly the significant reduction in studio units.

In terms of housing quality, confirmation is welcome that there are no single aspect north facing units, all units have private amenity space and there is a commitment to meet the requirements of the Mayor's Housing SPG.

The applicant recognises that further discussions are required in respect of viability matters associated with the provision of affordable housing. Progress on this issue with the Boroughs and their advisors is set out further in this letter.

#### *Employment*

To reflect the comments raised in the Stage 1 report and those of LB Hackney, the updated Stage 1 report states that the increase of Class B1 floor space is "*strongly welcomed, particularly in relation to the additional job opportunities this offers*". It is also noted that the significant quantum of commercial space would, at its maximum, represent a commercial led scheme in line with the policy requirement of LB Hackney.



## *Urban Design and Tall Buildings*

In terms of layout, the updated Stage 1 report considers that the revision to Plot K has the *“significant benefit of allowing frontage and activation along Phoenix Place”* and addresses a key area of concern previously raised.

In relation to the amendments to building heights, the reduction to Plot C *“has a positive effect on the overall scale of the scheme and improves a number of views around the site.”* The reduction in height of Plots F and G is also welcomed and as such it is acknowledged that *“the harm to the heritage assets and impact on OUV [Outstanding Universal Value] is therefore less than previously reported, and continues to be outweighed by the public benefits previously identified.”*

The updated Stage 1 report notes that the detailed appearance of the scheme has progressed and that the emerging details are *“very positive”* and *“demonstrate a quality scheme using robust materials that would add positively to this part of the city.”*

### Decision Making Timescales

The National Planning Policy Framework (“NPPF”) is clear at paragraph 14 that *“presumption in favour of sustainable development...means approving development proposals that accord with the development plan without delay...”*

### *Planning Performance Agreement (PPA)*

Following submission of the planning applications on 21<sup>st</sup> July 2014, the applications were validated by LB Tower Hamlets on 9<sup>th</sup> September 2014 and LB Hackney on 11<sup>th</sup> September 2014.

The Applicant and the Boroughs entered into a pre-submission PPA to cover the pre-application discussions up to the point of submission of the planning applications. Prior to submission of the applications, discussions with the Boroughs also commenced in respect of a post-submission PPA to cover the determination period of the planning applications. In this regard, a first draft ‘post –submission’ PPA was sent to the Boroughs on 18<sup>th</sup> June 2014. To initiate the discussion, the first draft PPA targeted a committee of *“no later than 31<sup>st</sup> March 2015.”*

Following further discussions with the Boroughs and recognising the need to prepare and submit amendments to the planning applications to address comments, a further revised draft PPA was issued targeting a committee in September 2015. The view from LB Hackney was that the timescales were too narrow and would preclude any further negotiation or revisions to the scheme. Furthermore, due to other PPA commitments on large schemes, a September target committee was not considered feasible by LB Hackney.

A further draft PPA was issued to the Boroughs prior to the submission of amendments to the planning application, targeting a committee no later than the end of October 2015. The applicant proposed the target committee as the 7<sup>th</sup> and 8<sup>th</sup> of October. At the time of writing, no comments from the Boroughs have been received on the latest draft PPA. Furthermore, following receipt of the updated Stage 1 report, a further request has been asked of the Boroughs to set out their



anticipated timescales for taking the applications to committee. At the time of writing, there has been no response from the Boroughs of a likely committee date(s).

### *Affordable Housing*

The other key outstanding matter is the provision of affordable housing in terms of the maximum reasonable amount of affordable housing that the scheme is able to sustain in the context of viability testing. The overall approach agreed at the outset is that affordable housing and viability is to be considered holistically across the two borough jurisdictions.

Prior to submission of the planning applications, it was agreed between the Boroughs and the Applicant that the most appropriate approach would be for the Borough's to jointly appoint an independent viability consultant to assess the submitted FVA. BNP Paribas ("BNPP") who had previously advised both boroughs on site specific viability matters, were subsequently appointed to act as independent advisers.

A Financial Viability Assessment (FVA), prepared by DS2 on behalf of the Applicant was submitted in September 2014 as part of the planning applications to determine the maximum reasonable amount of affordable housing that the scheme could sustain. Since the submission of the FVA, progress on this topic with the Boroughs and BNPP have been slow.

On 28<sup>th</sup> November 2014, a meeting was held between the Applicant, DS2, DP9 Ltd and the Boroughs and BNPP to discuss the progress with reviewing the submitted FVA. At the meeting, it was confirmed by the Boroughs that a cost consultant had not yet been appointed to review the submitted FVA. Indeed, it was not until February 2015, that a cost consultant was appointed to review the FVA, some five months after submission.

A viability 'tracking schedule', setting out the position on the various viability inputs was subsequently prepared by BNPP and issued by the Boroughs on 2<sup>nd</sup> April 2015. A response to the schedule prepared by DS2 was issued to BNPP on 11<sup>th</sup> May 2015. Following submission of the amendments to the planning applications, a report from BNPP on the scheme submitted in July 2014 was issued on 15<sup>th</sup> July 2015.

A response to the BNPP report prepared by DS2 was submitted to the Boroughs on 29<sup>th</sup> July 2015 and, following submission of the FVA to reflect the amended scheme on 31<sup>st</sup> July 2015, a meeting was held with the Boroughs and their advisors on 3<sup>rd</sup> August 2015. At that meeting, BNPP advised that a response to the DS2 response would be forthcoming in mid-August. To date, this has not been provided.

Given that it has taken ten months for the Boroughs' advisor to prepare a report on viability matters, the applicant has serious concerns as to the timing of a subsequent report to reflect the viability matters associated with the amended planning applications.

### **Summary**

The applicant is requesting the Mayor to intervene in this case and take over the planning applications (and associated applications for listed building consent) submitted to LB Hackney and LB Tower Hamlets for the regeneration of Bishopsgate Goodsyrd.



The applicant has very significant concerns about the likelihood of obtaining a decision on these applications within a reasonable timescale, an issue underlined by the lack of any feedback from the Boroughs following the closure of the statutory consultation period at the end of July 2015. In addition to this no firm commitment has been given by the Boroughs to agree a target committee date(s) for determination of the applications within such a timescale. It therefore appears that it is highly unlikely that the applications for this strategic site will be promptly determined and on a reasonable basis. This would add further doubt to the redevelopment of this strategic Site.

The applicant has committed very significant resources to these planning applications including working with the Boroughs (and the GLA) to prepare specific planning guidance for the Site. As requested many years ago, the applicant entered into the process with the Boroughs to agree specific planning guidance for the Site to guide the form of the redevelopment of the Site. The planning applications have been formulated in accordance with the key principles set out in the IPG for the Site.

A comprehensive pre-application process and extensive discussions with the Boroughs has been carried out both prior to and post submission of the applications. As such, the applicant considers that it is now reasonable to request a prompt determination of the applications.

This letter has demonstrated that the applications are both applications of Potential Strategic Importance within the terms of the 2008 Order. It has also demonstrated that the criteria set out in Articles 7(1) and 7(3) of the 2008 Order are satisfied, such that it is entirely appropriate for the Mayor to issue a direction under Section 2A of the Town and Country Planning Act 1990.

The application Site is without question a 'strategic' site within the London context and, as an opportunity for regeneration, has remained vacant for far too long. The planning applications would have a significant positive impact on the implementation of the London Plan policies in terms of regeneration, housing delivery and job creation. Specifically for this part of London, the proposed development will contribute significantly to the City Fringe / Tech City Opportunity Area objectives for job creation and London's continued growth. The amendments made to the planning applications in terms of the proposed mix of uses are "strongly supported" and address the comments raised by the Mayor at the initial consultation stage.

In terms of housing delivery, the Boroughs have consistently fallen short of meeting the London Plan housing targets (with the exception of LB Hackney in 2012). There is no doubt that the provision of up to 1,356 new residential units across the Site (582 in Hackney and 774 in Tower Hamlets), plus a viable amount of affordable housing would significantly contribute to meeting both Boroughs' London Plan targets.

There is a longstanding and unresolved concern about being able to agree viability matters and the affordable housing provision in the scheme with the Boroughs and their advisors. There is therefore no realistic prospect of decisions being taken on the applications within a reasonable timescale.

For the reasons set out in this letter, on behalf of the applicant, we ask the Mayor to exercise his powers under section 2A of the Town and Country Planning Act 1990 and direct that the Mayor should become the local planning authority for the applications.





Yours faithfully

DP9 Ltd.

**DP9 Ltd.**

CC : Colin Wilson : GLA  
Justin Carr : GLA