



LONDON BOROUGH OF LEWISHAM

TOWN AND COUNTRY PLANNING ACT 1990

APPEAL NO: APP/C5690/W/23/3321935

COUNCIL'S REF: DC/22/129789

ADDRESS: 21-57 WILLOW WAY, UPPER SYDENHAM, LONDON, SE26 4QP

PROOF OF EVIDENCE OF ANTIGONI GKIZA, MSc



Lewisham

Contents

1. QUALIFICATIONS, EXPERIENCE AND SCOPE	2
Qualifications and Experience	2
This Proof of Evidence.....	2
Scope of Evidence.....	2
Statement of Truth.....	2
2. INTRODUCTION AND BACKGROUND	4
3. REASONS FOR REFUSAL	5
4. GROUNDS OF APPEAL AND MAIN ISSUES	7
Main Issue 1: Whether there is conflict with the employment policies of the development plan having regard to: the loss of industrial capacity on the site; the co-location of residential uses; the acceptability of the proposed design for future occupiers.....	8
Relevant Reasons for Refusal.....	8
Relevant policies	8
Discussion.....	13
Main Issue 4: Whether the proposal would provide an appropriate affordable housing mix.	23
Relevant Reason for Refusal	23
Relevant Policy	23
Discussion.....	25
Main Issue 6: Whether the proposal is acceptable in terms of the emerging masterplan area and the wider site allocation.	27
Relevant Reasons for Refusal.....	27
Relevant Policy	28
Discussion.....	34
Main Issue 7: Other considerations that might amount to benefits of the proposal, Main Issue 8: The extent to which the proposal is consistent with the development plan, and the weight to be attributed to the policies in the emerging development plan and Main Issue 9: Whether any harm and/or development plan conflict arising would be outweighed by other considerations.	37
5. CONCLUSION AND SUMMARY	48

1. QUALIFICATIONS, EXPERIENCE AND SCOPE

Qualifications and Experience

- 1.1 I am Antigoni Gkiza, and I am a Planning Officer within the Planning Service of the London Borough of Lewisham (LBL). I have a MSc in Urban Regeneration (University College London, 2020) and an Integrated Master's Degree in Spatial Planning and Development Engineering (Aristotle University of Thessaloniki, Greece, 2019).
- 1.2 I have two years of experience within the planning profession, including experience of development management in the public sector. I have experience of a wide range of schemes, including conversion of commercial spaces to commercial and residential schemes and provision of residential developments.
- 1.3 I confirm that I am familiar with the site and the surrounding area.

This Proof of Evidence

- 1.4 I have prepared this proof of evidence on behalf of Lewisham Council (hereafter referred to as the "Council") who as the local planning authority, refused the appeal application (Council Planning application reference DC/22/129789) at on 23 March 2023.

Scope of Evidence

- 1.5 I will be presenting evidence in relation to the relevant planning matters associated with the reasons for refusal. My evidence has full regard to the information submitted to date in relation to the application.
- 1.6 The evidence presented in this proof should be read alongside the separate proofs prepared by Joanna Ecclestone, Senior Conservation and Design Officer, Beth Stevens, Senior Urban Design Officer and Melissa Vento, Principal Transport Planner.

Statement of Truth

- 1.7 The Royal Town Planning Institute (RTPI) has published a Practice Advice – Planners as Expert Witnesses (September, 2018), which outlines the principles of good practice.
- 1.8 The evidence I shall provide to the Inquiry as contained in this Proof of Evidence has been prepared and is given in accordance with the guidance of the RTPI. The opinions expressed are my true and professional opinions. In providing expert evidence to the Inquiry, I am fully aware that my duty is to the Inquiry and to provide my honestly held professional view, irrespective of by whom I am employed.

2. INTRODUCTION AND BACKGROUND

- 2.1 The application was submitted in December 2022 for development described as “Demolition of existing buildings and redevelopment of the site comprising a block rising to 5/6 storeys accommodating 1,401sqm of employment floorspace (Use Classes E(g)(i)(ii)(iii)) at ground and mezzanine floors and 60 residential units (Use Class C3) above, with associated landscaping, amenity areas, cycle, car parking and refuse/recycling stores at 21- 57 Willow Way, London, SE26.”
- 2.2 The application was initially assigned to a different case officer but was later re-allocated. The case officer, who prepared the report recommending refusal of the application, went on maternity leave, and the original case officer and I took over the preparation of the appeal documents in July 2023 and prepared the statement of case, the working draft statement of common ground, the working draft conditions and the draft s106 Heads of Terms. I can therefore confirm that I am familiar with the site, surroundings and the application details.
- 2.3 The reasons for refusal are set out in Section 3 below.
- 2.4 My evidence responds to the case put by the appellants in their Statement of Case dated 11th May 2023. I give evidence on behalf of LBL in its role as Local Planning Authority having regard to the planning policy framework and key planning considerations. My Proof of Evidence deals with the main issues 4, 6, 7, 8 and 9 as identified by the Inspector and discussed at the Case Management Conference (CMC).

3. REASONS FOR REFUSAL

3.1 The application was refused by LB Lewisham under delegated powers on 23 March 2023, for the following reasons:

- 1. The proposal would result in a loss of industrial capacity on the site which would be a departure from the adopted local plan and no exceptional circumstances are demonstrated to show that this would be compliant with the direction of the draft Local Plan. The proposal would therefore fail to comply with Policy 3 in Lewisham's Core Strategy (2011), Site Allocation 48 in the Site Allocations Local Plan (2013), Policy D7 in the London Plan (2021) as well as emerging policies (Site Allocation 9: Willow Way, EC2, EC3, EC6) in the Lewisham Local Plan Proposed Submission Document-Regulation 19 Stage (January 2023).*
- 2. The lack of detail on the proposed uses across the masterplan site results in a failure to demonstrate that the intensified co-location of uses can function at the proposed capacity of the masterplan site. Furthermore, it results in officers being unable to conclude that the proposal would meet the relevant transport, design, public realm or environmental policy (noise, air quality as well as sustainable urban drainage, energy and biodiversity) requirements. The granting of this application in absence of these details would fetter the development opportunity of the adjoining sites and undermine the objectives of the wider site allocation and masterplan area. The proposal would therefore fail to meet policies D3, D13, E6, E7 and SI 11 in the London Plan (2021), Policy E3 in the Lewisham Core Strategy (2011) as well as emerging policies (Site Allocation 9: Willow Way, EC2, EC3, EC6) in the Lewisham Local Plan Proposed Submission Document- Regulation 19 Stage (January 2023).*
- 3. The proposals would result in the closing of existing businesses on site with no justification/ relocation package proposals and there is insufficient detail in the submission on whom future occupants might be and how the space, servicing and fit out requirements will attract a range of businesses within the target market. Combined with the lack of detail to show that the site itself can be adequately serviced or that the wider masterplan area won't be impacted by the proposed servicing arrangements, this could impact the quality and uptake of employment spaces and undermine the continued function of the employment location. The proposal is therefore contrary to policies D3, D13, E2, E3, E6, E7, T7 of the London Plan, Policy 14 in the Core Strategy (2011) as well as emerging policies (Site Allocation 9: Willow Way, EC2, EC3, EC6) in the Lewisham Proposed Submission (Regulation 19 Plan).*
- 4. No townscape views have been submitted and the proposal does not demonstrate a context based design that responds to local character,*

including surrounding heritage assets. Furthermore, the building heights in the masterplan area are excessive and without additional information, officers cannot conclude the proposals would result in high quality design or preserve local heritage assets. The proposal is therefore contrary to policies D3, D6 and HC1 in the London Plan (2021); paragraph 126 in the NPPG and paragraphs 127, 130, 199, 200 and 203 in the NPPF (2021) and; sections 66 and 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

- 5. The proposal fails to provide a housing mix in line with the requirements of the boroughs Strategic Housing Market Assessment and the applicant has provided no design feasibility or viability justification for this. The proposal would therefore be contrary to policies H4 and H6 in the London Plan (2021), Policy 1 in Lewisham's Core Strategy (2011) and Policy 7 in Lewisham's Development Management Local Plan (2014).*

- 6. The submitted noise, flood risk and ecology reports have missing and conflicting information and therefore officers cannot confirm the proposals meet the requirements of the relevant policies. The proposal is therefore contrary to policies G1, G5 and GG6 of the London Plan (2021) as well as paragraphs 8c, 159, 170, 174 and 185 of the NPPF.*

4. GROUNDS OF APPEAL AND MAIN ISSUES

4.1 This section of my Proof sets out the Council's case in relation to the reasons for refusal.

4.2 The main issues for this appeal identified by the Inspector and discussed at the Case Management Conference (CMC) were set out in the Inspector's CMC summary note. The main issues are:

1. *Whether there is conflict with the employment policies of the development plan having regard to:*
 - *The loss of industrial capacity on the site*
 - *The co-location of residential uses*
 - *The acceptability of the proposed design for future occupiers*
2. *Whether the proposal would cause harm to local heritage assets.*
3. *The extent to which the proposal would be of a high-quality design.*
4. *Whether the proposal would provide an appropriate affordable housing mix.*
5. *Whether the proposal would provide adequate arrangements for access and servicing.*
6. *Whether the proposal is acceptable in terms of the emerging masterplan area and the wider site allocation.*
7. *Other considerations that might amount to benefits of the proposal.*
8. *The extent to which the proposal is consistent with the development plan, and the weight to be attributed to the policies in the emerging development plan; and*
9. *Whether any harm and/or development plan conflict arising would be outweighed by other considerations.*

4.3 In this section of my Proof I consider Main Issues 1, 4, 6, 7, 8 and 9.

Main Issue 1: Whether there is conflict with the employment policies of the development plan having regard to: the loss of industrial capacity on the site; the co-location of residential uses; the acceptability of the proposed design for future occupiers

Relevant Reasons for Refusal

4.4 The reasons for refusal relevant to Main Issue 1 are the following:

- 1. The proposal would result in a loss of industrial capacity on the site which would be a departure from the adopted local plan and no exceptional circumstances are demonstrated to show that this would be compliant with the direction of the draft Local Plan. The proposal would therefore fail to comply with Policy 3 in Lewisham's Core Strategy (2011), Site Allocation 48 in the Site Allocations Local Plan (2013), Policy D7 in the London Plan (2021) as well as emerging policies (Site Allocation 9: Willow Way, EC2, EC3, EC6) in the Lewisham Local Plan Proposed Submission Document-Regulation 19 Stage (January 2023).*
- 2. The proposals would result in the closing of existing businesses on site with no justification/ relocation package proposals and there is insufficient detail in the submission on whom future occupants might be and how the space, servicing and fit out requirements will attract a range of businesses within the target market. Combined with the lack of detail to show that the site itself can be adequately serviced or that the wider masterplan area won't be impacted by the proposed servicing arrangements, this could impact the quality and uptake of employment spaces and undermine the continued function of the employment location. The proposal is therefore contrary to policies D3, D13, E2, E3, E6, E7, T7 of the London Plan, Policy 14 in the Core Strategy (2011) as well as emerging policies (Site Allocation 9: Willow Way, EC2, EC3, EC6) in the Lewisham Proposed Submission (Regulation 19 Plan).*

Relevant policies

4.5 The Appeal Site forms part of the Willow Way Local Employment Land allocation (SA48) within the adopted Site Allocations Local Plan. The site allocation designates the site as a Local Employment Location (LEL) to afford protection for the employment use of the site. Core Strategy Policy 3 – Strategic Industrial Locations and Local Employment Locations confirms that the Council will protect the LELs for a range of uses within the B Use Class and also appropriate sui generis uses, to support the functioning of the local

economy. In addition, Part 1(d) within Spatial Policy 5 of the Core Strategy confirms that the Council will support locally significant employment areas scattered throughout the area including maintaining LELs at Willow Way (amongst others).

- 4.6 DM Policy 10 – Local Employment Locations (LEL) within the Development Management Local Plan expands upon this approach, and confirms that the Council will support uses within the B Use Class and appropriate sui generis uses within a LEL, subject to: a) the use being appropriate in the location in relation to the surrounding built context; b) the intensity of the use; and c) the new use meeting the aims in Core Strategy Policy 3. The policy confirms that planning permission for residential use, or other uses such as day nurseries, churches and other community facilities will not be granted due to the effect the proposal would have on the continued commercial functioning of the area as a whole and their incompatibility with the uses on the LEL. The adopted development plan therefore affords strong protection to the employment function of the proposal site.
- 4.7 London Plan Policy E6 – Locally Significant Industrial Sites sets out the approach to Locally Significant Industrial Sites (LSIS), and states that development plans should designate and define detailed boundaries and policies for LSIS justified by evidence in local employment land reviews taking into account the scope for intensification, co-location and substitution. Furthermore, it states that development plans should make clear the range of industrial and related uses that are acceptable in LSIS including, where appropriate, hybrid or flexible B1c/B2/B8 suitable for SMEs and distinguish these from local employment areas that can accommodate a wider range of business uses.
- 4.8 Part A of London Plan Policy E7 – Industrial intensification, co-location and substitution states that development plans and development proposals should be proactive and encourage the intensification of business uses in Use Classes B1c, B2 and B8 occupying all categories of industrial land through: 1) introduction of small units; 2) development of multi-storey schemes; 3) addition of basements and; 4) more efficient use of land through higher plot ratios having regard to operational yard space requirements (including servicing) and mitigating impacts on the transport network where necessary.
- 4.9 Part B of London Plan Policy E7 states that development plans and planning frameworks should be proactive and consider, in collaboration with the Mayor, whether certain logistics, industrial and related functions in selected parts of SIL or LSIS could be intensified to provide additional industrial capacity. Intensification can also be used to facilitate the consolidation of an identified SIL or LSIS to support the delivery of residential and other uses, such as social

infrastructure, or to contribute to town centre renewal. It confirms that this approach should only be considered as part of a plan-led process of SIL or LSIS intensification and consolidation (and the areas affected clearly defined in Development Plan policies maps) or as part of a co-ordinated masterplanning process in collaboration with the GLA and relevant borough, and not through ad hoc planning applications. It identifies that in LSIS the scope for co-locating industrial uses with residential and other uses may be considered, and that this should also be part of a plan-led or masterplanning process.

- 4.10 Part D of London Plan Policy E7 states that the processes set out in Parts B and C must ensure that: 1) the industrial and related activities on-site and in surrounding parts of the SIL, LSIS or Non-Designated Industrial Site are not compromised in terms of their continued efficient function, access, service arrangements and days/hours of operation noting that many businesses have 7-day/24-hour access and operational requirements; 2) the intensified industrial, storage and distribution uses are completed in advance of any residential component being occupied; 3) appropriate design mitigation is provided in any residential element to ensure compliance with 1 above with particular consideration given to: a) safety and security, b) the layout, orientation, access, servicing and delivery arrangements of the uses in order to minimise conflict, c) design quality, public realm, visual impact and amenity for residents, d) agent of change principles, e) vibration and noise, f) air quality, including dust, odour and emissions and potential contamination.
- 4.11 London Plan Policy E2 – Providing suitable business space states that boroughs should include policies in development plans that support the provision, and where appropriate, protection of a range of B Use Class business space, in terms of type, use and size, at an appropriate range of rents, to meet the needs of micro, small and medium-sized enterprises and to support firms wishing to start-up or expand. It also identifies that development of B Use Class business uses should ensure that the space is fit for purpose having regard to the type and use of the space.
- 4.12 The Proposed Submission Local Plan identifies the Willow Way site as a Locally Significant Industrial Site that is potentially suitable to accommodate the co-location of employment and other compatible uses, in order to secure the long-term viability of LSIS and to help facilitate their renewal and regeneration. Development requirements include that 3) Development must not result in a net loss of industrial capacity, or compromise the function of the employment location, in line with Policy EC6 (LSIS).
- 4.13 Proposed Submission Local Plan Policy EC6 – Locally Significant Industrial Sites details the relevant policy provisions in relation to the co-location of uses on LSIS sites.

- 4.14 Part A of Policy EC6 states that LSIS will be protected for Class E(g) office and light industrial, Class B industrial, Class B8 storage and distribution and related Sui Generis uses, with priority being given to office and light industrial uses, and that development proposals should ensure that there is no net loss of industrial capacity within these locations and seek to deliver net gains wherever possible.
- 4.15 Part D of Policy EC6 identifies that the co-location of employment and other compatible uses will only be permitted at selected LSIS in order to secure their long-term viability and to help facilitate their renewal and regeneration. Willow Way LSIS is identified as one of these identified sites, and the policy confirms that development proposals involving the co-location of uses must not compromise the function of the LSIS to accommodate commercial and industrial uses.
- 4.16 Part E of Policy EC6 states that development proposals for the co-location of uses on LSIS sites listed under Part D which result in the net loss of industrial capacity will be strongly resisted and only permitted in exceptional circumstances, where the proposal:
- a) Suitably demonstrates that the loss is necessary for reasons of feasibility or to secure strategic infrastructure, with reference to Policy EC6.G, and the amount of industrial capacity has been maximised as much as reasonably practical, including through evidence of a development options appraisal considered through the design-led approach;
 - b) Will not compromise the function of the LSIS or preclude the delivery of the spatial strategy for the Borough;
 - c) Delivers wider public benefit(s) to overcome the loss of industrial capacity; and
 - d) Makes provision of at least 50 per cent affordable housing on the residential element of the development.
- 4.17 The supporting text of Policy EC6 states that applicants must provide evidence to suitably demonstrate that the loss is necessary owing to reasons of feasibility and the loss has been minimised as much as reasonably practical. This must include evidence of different site layout, design and development typologies considered through the design-led approach. This includes consideration of impacts on the function and amenity of employment areas and industrial uses in proximity to the site, whether within or outside the Borough, as the benefits of agglomeration of compatible uses is often integral to the viability of employment land. Furthermore, to offset the loss of industrial capacity applicants will be required to demonstrate that a wider public benefit will be achieved through the scheme. Finally, proposals will be required to provide a minimum of 50 per cent

of genuinely affordable housing on the residential element, in line with the London Plan policy H4 (Delivering affordable housing).

- 4.18 Proposed Submission Local Plan Policy EC2 – Protecting employment land and delivering new workspace identifies that there is a forecast need for 21,800 square metres of net additional employment floorspace in the Borough up to 2038, and that development proposals must contribute to meeting this need by a series of measures, including that LSIS retain and wherever possible deliver net gains in industrial capacity, including by intensifying the use of land. Paragraph 8.11 within the reasoned justification confirms that the onus will be on the applicant to demonstrate that the design-led approach has been used to make the optimal use of land and maximise employment provision, and that this should include evidence of alternative design options, such as site layouts and building typologies (including multi-storey or basement development). Paragraph 8.10 within the reasoned justification confirms the expectation that there will be no net loss of industrial capacity and that net gains are delivered wherever possible. It clarifies that industrial capacity in Lewisham will be calculated on the basis of the existing commercial and industrial capacity on a site which is currently in active employment use, and covers Class E(g) office and light industrial, Class B2 industrial, Class B8 storage and distribution and related Sui Generis uses. It states that where a proposed development site is vacant or cleared, the existing capacity should be established on the basis of the last active authorised commercial and industrial use(s) (excluding meanwhile uses). The reasoned justification confirms that whilst the integration of mezzanines are broadly supported by the Local Plan as a way to make a more optimal use of land, mezzanine space will be excluded from calculations of industrial capacity for the purpose of Policy E2.
- 4.19 Furthermore, table 8.1 of the Policy EC2 states that Willow Way (amongst others) constitutes Lewisham's main local concentrations of commercial and industrial uses, which perform a niche role to support the functioning of the sub-regional and local economy. They provide workspace for micro, small and medium sized businesses, including in the cultural, creative and digital industries. Protected for commercial and industrial uses, with priority given to light industrial uses.
- 4.20 Proposed Submission Local Plan Policy EC3 – High quality employment areas and workspace states that development proposals for Class E business, B2 industrial and B8 storage or distribution uses and related Sui Generis uses must be of a high quality design with well-integrated and purpose built business space, and must demonstrate how the design-led approach has been used to improve the site's suitability for business activity having regard to the type and use of space. Part A sets out that development proposals must a) Optimise the use of land and maximise opportunities to increase job densities; b) Make

provision for an appropriate level of internal fit out beyond shell and core; c) Make provision for flexible workspace that can be adapted to the needs of different employment uses, particularly where there is not a specified end user; d) Ensure the layout and design of development provides adequate operational space including for site access and servicing; e) Improve the attractiveness and environmental quality of the site and employment area, including high quality public realm, where appropriate; and f) Ensure a coherent and positive relationship with adjoining and neighbouring land uses and protect local amenity with reference to other Local Plan policies.

- 4.21 In addition, Part A further expands on appropriate level of internal fit out beyond shell and core, including i) connection-ready high-speed broadband, ii) installation of mechanical and electrical services; iii) toilets and kitchenette; iv) internal surface finishing and blinds; v) basic fire and carbon monoxide detection; and vi) shopfronts and glazing, where appropriate.

Discussion

- 4.22 As outlined in the policy section above, Site Allocation SA48 in the Site Allocations Local Plan allocates the Willow Way site as a Local Employment Location (LEL) to enable its protection of B Use Class Employment Uses. Core Strategy Policy 3 – Strategic Industrial Locations and Local Employment Locations confirms that the Council will protect LELs for a range of uses within the B Use Class (B1, B8 and where appropriate B2 industry) and appropriate sui generis uses, to support the functioning of the local economy. DM Policy 10 – Local Employment Locations within the Development Management Local Plan confirms that the Council will support uses within the B Use Class and appropriate sui generis uses within an LEL subject to various criteria, and also states that planning permission for the introduction of residential uses (or other uses such as day nurseries, churches and other community facilities) will not be granted due to the effect on the continued commercial functioning of the area and their incompatibility with the uses on the LEL.

- 4.23 Therefore, the introduction of 60 residential units (Use Class C3) would constitute a departure from the adopted development plan. It is noted that paragraph 2.68 of DM Policy 10 states that changes of uses outside the B Use class will not be considered on LELs. Most of the LELs are within walking distance of local shopping centres and public transport facilities. It should not be necessary to provide facilities such as day care nurseries or cafés on these sites to support their functioning. Churches and community facilities are considered incompatible with business and commercial functioning on these sites which are largely in workshop and storage uses with large numbers of vehicle movements in open servicing areas. Core Strategy Policy confirms that the Council will protect the LELs for a range of uses within the B Use Class and

also appropriate sui generis uses, to support the functioning of the local economy. Therefore, the appropriate sui generis uses would comprise uses related to an industrial use.

- 4.24 Furthermore, it is clear that the purposes of DMP 10, CSSP 5 and CSP 3 are to protect employment uses on the site. The submission documents identify that the existing commercial floorspace on the Appeal Site comprises a total of 1,341sqm. The Proposal would deliver of a total of 1,401sqm of commercial floorspace. The Appellant has provided a reproduced and updated version of p.34 of the submitted Design and Access Statement, which forms Appendix 9 of the Appellant's Statement of Case, and the submitted plans demonstrate that a significant component of this total comprises mezzanine space. More specifically, the Ground Floor Plan (KTW034-DCR-GF-PL-A-0100) identifies a total of 922sqm of commercial floorspace at ground floor level, and the Ground Floor Mezzanine Plan (KTW034-DCR-01-PL-A-0101) identifies a total of 479sqm of commercial floorspace would be provided at the mezzanine level. Taken together this totals to 1,401sqm.
- 4.25 However, the Industrial Intensification and Co-Location Study: Design and Delivery Testing (We Made That, October 2018), which was commissioned by the GLA as an evidence base to inform the emerging new London Plan and its policy approach regarding industrial intensification, states that mezzanine space should be considered useful from an occupier perspective but not considered to be additional floorspace for the purposes of intensification. When the proposed 479sqm of mezzanine floorspace is discounted, the Proposal would only provide 922sqm of commercial floorspace, which would represent a net loss of industrial capacity contrary to the provisions of DM Policy 10. It is noted that amongst the purposes of the Industrial Intensification and Co-Location Study: Design and Delivery Testing are to define and measure industrial intensification to help inform the implementation of planning policies and the assessment of planning applications.
- 4.26 Furthermore, the Appellant notes in their Statement of Case that the replacement floor space would provide greater floor to ceiling heights. The Appellant goes on to state that there would be a minimum clear floor to ceiling height of 2.85m for the space beneath and at mezzanine level as per the submitted Proposed section drawing that forms Appendix 7 of the Appellant's Statement of Case. It is noted that these measurements taken from the Proposed Sections drawing do not reflect the stated floor to ceiling heights on the Workspace Comparison Plan which forms Appendix 9 to the Appellant's Statement of Case, which suggests that space beneath the mezzanine would have floor to ceiling heights of approximately 3 – 4m.

- 4.27 The submitted Design and Access Statement states at page 29 that given the size constraints of the appeal site, the most suitable industrial typologies would be the workshop/studio space and the small industrial units. The Industrial Intensification and Co-Location Study: Design and Delivery Testing identifies typical requirements in terms of internal floor to ceiling heights for a range of industrial typologies. For workshops/studios it identifies a minimum floor to ceiling height of 3.5 to 4.4m, for the small industrial specification typology it identifies a minimum floor to ceiling height of 4 to 8m, and for the medium industrial specification typology it identifies a minimum floor to ceiling height of 6 to 8m. Similarly, the Lewisham Creative and Digital Industries Spatial Guidance (We Made That, Regeneris and Tom Fleming, November 2017) sets out the typical workspace requirements in relation to five typologies relevant to creative and digital industries. For small office space and large office space typologies, the guidance identifies floor to ceiling heights of 2.9 to 4.4m. For the creative studio typology, it identifies floor to ceiling heights of 2.9 to 4.4m but notes that generally a minimum floor to ceiling height of 3.5m is preferred. For the small industrial space typology, it identifies floor to ceiling heights of 4.5 to 8m and notes that generally 4m is considered to be a minimum ceiling height.
- 4.28 Therefore, the above evidence base documents demonstrate that the proposed floor to ceiling heights beneath and at mezzanine level would be significantly insufficient for the range of employment uses that could be reasonably accommodated.
- 4.29 Moreover, the Appellant argues in their Statement of Case that the Proposals also include improved insulation and other building standards and proper provision of mechanical services. The replacement floorspace is also modern, flexible and has been designed to meet the identified needs of future employment occupiers. However, I do not consider that the proposed commercial units have been designed to make provision for flexible workspace that can be adapted to the needs of a wide range of employment uses. This derives from the internal layout and arrangement with a significant proportion of the floorspace having low internal floor to ceiling heights as discussed above which will necessarily limit the nature of uses which could occupy these spaces.
- 4.30 In addition, the supporting text of DM Policy 10 notes that flexibly specified buildings are considered essential to ensure the long-term sustainability of employment uses on these sites. This could also include, for example, full height delivery doors, and being able to site additional delivery doors to enable subdivision of buildings and/or reallocation of space to meet the requirements of new users. In addition, a full internal fit out for particular schemes could include the installation of sanitary and kitchen facilities, power points and IT connections (broadband), wall and ceiling finished and plumbing and heating

and related works. A finished unit comprising of a 'shell' and 'core' only will not be acceptable as it will not be considered deliverable or sustainable in the long term by being unattractive to potential occupiers. The Council, in consultation with the applicant, will give careful consideration to the need of potential end users for the premises being provided as part of the development, and will take into account all relevant circumstances when assessing the level of fit-out that will need to be provided.

- 4.31 LP Policy E2 also states in the supporting text that the development of business uses should ensure that the space is fit for purpose, with at least basic fit-out, and not compromised in terms of layout, street frontage, floor loading, floor to ceiling height and servicing, having regard to the type and use of the space. This should take into account the varied operational and servicing requirements of different business uses.
- 4.32 The Employment and Marketing Strategy (prepared by Kitewood, December 2022) states that the proposed commercial workspace would be provided across three separate units of varying sizes, predominantly at ground floor level with ancillary space provided at mezzanine levels and the commercial units would be completed and fitted out to a shell and core level. The units would be of a different size and configuration and would allow for different end users to occupy different units dependent on their specific needs. Supporting facilities would also be provided such as policy compliant levels of refuse storage, cycle parking, sprinkler tank requirements and plant room requirements to provide optimum flexibility for all users. The commercial units would be provided with large amounts of glazing to Willow Way and to the rear boundary to provide natural daylight into the commercial units.
- 4.33 In addition, the appellant has submitted a Marketing Comments and Recommendations Report (prepared by KALMARs, May 2023) which identifies that the proposed commercial uses would provide a ceiling height of 6m and relatively column free space, the new high-quality façade would provide a more prestigious image for businesses, the loading doors opening directly on to the street would provide self-contained units with convenient access and the energy efficient specification will save money, meet future regulations and provide a positive image advantage of the units that are likely to attract tenants/purchasers.
- 4.34 Although the proposed units would be provided with a number of supporting facilities and the proposed façade would create a more attractive design, the substantial lack of sufficient floor to ceiling heights and the absence of at least a basic internal fit-out would significantly restrict the provision of flexible workspace that could be adapted to the needs of a wide range of employment uses and would be contrary to LP Policy E2 and DM Policy 10. Given there is

no end user identified for the commercial floorspace, it is considered that its attractiveness would be significantly impeded.

- 4.35 An additional point that the Proposal has not considered is the requirement of external yard space. The Industrial Intensification and Co-Location Study: Design and Delivery Testing states that engagement with industrial occupiers and developers has underlined the importance of yard space for industrial businesses to meet their varied operational, servicing and storage requirements, and this element needs to be considered as part of every industrial intensification scheme. It defines operational yard space at page 5 as “the external space needed by a given industrial occupier for their core business activities. This space is typically provided by a yard (covered or uncovered) and is often used for storage, production or processing activities which directly support a business’ primary activity. This includes servicing and circulation space for vehicles which enable the movement of goods related to the core business activity.” The study finds that “operational yard space needs to be carefully considered in development and redevelopment in order to deliver attractive and operational industrial development.”
- 4.36 For workshops/studios and for the small industrial specification typology it identifies a 16m yard depth for LGV access and shared loading area for occasional HGV access (27m loading depth for one HGV). For the medium industrial specification it identifies a 27m yard depth for HGV access to individual units. Whilst the requirements for operational yard space must be considered on a case-by-case basis having regard to existing and potential occupiers and informed by the current supply and future demand profile for industrial activity, in providing no external yard space the employment floorspace within the Proposal will necessarily be constrained in terms of its suitability and attractiveness to the range of potential occupiers.
- 4.37 The space to the rear of the proposed block would accommodate Blue Badge parking for the residential units together with an area of external amenity space. There is no external yard space, and indeed no external back of house space for the unloading / loading or temporary storage of goods or materials. All loading associated with the employment units must take place via the on-street loading bay, which necessarily imposes constraints in terms of the movement of goods between the loading bay and the unit, and issues of security whilst loading / unloading takes place. Any occupier that relies on a significant amount of deliveries and servicing as part of their business model is unlikely to find the proposed units suitable in this context. The lack of provision of any external yard space or back of house space, and the associated reliance on an on-street bay for all servicing and delivery requirements (serving both the employment units and the residential units) represents a significant constraint on the attractiveness of the proposed employment floorspace. The concerns

related to delivery and servicing are further assessed in the Proof of Evidence of Melissa Vento.

- 4.38 The Appellant also argues in the Statement of Case that the existing accommodation generates 18 full time jobs. In comparison, the proposed development is expected to generate 30 full time jobs based on employment densities within the Homes and Communities Agency, Employment Density Guide 3rd Edition (2015). However, this evaluation is based on the provision of 1,401sqm of employment space. Based on the assessment above regarding the use of mezzanine spaces, which cannot be considered to be additional floorspace for the purposes of intensification, the Proposal would only provide 922sqm of commercial floorspace, which is a net reduction of employment space from the existing 1,341sqm. Therefore, the proposal is unlikely to result in a significant increase of the number of full jobs that are currently being provide at the appeal site. In addition, taking into consideration the relocation strategy the Appellant has submitted as part their Statement Case (Appendix 10), which sets out future intentions of the existing occupiers of the appeal site, there are no displacement, relocation or phasing issues arising from the redevelopment of the existing employment uses on the Site. Therefore, it is evident that the Proposal would result in a net loss of industrial capacity which would impose significant constraints and space reductions to the employment space of the existing occupiers.
- 4.39 Furthermore, the proposed introduction of residential use as part of the Proposal is not in accordance with these policy provisions, and for this reason the Proposal is considered to represent a departure from the adopted development plan, contrary to DMP 10, CSP 3 and CSSP 5.
- 4.40 The Appellant therefore requires weight to be given to the emerging policies within the Proposed Submission Local Plan and the direction of change it would allow in relation to the Willow Way LSIS. The Proposed Submission Local Plan identifies the Willow Way site as a Locally Significant Industrial Site that is potentially suitable to accommodate the co-location of employment and other compatible uses, in order to secure the long-term viability of LSIS and to help facilitate their renewal and regeneration. Proposed Submission Local Plan Policy EC6 details the relevant policy provisions in relation to the co-location of uses on LSIS sites. It should be highlighted that the Proposed Submission Local Plan can be afforded limited weight in decision making as it has not been submitted yet for public examination, but notwithstanding this it does establish a direction of change which can be taken into account as a material consideration. However, an assessment of the Main Issue 1 against the Proposed Submission Local Plan will follow.

- 4.41 As set out above, Part E of Proposed Submission Local Plan Policy EC6 sets out that development proposals for the co-location of uses on LSIS sites listed under Part D which result in the net loss of industrial capacity will be strongly resisted and only permitted in exceptional circumstances where the proposal meets all four of the defined criteria (a) to (d). Criterion (a) requires that the proposal suitably demonstrates that the loss is necessary for reasons of feasibility or to secure strategic infrastructure, and the amount of industrial capacity has been maximised as much as reasonably practical, including through evidence of a development options appraisal considered through the design-led approach. This point is again picked up within Paragraph 8.11 within the reasoned justification to Proposed Submission Local Plan Policy EC2 which sets out that the onus will be on the applicant to demonstrate that the design-led approach has been used to make the optimal use of land and maximise employment provision, and that this should include evidence of alternative design options, such as site layouts and building typologies. Similarly, Part A of Proposed Submission Local Plan Policy EC3 sets out that development proposals must a) optimise the use of land and maximise opportunities to increase job densities; c) Make provision for flexible workspace that can be adapted to the needs of different employment uses, particularly where there is not a specified end user; and d) Ensure the layout and design of development provides adequate operational space including for site access and servicing. The Proposal has not demonstrated that the loss of industrial capacity is necessary for reasons of feasibility as the Appellant has not provided such evidence. There is no provision to secure strategic infrastructure in the area and the Appellant has not demonstrated that the amount of industrial capacity has been maximised as much as reasonably practical, given that an options appraisal considered through the design-led approach has not been submitted.
- 4.42 Criterion (b) requires that proposals should not compromise the function of the LSIS or preclude the delivery of the spatial strategy of the Borough. Based on the following assessment regarding the net loss of industrial capacity and the unsuitability of the internal design of the commercial units for industrial purposes, the Proposal is considered to compromise the function of the LSIS as according to the site allocation a comprehensive employment led mixed-use redevelopment of the site should be proposed. In addition, the net loss of industrial capacity would preclude the delivery of the spatial strategy of the Borough, which requires, as per the Proposed Submission Local Plan Policy OL1 - Delivering an Open Lewisham (spatial strategy) paragraph 3.10, new developments to be facilitated mainly through the consolidation and intensification of employment sites as this will enable the delivery of new employment-led, mixed-use development and transformational public realm enhancements. The scale of growth and design of development should be carefully managed in order to ensure the area's maritime and industrial heritage is preserved, enhanced and better revealed.

- 4.43 Criterion (c) requires that proposals should deliver wider public benefit(s) to overcome the loss of industrial capacity. Based on the assessment that follows regarding Main Issue 7 and Main Issue 9, the public benefits do not outweigh the harm identified and as such the loss of industrial capacity cannot be justified on the delivery of wider public benefits. Criterion (d) requires that proposals should make provision of at least 50% of affordable housing on the residential element of the development. The Proposal would provide 60 residential units of which 30 would be affordable housing. However, given it would not meet all four defined criteria (a) to (d) the net loss of industrial capacity would not be permitted.
- 4.44 The supporting text of the Proposed Submission Local Plan Policy EC6 states that applicants must provide evidence to suitably demonstrate that the loss is necessary owing to reasons of feasibility and the loss has been minimised as much as reasonably practical. This must include evidence of different site layout, design and development typologies considered through the design-led approach. This includes consideration of impacts on the function and amenity of employment areas and industrial uses in proximity to the site, whether within or outside the Borough, as the benefits of agglomeration of compatible uses is often integral to the viability of employment land. Furthermore, to offset the loss of industrial capacity applicants will be required to demonstrate that a wider public benefit will be achieved through the scheme. Finally, proposals will be required to provide a minimum of 50 per cent of genuinely affordable housing on the residential element, in line with the London Plan policy H4 (Delivering affordable housing).
- 4.45 This reflects the approach set out in London Plan Policy D3 – Optimising site capacity through the design-led approach which requires consideration of design options to determine the most appropriate form of development that responds to a site’s context and capacity for growth, and London Plan Policy E7 which encourages the intensification of business uses in Use Classes B1c, B2 and B8 and more efficient use of land through higher plot ratios
- 4.46 The development guidelines of site Allocation 9 within the Proposed Submission Local Plan requires that non-employment uses, including residential uses, must be sensitively integrated into the development in order to ensure the protection of amenity for all site users, along with safe and convenient access. This will require careful consideration of the operation requirements of existing and potential future employment users. Table 8.1 of the Policy EC2 states that Willow Way (amongst others) constitutes one of Lewisham’s main local concentrations of commercial and industrial uses, which perform a niche role to support the functioning of the sub-regional and local economy. They provide workspace for micro, small and medium sized

businesses, including in the cultural, creative and digital industries. Protected for commercial and industrial uses, with priority given to light industrial uses.

- 4.47 The supporting text of policy EC2 sets out that in order to meet the Borough's future employment needs it will be necessary to not only safeguard designated and non-designated employment sites but to intensify uses on them. The Local Plan therefore seeks to facilitate a restructuring of the employment land stock to increase employment densities, create additional industrial capacity and diversify uses within employment areas. The expectation is that there will be no net loss of industrial capacity in the Borough and that net gains are delivered wherever possible. Development proposals should retain industrial capacity and seek net gains through site intensification, including additional floorspace, wherever possible and appropriate. However, it is recognised that net gains may not always be feasible. The onus will be on the applicant to demonstrate that the design-led approach has been used to make the optimal use of land and maximise employment provision. This should include evidence of alternative design options, such as site layouts and building typologies (including multi-storey or basement development).
- 4.48 It is clear that the purposes of the Proposed Submission Local Plan Policies EC2, EC3 and EC6 are to safeguard and maximise the Boroughs industrial capacity. The supporting text of Policy EC2 states that whilst the integration of mezzanines is broadly supported by the Local Plan as a way to make a more optimal use of land, mezzanine space will be excluded from calculations of industrial capacity for the purpose of this policy. Therefore, the 479sqm of commercial floorspace that would be provided at the mezzanine level as part of the Proposal should be discounted from the overall proposed commercial floorspace, resulting in a provision of only 922sqm at ground level, which as it has been explained earlier, it represents a net loss of the industrial capacity of the appeal site.
- 4.49 Part A of the Proposed Submission Local Plan Policy EC3 expands further on the appropriate level of internal fit out beyond shell and core and promotes the inclusion of: i) connection-ready high-speed broadband, ii) installation of mechanical and electrical services; iii) toilets and kitchenette; iv) internal surface finishing and blinds; v) basic fire and carbon monoxide detection; and vi) shopfronts and glazing, where appropriate. In addition, para 8.18 within the reason justification goes on to state that limited to 'core' and 'shell' only specifications are not considered appropriate and will be strongly resisted. This requirement is necessary to ensure the attractiveness and marketability of units, particularly in promoting early take up of workspace and helping to prevent long-term vacancies. It is also vital to supporting mirco, small and independent businesses which are unlikely to be in a position to absorb the initial overhead costs for fit out. The appropriate level of fit out will be

considered on a site-by-site basis. Therefore, the Proposal's provision of commercial units that would be completed and fitted out to a shell and core level is contrary to the requirements and provisions of the Proposed Submission Local Plan Policy EC3, which requires an appropriate level of internal fit out beyond shell and core, including additional supporting facilities.

4.50 Para 8.19 further expands on the layout of the commercial units stating that it is especially important for commercial and industrial operators. The effective functioning of employment sites is dependent not only on fit for purpose buildings but also their associated operational land. Development proposals must therefore address matters such as vehicle access for loading and delivery, yard space, external storage, parking, site servicing and customer interface. A well-designed layout is also essential to ensuring the protection of local amenity. Therefore, it is evident that given the insufficient space to the rear of the proposed block, the lack of dedicated yard space for the commercial units and the delivery and serving concerns that have been raised, the Proposal has not considered an acceptable design for the future occupiers of the proposed commercial units.

4.51 It is considered that the Proposal would result in a net loss of industrial capacity, and that there has been no demonstration that the amount of industrial capacity has been maximised as much as reasonably practical, or that the proposal has sought to optimise the use of land and maximise opportunities to increase job densities, through evidence of a development options appraisal considered through the design-led approach. In addition, no exceptional circumstances have been demonstrated to show that the co-location of uses on the LSIS site that would result in the net loss of industrial capacity would be compliant with the direction of the Proposed Submission Local Plan. The proposed internal design of the commercial units would not be attractive to potential future occupiers and it would likely reduce the marketability of the of the units.

4.52 In light of the above, it is evident that there is conflict with the employment policies of the adopted development plan when considering the loss industrial capacity in site, the co-location of residential uses and the acceptability of the proposed design for future occupiers. The Proposed Submission Local Plan can be afforded limited weight in decision making, but notwithstanding this it does establish a direction of change which can be taken into account as a material consideration. Similarly, from the analysis above it is clear that the Proposal fails to meet its direction with regards to the site allocation and the relevant policy requirements.

Main Issue 4: Whether the proposal would provide an appropriate affordable housing mix.

Relevant Reason for Refusal

4.53 The reasons for refusal relevant to Main Issue 4 are the following:

5. The proposal fails to provide a housing mix in line with the requirements of the boroughs Strategic Housing Market Assessment and the applicant has provided no design feasibility or viability justification for this. The proposal would therefore be contrary to policies H4 and H6 in the London Plan (2021), Policy 1 in Lewisham's Core Strategy (2011) and Policy 7 in Lewisham's Development Management Local Plan (2014).

Relevant Policy

4.54 London Plan Policy H4 – Delivering affordable housing states that the strategic target is for 50 per cent of all new homes delivered across London to be genuinely affordable. Specific measures to achieve this aim include: requiring major developments which trigger affordable housing requirements⁵⁰ to provide affordable housing through the threshold approach (Policy H5 Threshold approach to applications)

- 1) using grant to increase affordable housing delivery beyond the level that would otherwise be provided
- 2) all affordable housing providers with agreements with the Mayor delivering at least 50 per cent affordable housing across their development programme, and 60 per cent in the case of strategic partners⁵¹
- 3) public sector land⁵² delivering at least 50 per cent affordable housing on each site and public sector landowners with agreements with the Mayor delivering at least 50 per cent affordable housing across their portfolio
- 4) industrial land appropriate for residential use in accordance with Policy E7 Industrial intensification, co-location and substitution, delivering at least 50 per cent affordable housing where the scheme would result in a net loss of industrial capacity.

4.55 London Plan Policy H5 – Threshold approach to applications states that the threshold level of affordable housing on gross residential development is initially set at a minimum of 35 per cent, or 50 per cent for LSIS identified as appropriate for residential uses in accordance with London Plan Policy E7 where the scheme would result in a net loss of industrial capacity. Part C of the policy confirms that to follow the Fast Track Route of the threshold approach, applications must meet all the following criteria: 1) meet or exceed the relevant threshold level of affordable housing on site without public subsidy; 2) be

consistent with the relevant tenure split; 3) meet other relevant policy requirements and obligations to the satisfaction of the borough and the Mayor where relevant; and 4) demonstrate that they have taken account of the strategic 50 per cent target in Policy H4 and have sought grant to increase the level of affordable housing.

4.56 Part F of the London Plan Policy H5 states that where an application does not meet the requirements set out in Part C it must follow the Viability Tested Route. This requires detailed supporting viability evidence to be submitted in a standardised and accessible format as part of the application:

- 1) the borough, and where relevant the Mayor, should scrutinise the viability information to ascertain the maximum level of affordable housing using the methodology and assumptions set out in this Plan and the Affordable Housing and Viability SPG
- 2) viability tested schemes will be subject to:
 - a) an Early Stage Viability Review if an agreed level of progress on implementation is not made within two years of the permission being granted (or a period agreed by the borough)
 - b) a Late Stage Viability Review which is triggered when 75 per cent of the units in a scheme are sold or let (or a period agreed by the borough)
 - c) Mid Term Reviews prior to implementation of phases for larger phased schemes.

4.57 London Plan Policy H6 - Affordable housing tenure states that the following split of affordable products should be applied to residential development: 1) a minimum of 30 per cent low-cost rented homes, as either London Affordable Rent or Social Rent, allocated according to need and for Londoners on low incomes; 2) a minimum of 30 per cent intermediate products which meet the definition of genuinely affordable housing, including London Living Rent and London Shared ownership; and 3) the remaining 40 per cent to be determined by the borough as low-cost rented homes or intermediate. To follow the Fast Track Route the tenure of 35 per cent of homes must meet the requirements set out in Part A. The Fast Track Route is also available to applicants that elect to provide low-cost rented homes in place of intermediate homes, provided the relevant threshold level is reached. Where affordable homes are provided above 35 per cent, their tenure is flexible, provided the homes are genuinely affordable (defined in Part A1 and Part A2), and should take into account the need to maximise affordable housing provision, along with any preference of applicants to propose a particular tenure.

4.58 Part 9 of Core Strategy Policy 1 – Housing provision, mix and affordability states that for affordable housing, the Council will seek a mix of 42% as family

dwellings (3+ bedrooms) and will have regard to the criteria listed under Part 8 in determining an appropriate mix of dwellings within a development, namely a) the physical character of the site or building and its setting; b) the previous or existing use of the site or building; c) access to private gardens or communal garden areas for family dwellings; d) the likely effect on demand for car parking within the area; e) the surrounding housing mix and density of population; and f) the location of schools, shops, open space and other infrastructure requirements.

4.59 DM Policy 7 – Affordable rented housing of the Development Management Local Plan states that the Council will require new residential development to provide on site affordable housing in accordance with the provisions of Core Strategy Policy 1. It also states that when providing affordable rented housing, priority will be given to delivering family homes (three or more bedrooms).

Discussion

4.60 The proposal fails to demonstrate that it would provide an affordable housing mix in line with the requirements of the borough’s Strategic Housing Market Assessment and the applicant has provided no design feasibility or viability justification for this.

4.61 The housing mix of the proposal is summarised in the table below.

	Studio	1-bed	2-bed	3-bed	TOTAL
Social Rent	0	9	5	7	21 (70% of total affordable units)
Shared Ownership	1	4	3	1	9 (30% of total affordable units)
Private	3	7	17	3	30
TOTAL	4	20	25	11	60

4.62 A total of 8 units would have 3 or more bedrooms out of the proposed 30 affordable units, which represents 26.6% of the affordable housing units. Part 9 of Core Strategy Policy 1 requires that 42% of affordable housing units have three or more bedrooms. In relation to the proposed development, this would equate to a requirement of 13 affordable units (rounded up from 12.6) with three or more bedrooms. Therefore, the proposed development is characterised by an under-provision of 5 affordable housing units with three or more bedrooms.

4.63 The Appellant state in their Statement of Case that is accepted that 27% of the affordable housing by unit 3 bedroomed units which is below the 42% 'sought' within Core Strategy Policy 1. However, the proposed mix is said to be appropriate having regard to the fact that the proposed residential units are to

be co-located with commercial employment uses, and the nature of the amenity spaces provided. Providing a preponderance of social rented family units, which would contain many children, in such a location would not be ideal.

- 4.64 This policy requirement derives from the pressing need for affordable housing within the borough that is suitable to accommodate for larger families. It noted that Part 8 of Core Strategy Policy 1 states that the Council would seek an appropriate mix of dwellings within a development, having regard to the following criteria: a) the physical character of the site or building and its setting b) the previous or existing use of the site or building, c) access to private gardens or communal garden areas for family dwellings, d) the likely effect on demand for car parking within the area, e) the surrounding housing mix and density of population and f) the location of schools, shops, open space and other infrastructure requirements.
- 4.65 It is not considered that there are any site-specific reasons why the site would be inappropriate to provide family sized affordable housing units in accordance with the requirement set out in Part 9. The site is well located in terms of proximity to schools, shops, open space and other infrastructure, and there are no environmental factors in the immediate vicinity (such as excessive noise or unacceptable air quality) which would mean the development's suitability to provide family accommodation is in any way constrained. In terms of the development itself, it would provide both private and communal amenity space, and would be car free (with the exception of Blue Badge parking). In addition, the Core Strategy Policy 1 does not include any exceptions or flexibility to justify a reduction of the total percentage of affordable housing units with three or more bedrooms. Therefore, the Appellant's arguments that the proposed affordable housing mix is appropriate given the co-location with commercial employment uses and the nature of amenity spaces, and that any increase of family units, that might include many children, is not ideal for this location is completely erroneous. There is no relevant justification within the policy for a departure from the required affordable housing mix and the appellant has not provided any evidence base or explanation for this provision.
- 4.66 Furthermore, Part C(3) of London Plan Policy H5 requires that to follow the Fast Track Route of the threshold approach, applications must meet other relevant policy requirements and obligations to the satisfaction of the borough and the Mayor where relevant. These include 1) meet or exceed the relevant threshold level of affordable housing on site without public subsidy, 2) be consistent with the relevant tenure split (see Policy H6 Affordable housing tenure), 3) meet other relevant policy requirements and obligations to the satisfaction of the borough and the Mayor where relevant and 4) demonstrate that they have taken account of the strategic 50 per cent target in Policy H4

Delivering affordable housing and have sought grant to increase the level of affordable housing.

- 4.67 I consider that the requirements in terms of affordable housing mix are not compliant with Part 9 of Core Strategy Policy 1 for the reasons set out above, that no justification has been provided in relation to this lack of compliance, and that therefore the scheme does not meet the requirements to follow the Fast Track Route of the threshold approach.
- 4.68 Part F of London Plan Policy H5 requires that where an application does not meet the requirements set out in Part C it must follow the Viability Tested Route. This requires detailed supporting viability evidence to be submitted in a standardised and accessible format as part of the application. The applicant would need to demonstrate through a viability assessment why additional family sized accommodation to meet the policy requirement cannot be provided within the affordable tenure. Similarly, DM Policy 7 states that when providing affordable rented housing, priority will be given to delivering family homes (3 or more bedrooms). Applicants are required to submit an independent financial viability appraisal, the costs of which should be borne by the applicant. It should address the mix of units available for social rent, affordable rent and intermediate housing; the mix of dwelling sizes and types; the mix of affordable rent levels; how the housing scheme as a whole will remain affordable, and that the scheme has been properly costed and is deliverable. In the absence of this information, the under-provision of 5 affordable housing units with three or more bedrooms is not justified.
- 4.69 The Proposal fails to provide an affordable housing mix in line with the requirements of the borough's Strategic Housing Market Assessment and the applicant has provided no design feasibility or viability justification for this. The Proposal would therefore fail to comply with the London Plan Policies H4, H5 and H6 requirements, the Core Strategy Policy 1 and DM Policy 7.

Main Issue 6: Whether the proposal is acceptable in terms of the emerging masterplan area and the wider site allocation.

Relevant Reasons for Refusal

4.70 The reasons for refusal relevant to Main Issue 6 are the following:

1. *The proposal would result in a loss of industrial capacity on the site which would be a departure from the adopted local plan and no exceptional circumstances are demonstrated to show that this would be compliant with the direction of the draft Local Plan. The proposal would therefore fail to comply*

with Policy 3 in Lewisham's Core Strategy (2011), Site Allocation 48 in the Site Allocations Local Plan (2013), Policy D7 in the London Plan (2021) as well as emerging policies (Site Allocation 9: Willow Way, EC2, EC3, EC6) in the Lewisham Local Plan Proposed Submission Document-Regulation 19 Stage (January 2023).

- 2. The lack of detail on the proposed uses across the masterplan site results in a failure to demonstrate that the intensified co-location of uses can function at the proposed capacity of the masterplan site. Furthermore, it results in officers being unable to conclude that the proposal would meet the relevant transport, design, public realm or environmental policy (noise, air quality as well as sustainable urban drainage, energy and biodiversity) requirements. The granting of this application in absence of these details would fetter the development opportunity of the adjoining sites and undermine the objectives of the wider site allocation and masterplan area. The proposal would therefore fail to meet policies D3, D13, E6, E7 and SI 11 in the London Plan (2021), Policy E3 in the Lewisham Core Strategy (2011) as well as emerging policies (Site Allocation 9: Willow Way, EC2, EC3, EC6) in the Lewisham Local Plan Proposed Submission Document- Regulation 19 Stage (January 2023).*
- 3. The proposals would result in the closing of existing businesses on site with no justification/ relocation package proposals and there is insufficient detail in the submission on whom future occupants might be and how the space, servicing and fit out requirements will attract a range of businesses within the target market. Combined with the lack of detail to show that the site itself can be adequately serviced or that the wider masterplan area won't be impacted by the proposed servicing arrangements, this could impact the quality and uptake of employment spaces and undermine the continued function of the employment location. The proposal is therefore contrary to policies D3, D13, E2, E3, E6, E7, T7 of the London Plan, Policy 14 in the Core Strategy (2011) as well as emerging policies (Site Allocation 9: Willow Way, EC2, EC3, EC6) in the Lewisham Proposed Submission (Regulation 19 Plan).*
- 4. No townscape views have been submitted and the proposal does not demonstrate a context based design that responds to local character, including surrounding heritage assets. Furthermore, the building heights in the masterplan area are excessive and without additional information, officers cannot conclude the proposals would result in high quality design or preserve local heritage assets. The proposal is therefore contrary to policies D3, D6 and HC1 in the London Plan (2021); paragraph 126 in the NPPG and paragraphs 127, 130, 199, 200 and 203 in the NPPF (2021) and; sections 66 and 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990.*

- 4.71 London Plan Policy E7 – Industrial intensification, co-location and substitution states that within LSIS the scope for co-locating industrial uses with residential and other uses may be considered, and that this should be part of a plan-led or masterplanning process and not through ad hoc planning applications.
- 4.72 London Plan Policy D3 – Optimising site capacity through the design-led approach requires that all development must make the best use of land by following a design-led approach that optimises the capacity of sites, including site allocations. Optimising site capacity means ensuring that development is of the most appropriate form and land use for the site. The design-led approach requires consideration of design options to determine the most appropriate form of development that responds to a site’s context and capacity for growth, and existing and planned supporting infrastructure capacity, and that best delivers the requirements set out in Part D of the policy. Paragraph 3.3.20 of the supporting text of Policy D3 states that masterplans and strategic frameworks should be used when planning large-scale development to create welcoming and inclusive neighbourhoods, promote active travel, enable the successful integration of the built form within its surrounding area, and deliver wider benefits to residents, such as access to shared amenity space and high-quality public realm. Policy D3 is complemented by the Optimising Site Capacity: A Design-led Approach London Plan Guidance (LPG) (June 2023) which sets out how the design-led approach in Policy D3 should be applied.
- 4.73 Paragraph 8.35 within the reasoned justification to Proposed Submission Local Plan Policy EC6 – Locally Significant Industrial Sites (LSIS) highlights that site allocation policies have been prepared for those LSIS identified as suitable for co-location of employment and other compatible uses as identified in part D of the policy, in order to ensure that co-location is coordinated and appropriately managed through the masterplan process, and particularly to ensure that the function of the LSIS is not eroded by piecemeal development. The reasoned justification confirms that masterplans for LSIS should be prepared with reference to Policy DM3 – Masterplans and comprehensive development, along with relevant London Plan guidance, including the GLA Practice Note – Industrial Intensification and Co-Location Through Plan-Led and Masterplan Approaches.
- 4.74 Proposed Submission Local Plan Policy DM3 – Masterplans and comprehensive development states that development proposals must be accompanied by a site masterplan where they form all or part of a site allocation, or in other circumstances specified by the Local Plan. It identifies that the site masterplan will be expected to set out how development will contribute to delivery of the spatial strategy for the borough, and must also suitably demonstrate that the proposal will not prejudice the future development of other parts of the site and adjoining land, or otherwise compromise the

delivery of the site allocation and outcomes sought for the wider area. Part B of the policy details that the masterplan will be required to comprise of: a) an assessment of the site and its context to inform the overall development strategy; b) a detailed site-wide masterplan that responds positively to the spatial strategy for the Borough, site specific development principles and guidelines, and other relevant planning policies; and c) a delivery strategy that identifies how the development will be implemented and managed over its lifetime. This strategy must address any relevant matters to be resolved such as land assembly and preparation, infrastructure requirements, development phasing and likely need for planning obligations and/or planning conditions, where appropriate.

- 4.75 Part C of the policy identifies that proposals must address how the development site relates to neighbouring properties and the surrounding area, particularly in contributing to the delivery of the spatial strategy for the Borough. Part D of the policy states that applicants must demonstrate that they have appropriately consulted the public through the masterplan process, including active engagement with the landowners and occupiers of the subject site along with those in other parts of the allocated site.
- 4.76 The reasoned justification to the policy explains that a key purpose in requiring masterplans to be prepared is that the site allocations are comparatively large brownfield sites and can therefore add complexity in terms of their redevelopment, and may include multiple land ownership, fragmentation of existing uses and space, land remediation and need for new or upgraded infrastructure. The Council considers that these constraints are more likely to be overcome, and the optimal use of sites realised, where development is brought forward comprehensively and in line with a site-wide masterplan.
- 4.77 Para 19.15 states that to help ensure certainty of outcomes, the Council will seek that masterplans are submitted at the outline or full planning application stage. The masterplan should be informed by a baseline assessment of the site and its surrounds, drawing on the latest available evidence. This may include demographic data, economic and social indicators and/or information on the historical, natural and built environment. The site-wide masterplan itself should establish the overall approach to the function and form of development. The level of detail included in the masterplan should be commensurate with nature and scale of development proposed, along with site specific requirements. Depending on individual circumstances, matters to be addressed may include: historical and cultural context; land uses, quantum and distribution of development; layout and design; access, circulation and parking; open space and landscaping; and infrastructure (including transport, community and green infrastructure).

- 4.78 The Proposed Submission Local Plan identifies Willow Way LSIS as a proposed site allocation (West Area – Site Allocation 9). The proposed allocation encompasses a site area of 1.29ha which includes the Appeal Site within its scope. It allocates the LSIS site for comprehensive employment led mixed-use redevelopment with co-location of compatible commercial, main town centre and residential uses and identifies that reconfiguration of buildings and spaces will facilitate a new layout with new and improved routes, both into and through the site along with public realm and environmental enhancements. It identifies an indicative development capacity across the LSIS of 175 (net) residential units and 6,705sqm (gross) of employment floorspace.
- 4.79 The 'Opportunities' section of the allocation policy identifies that redevelopment and site intensification, along with the co-location of commercial and other uses, will provide a more optimal use of land and enable the delivery of new and improved workspace to support the long-term viability of the LSIS. It also identifies that development will enable public realm enhancements to improve the quality of the townscape around the local centre, and help to make the area a safer and more attractive place for business and community activity.
- 4.80 The allocation policy details a series of development requirements, as follows:
- 1) Landowners must work in partnership and in accordance with a masterplan, to ensure the appropriate co-ordination, phasing and balance of uses across the site, in line with Policy DM3 (Masterplans and comprehensive development). This must address the site's relationship with the Upper Sydenham / Kirkdale local centre, to improve the functional relationship with neighbouring uses and the public realm, along with townscape character.
 - 2) The site contains an MOT centre which is in active use. Development proposals must adequately address the operational requirements of the MOT centre in order to secure a viable future for it. The landowner of the MOT centre must be consulted through the masterplan process.
 - 3) Development must not result in a net loss of industrial capacity, or compromise the function of the employment location, in line with Policy EC6 (Locally Significant Industrial Sites).
 - 4) Positive frontages along Willow Way, Dartmouth Road and Sydenham Park, with active ground floor frontages. Positive frontages elsewhere throughout the site, where new routes are introduced.
 - 5) The site must be fully re-integrated with the surrounding street network to improve access and permeability in the local area. This includes a clear hierarchy of routes, with a legible and safe network of walking and cycle routes, through the site. Particular consideration must be given to the access and servicing arrangements for commercial uses.
 - 6) Delivery of new and improved public realm and open space, in accordance with a site-wide public realm strategy.

7) Development proposals must not adversely impact on the amenity of the public house located outside of the site boundary, in line with Policy EC19 (Public houses).

4.81 The allocation policy details a series of Development guidelines which are:

1. Non-employment uses, including residential uses, must be sensitively integrated into the development in order to ensure the protection of amenity for all site users, along with safe and convenient access. This will require careful consideration of the operational requirements of existing and potential future employment uses.
2. Main town centre uses may be acceptable but these must be ancillary to the commercial uses and not detract from viability of the local centre.
3. Enhanced permeability off Willow Way will be an essential element of the design. Proposals will be expected to investigate, and where feasible, deliver a new route(s) linking from Willow Way to Kirkdale and Dartmouth Roads.
4. Additional planting and landscaping should be integrated to enhance the public realm and encourage movement by walking and cycling along Willow Way.
5. Development should provide for a coherent building line along Willow Way, taking into account the redevelopment of the former Sydenham Police Station site.
6. The design of development must respond positively to the local context, giving particular consideration to heritage assets, including the Sydenham Park Conservation Area, Halifax Street Conservation Area, Jews Walk Conservation Area, Area of Special Local Character, as well as listed building and locally listed buildings along Kirkdale.
7. Applicants should work in partnership with Thames Water and engage with them early to manage surface water, divert existing sewers where applicable and ensure infra-structure upgrades are delivered ahead of the site being occupied through a housing phasing plan.

4.82 As identified above, the reasoned justification to Proposed Submission Local Plan Policy EC6 confirms that masterplans for LSIS should be prepared with reference to Policy DM3 – Masterplans and comprehensive development, along with relevant London Plan guidance, including the GLA Practice Note – Industrial Intensification and Co-Location Through Plan-Led and Masterplan Approaches (November 2018). The Practice Note was prepared to set out good practice principles for plan-led or masterplan approaches to industrial intensification and co-location in the context of Policy E7 and sets out guidelines for what both plan-led and masterplan approaches to industrial intensification and co-location would need to cover in greater detail.

4.83 The Practice Note identifies that what it terms a ‘comprehensive parallel masterplan’ could be led and produced by the applicant alongside the

submission of a planning application, where discussed with the GLA and Local Planning Authority at pre-application stage and consulted upon at the same time as the planning application. Section 4 of the Practice Note sets out guidelines for masterplan preparation. Some of the key principles set out here include the following:

- Landownerships, partnerships and engagement: the masterplan should be informed by land ownerships and how these are configured across the area and what tools are available for land assembly to deliver strategic development, and provide details of any engagement with landowners, businesses, existing partnerships, business alliances or BIDs and the response from this engagement.
- Option appraisal: the masterplan should identify a range of options that have been considered for the development of the relevant sub-areas, and set out an appraisal of the development options considered.

4.84 In terms of the masterplan approach, Section 4 sets out that the masterplan should include:

- spatial analysis
- site capacity analysis
- a broad assessment of the infrastructure needed to support the masterplan proposals and how these requirements could be met,
- access and servicing analysis to demonstrate that the access and servicing requirements of existing and new industrial businesses can be met and identifying potential impacts on the strategic and local road networks
- Agent of Change analysis to demonstrate how different uses can be good neighbours and how potential impacts can be mitigated in the new residential development
- Decant and phasing to demonstrate how development will be phased, how the phasing will ensure that the intensified industrial development is delivered and completed in advance of the residential components, and the approach to decanting and relocating any businesses affected
- Deliverability in terms of who is responsible for delivery, and the nature of any development agreements (if required) to ensure that the comprehensive vision of the masterplan is delivered.
- Sustainable development and equalities - Masterplans should support sustainable development and the requirements of the Equalities Act 2010, in particular the public sector Equality Duty which requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people.

Discussion

- 4.85 It has not been satisfactorily demonstrated that the Proposal would not fetter or compromise the development of the remainder of the Willow Way LEL / LSIS and the objectives of the wider site allocation and masterplan area. Whilst the proposal relies on considerable weight being given to the direction of change set out within the emerging Local Plan, it fails to accord with the relevant policy provisions within the emerging Local Plan.
- 4.86 The site allocation policy details a number of development requirements, including that landowners must work in partnership and in accordance with a masterplan, to ensure the appropriate co-ordination, phasing and balance of uses across the site and this must address the site's relationship with the Upper Sydenham / Kirkdale local centre, to improve the functional relationship with neighbouring uses and the public realm, along with townscape character; development proposals must adequately address the operational requirements of the MOT centre that is currently on site in order to secure a viable future for it; development must not result in a net loss of industrial capacity, or compromise the function of the employment location; introduction of positive frontages; clear hierarchy of routes, with a legible and safe network of walking and cycle routes, through the site with particular consideration to be given to the access and servicing arrangements for commercial uses; delivery of new and improved public realm and open space, in accordance with a site-wide public realm strategy; and development proposals must not adversely impact on the amenity of the public house located outside of the site boundary.
- 4.87 As it has been analysed under Main Issue 1, the Proposal would represent a net loss of industrial capacity by reason of a large portion of the proposed commercial floorspace being dependent on mezzanine levels, which should be excluded from calculations of industrial capacity according to the Policy EC2. No exceptional circumstances have been provided as required by the Proposed Submission Local Plan Policy EC6 to demonstrate that the loss of industrial capacity on the site would be compliant with its direction. From the evidence presented, there appears to have been very limited engagement with other landowners across the LSIS site in the preparation of the Emerging Outline Masterplan and with regards to the existing MOT the submitted Emerging Outline Masterplan states that careful discussions would be required with the existing owners and users of the space in order to implement the proposed masterplan, which further increase our concerns regarding the lack of meaningful engagement and the deliverability of the masterplan. In addition, given the lack of sufficient information and details within the Emerging Outline Masterplan, it is not clear whether the proposed frontage that would be introduced would have a positive impact on the wider public realm and whether it could be fully integrated within the surrounding network. This position is

further strengthened by the unacceptable delivery and servicing arrangements of the proposed commercial units, which is assessed in detail in the Proof of Evidence of Melissa Vento.

- 4.88 Furthermore, the Proposal does not demonstrate a context-based design that responds to local character and would not result in high quality design, which is analysed in the Proof of Evidence of Beth Stevens, and would have a negative impact on the designated heritage assets of the surrounding area, which is analysed in the Proof of Evidence of Joanna Ecclestone. The allocation policy details a series of development guidelines which detail that the design of the development must respond positively to the local context, giving particular consideration to heritage assets. Therefore, the Proposal would fetter the objectives of the wider site allocation and masterplan area.
- 4.89 There appears to have been no consideration of options as part of the masterplan's preparation. Neither the DAS nor the Emerging Outline Masterplan indicate that any alternative options were considered. The GLA Practice Note – Industrial Intensification and Co-Location Through Plan-Led and Masterplan Approaches (November 2018) includes guidelines with regards to the preparation of masterplans and a key principle is the provision of an option appraisal to demonstrate the development options that have been considered. This is also in line with London Plan Policy D3, which requires consideration of design options to determine the most appropriate form of development that responds to a site's context and capacity for growth, and existing and planned supporting infrastructure capacity, and that best delivers the requirements set out in Part D of the policy. Part D refers to the key requirements that are necessary to optimise the site's capacity and includes key principles for the form and layout, experience and quality and character of proposed developments. Therefore, an exploration of options as part of the masterplan process would be essential to demonstrate that the Emerging Outline Masterplan represents the optimum solution for the LSIS in terms of maximising employment floorspace provision together with provision of suitable access, servicing and yard space to support its capacity to accommodate to a range of potential commercial occupiers. Similarly with regard to impact on heritage assets (discussed below in the 'Heritage impact' section of this Statement), an assessment of siting and massing options would be important to demonstrate that any harm to the significance of heritage assets has been clearly and convincingly justified. The absence of any options assessment is therefore a fundamental flaw in the masterplan approach, and undermines confidence that the Proposal makes the best use of land and optimises the capacity of the LSIS site, particularly in relation to its ability to accommodate employment floorspace. The absence of any proper assessment of options is a significant deficiency.

4.90 Furthermore, Section 4 of the Practice Note sets out that masterplans should include an access and servicing analysis to demonstrate that the access and servicing requirements of existing and new industrial businesses can be met and identifying potential impacts on the strategic and local road networks. The Appellant argues in their Statement of Case that in order to optimize the use of the masterplan area, the plan envisages widening Willow Way itself to 20m, in order to be able to accommodate roadway, pedestrians and cyclists, in tandem with the access requirements of the workspace, as well as disabled resident and visitor parking. Whilst the principle of these improvements is supported, it is of note that the masterplan apportions all of this widening to the plots on the west side of Willow Way. The siting of the Proposal affords no contribution towards this future widening of Willow Way, with the siting of this block being at the back of the highway footway, largely as existing. Instead, Plots B, C and D would be required to accommodate this future widening by an associated reduction in their developable area. No consideration has been given to the potential impacts of these amendments to the highway on the deliverability of these plots. Therefore, no potential impacts on the strategic and local road networks have been identified by the Appellant.

4.91 Section 4 of the Practice Note also states that an Agent of Change analysis should be undertaken to demonstrate how different uses can be good neighbours and how potential impacts can be mitigated in the new residential development. The Emerging Outline Masterplan does not make any reference to the Agent of Change and as such no consideration has been given to the potential impact of the proposed commercial units to the future occupiers of the residential units.

4.92 Section 3 of the Emerging Outline Masterplan includes a Delivery Strategy, which states that the Emerging Willow Way LSIS can come forward in phases that could be delivered individually or simultaneously without prejudice to the other sites coming forward for development. Plot A would accommodate 1,401sqm of commercial floorspace and 60 residential units (as reflected in the Appeal Scheme), Plots B and C would accommodate 2,251sqm of commercial floorspace and 100 residential units, and Plots D and E would accommodate 3,217sqm of commercial floorspace and 15 residential units. Given that the masterplan envisages no redevelopment of Plot E, the apportionment that falls to Plot D is commercial floorspace together with just 15 residential units. It is recognised that from a viability perspective, the primary driver of value derives from the residential element, with this likely to cross-subsidise the employment floorspace. The proposed masterplan in its apportionment of just 15 residential units to Plot D therefore calls in to question the deliverability of Plot D. The Delivery Strategy makes no reference to how this apportionment has been arrived at, whether Plot D would be deliverable with this apportionment, or whether any mechanisms are therefore required to address this and ensure

that all plots are capable of being brought forward for redevelopment in the future.

4.93 With regards to the Delivery Strategy, the Proposed Submission Local Plan Policy DM3 requires that the strategy must address any relevant matters to be resolved such as land assembly and preparation, infrastructure requirements, development phasing and likely need for planning obligations and/or planning conditions, where appropriate. With the exception of development phasing, the Delivery Strategy does not include any information on the abovementioned requirements. The supporting text of DM3 notes that the delivery strategy is important to ensuring certainty on outcomes sought both for the individual scheme and the site allocation. Coordination between landowners and other stakeholders, including infrastructure providers, will help to ensure that proposals do not prejudice each other, or the wider development aspirations for the Borough. Sites that are designed and brought forward comprehensively through the master plan process will help to alleviate issues that may arise through piecemeal development, are more likely to maximise wider public benefits. Therefore, it is clear that the Appellant has not considered thoroughly the requirements of the Delivery Strategy, posing a significant risk on the delivery of the site allocation.

4.94 In light of the above, I consider that it has not been satisfactorily demonstrated that the Proposal would not fetter or compromise the development of the remainder of the Willow Way LEL / LSIS and the objectives of the wider site allocation and masterplan area. The Proposal has not been thoroughly considered and informed by the requirements of policies and guidance related to the masterplan process and as such it is likely that it would prejudice the future development of other parts of the site and adjoining land or compromise the delivery of the site allocation and outcomes sought for the wider area.

Main Issue 7: Other considerations that might amount to benefits of the proposal,
Main Issue 8: The extent to which the proposal is consistent with the development plan, and the weight to be attributed to the policies in the emerging development plan and Main Issue 9: Whether any harm and/or development plan conflict arising would be outweighed by other considerations.

4.95 In terms of public benefits, it is recognised that the Proposal would deliver 60 new homes of which 30 would be affordable tenure. In addition, the scheme has the potential to result in job creation associated with the commercial floorspace and would generate planning obligations and CIL that would contribute to wider improvements in the borough, together with benefits to the

local economy during the construction phase. In addition, the scheme would provide wheelchair accessible dwellings in compliance with M4(2) and M4(3) and the proposed residential units would provide passive surveillance, increasing safety and security.

- 4.96 However, the aforementioned benefits are moderated by the concerns regarding the extent to which the Proposal would result in a net loss of industrial capacity, the lack of a context-based design approach, the harmful impact on heritage assets, the inadequate delivering and servicing arrangements and that in the absence of a convincing and robust masterplan approach, that the Proposal has the potential to adversely impact on the function or effectiveness of the LEL / LSIS to accommodate commercial and industrial uses.
- 4.97 The Appeal Site forms part of the Willow Way Local Employment Land allocation (SA48) within the adopted Site Allocations Local Plan, which designates the site as a Local Employment Location (LEL) to afford protection for the employment use of the site. Core Strategy Policy 3 confirms that the Council will protect the LELs for a range of uses within the B Use Class and also appropriate sui generis uses, to support the functioning of the local economy. DM Policy 10 also reflects the purposes of CSP 3 in terms of the protection of employment uses. It is clear that the adopted development plan therefore affords strong protection to the employment function of the proposal site. Based on the analysis included in this Proof it is demonstrated that the Proposal would result in a net loss of industrial capacity rather in a maximisation of employment use.
- 4.98 In addition, DM Policy 10 confirms that planning permission for residential use, or other uses such as day nurseries, churches and other community facilities will not be granted due to the effect the proposal would have on the continued commercial functioning of the area as a whole and their incompatibility with the uses on the LEL. Therefore, the introduction of 60 residential units constitutes a departure from the adopted plan.
- 4.99 Therefore, the Proposal would be in conflict with the development plan and its requirements with the regards to the protection of the employment uses on site. The Appellant therefore requires weight to be given to the emerging policies within the Proposed Submission Local Plan and the direction of change it would allow in relation to the Willow Way LSIS. The Proposed Submission Local Plan identifies the Willow Way site as a Locally Significant Industrial Site that is potentially suitable to accommodate the co-location of employment and other compatible uses, in order to secure the long-term viability of LSIS and to help facilitate their renewal and regeneration.

4.100 However, based on the assessment included in this Proof, the Proposal would result in a net loss of industrial capacity, and no demonstration has been provided to justify that the amount of industrial capacity has been maximised as much as reasonably practical, or that the proposal has sought to optimise the use of land and maximise opportunities to increase job densities, through evidence of a development options appraisal considered through the design-led approach. In addition, no exceptional circumstances have been demonstrated to show that the co-location of uses on the LSIS site that would result in the net loss of industrial capacity would be compliant with the direction of the Proposed Submission Local Plan. The proposed design of the commercial units would not be attractive to potential future occupiers, and it would likely reduce the marketability of the of the units. Therefore, it would be contrary to the provisions of the Proposed Submission Local Plan Policies EC2, EC3 and EC6. Moreover, The Proposal has not been thoroughly considered and informed by the requirements of policies and guidance related to the masterplan process and as such it is likely that it would prejudice the future development of other parts of the site and adjoining land or compromise the delivery of the site allocation and outcomes sought for the wider area, contrary to the provisions of the Proposed Submission Local Plan Policies EC2, EC3, EC6 and DM3.

4.101 In addition, in terms of impact of the proposed development on heritage assets, the Proof of Evidence of Joanna Ecclestone concludes that the Proposal would cause a degree of harm to the significance of key surrounding heritage assets which varies between low to moderate (less than substantial) due to the scale, bulk, massing and footprint of the proposed building, and the lack of trees and vegetation. The harm to the designated heritage assets - which are of high significance as by virtue of their designated status - is not considered to be clearly or convincingly justified in line with NPPF. Alternative options which would avoid or minimise the harm, or mitigate it, have not been tested or presented for consideration. There is a low degree of harm to non-designated heritage assets which are of some-moderate heritage significance.

4.102 The significance of the designated and non-designate heritage assets in the vicinity of the appeal site, and the contribution that their settings make to their significance have not been thoroughly or adequately understood by the appellants'. The extent to which the proposal impacts on this significance, therefore, has been understated or not recognised. Options to avoid or minimise this harm exist, but these have not been presented by the appellant, and neither have proposals that would mitigate the harm. The harm to designated heritage assets is not considered to be clearly or convincingly justified. No heritage benefits exist, and the public benefits more broadly are not considered to outweigh the harm. Therefore, the Proposal would be in conflict with the development plan and its requirements with regards to designated heritage assets and their setting, contrary to policies D3, D6 and

HC1 in the London Plan (2021); paragraph 126 in the NPPG and paragraphs 127, 130, 199, 200 and 203 in the NPPF (2021) and; sections 66 and 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

- 4.103 Furthermore, in terms of the impact on the surrounding highway network, the assessment included in the Proof of Melissa Vento concludes that there are concerns in relation to whether the nature of the proposed access and servicing arrangements for the commercial uses would be suitable to meet the needs of a range of future occupiers, and that this could impact the uptake of employment floorspace and undermine the continued function of the Willow Way LEL. The Site's current strategy to servicing is not demonstrating that deliveries will be efficient with regards to the capacity of the proposed loading bays and therefore there is potential conflict with other vehicles.
- 4.104 In addition, the Proposal has indicated inadequate effective footway widths along Willow Way in front of the site. Melissa Vento queries the displacement of parking by providing Double Yellow Lines on both sides of Willow Way (specifically the West). There are concerns with the parking for the existing commercial units that use this side of parking in association with the existing western parcels. The servicing/loading survey undertaken indicates that there are LGV's using the western side for loading and unloading goods relating to businesses such as 'Blue Tiger', where will these servicing trips take place if the double yellows are introduced on this side of the road. Therefore, the inadequate footway width solution will directly impact existing servicing for other commercial units located on the Western side of Willow Way, contrary to the provisions of Policies T2 – Healthy Streets - Policies T7 – Deliveries, servicing and construction and E7 – Industrial intensification, co-location and substitution of the London Plan.
- 4.105 In terms of the urban design matters, the Proof of Evidence of Beth Stevens concludes that the Proposal would not meet the policy definitions of high-quality design. The development, as proposed, would harm the local character, and fetter the development opportunities of the wider site allocation. More specifically, the Proposal would have a scale and bulk in excess of its surroundings and would therefore not be considered to be high quality, place-based design. The cumulative impact of the height and massing has not been appropriately mitigated through the design of the proposal and as such the proposal fails to comply with London Plan D1, D3, D4; DMLP30 and Core Strategy 15. There are no meaningful contributions to the public realm, with the Appellant identifying a double yellow line on Willow Way as the principal contribution to the public realm apportioned to Parcel A. This is unacceptable in design and policy terms and fails to comply with LP D3, Core Strategy 15, DMLP 32. The proposed architectural articulation does not go far enough to celebrate the employment functions of the site or anchor the scheme to the

ground and future public realm. The scheme reads as residential-led and has the potential to undermine the industrial functions of the site in the future.

4.106 In addition, the building typology, proposed as a series of double-stacked villa blocks, has limited the design quality of the proposed residential units. This is due to the high quantity of single aspect units (40%) and the lightless, long communal corridors shared by 8 units per floor. These will create poor living environments that do not satisfy the policy requirements of LP D6, Housing Design Standards LPG, and DMLP 32. The Appellant has failed to demonstrate a context-based design response that is informed by a detailed understanding of the site's unique character, challenges, and opportunities. This has resulted in a development proposal that is rather indistinctive and generic. Beth Stevens considers that this is a missed opportunity that does not accord with London Plan Policy D1 "London's Form, Character and Capacity for Growth."

4.107 In light of the above, it is evident that the Proposal is not consistent with the development plan with regards to its impact on the protection of employment uses, heritage assets, surrounding highway network and the harm to the area's local character, and would fetter the development opportunities of the wider site allocation.

4.108 It is important to emphasize that the Lewisham Local Plan Proposed Submission Document – Regulation 19 Stage (January 2023) (the "Proposed Submission Local Plan") was consulted upon from 1 March to 25 April 2023. It is anticipated that the Local Plan will be formally submitted to the Secretary of State in October 2023 for the purposes of public examination. It is recognised that in advance of this, the Proposed Submission Local Plan can be afforded limited weight in decision making, but notwithstanding this it does establish a direction of change which can be taken into account as a material consideration.

4.109 Paragraph 48 of the National Planning Policy Framework (2023) states that Local planning authorities may give weight to relevant policies in emerging plans according to:

- a) the stage of preparation of the emerging plan (the more advanced its preparation, the greater the weight that may be given);
- b) the extent to which there are unresolved objections to relevant policies (the less significant the unresolved objections, the greater the weight that may be given); and
- c) the degree of consistency of the relevant policies in the emerging plan to this Framework (the closer the policies in the emerging plan to the policies in the Framework, the greater the weight that may be given).

4.110 Paragraph 49 goes on to state that in the context of the Framework – and in particular the presumption in favour of sustainable development – arguments that an application is premature are unlikely to justify a refusal of planning permission other than in the limited circumstances where both:

- a) the development proposed is so substantial, or its cumulative effect would be so significant, that to grant permission would undermine the plan-making process by predetermining decisions about the scale, location or phasing of new development that are central to an emerging plan; and
- b) the emerging plan is at an advanced stage but is not yet formally part of the development plan for the area.

4.111 As it has been mentioned earlier, it is anticipated at the Local Plan will be formally submitted to the Secretary of State in October 2023 for the purposes of public examination. Therefore, it is considered that the Local Plan is at an advanced stage and therefore greater weight might be given. However, the Regulation 19 Schedule of Support and Objection of the Lewisham Local Plan 2040 – Examination in Public (June 2023) shows that there are still significant unresolved objections regarding the relevant policies to this Proposal, namely the Proposed Submission Local Plan Policies EC2, EC3, EC6, DM3, QD1, QD6, HE2, HE3, TR3 and the Site Allocation 9 - Willow Way Locally Significant Industrial Site (LSIS). Therefore, limited weight can be attributed to these policies from this perspective.

4.112 Furthermore, paragraph 82 of the NPPF (2023) states that planning policies should set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration. Paragraph 82 goes on to state that planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations. Paragraph 125 states that area-based character assessments, design guides and codes and masterplans can be used to help ensure that land is used efficiently while also creating beautiful and sustainable places. In addition, paragraph 130 requires that planning policies and decisions should ensure that developments:

- a) will function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development;
- b) are visually attractive as a result of good architecture, layout and appropriate and effective landscaping;

- c) are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (such as increased densities);
- d) establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;
- e) optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and
- f) create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users; and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.

4.113 Therefore, it is considered that the relevant policies in the emerging plan maintain a degree of consistency to the Framework with regards to economic growth, the use of the masterplanning process for the creation of sustainable spaces, the identification of local requirements and needs, and the creation of well-designed places, as required by paragraph 48 of the National Planning Policy Framework (2023).

4.114 Taking into consideration part a of paragraph 49 of the NPPF (2023), it has been demonstrated in this Proof that the Proposal would a harmful impact on the site allocation (both in the adopted and emerging Local Plan) and to grant permission would undermine the plan-making process by predetermining decisions about the scale, location or phasing of new development that are central to an emerging plan. The Proposed Submission Local Plan identifies the Willow Way site as a Locally Significant Industrial Site (West Site Allocation 9) and as such it is central element of the emerging plan. In addition, although the emerging plan is at an advanced stage, it is not yet formally part of the development plan for the area. Paragraph 12 of the Framework states that the presumption in favour of sustainable development does not change the statutory status of the development plan as the starting point for decision-making. Where a planning application conflicts with an up-to-date development plan (including any neighbourhood plans that form part of the development plan), permission should not usually be granted. Local planning authorities may take decisions that depart from an up-to-date development plan, but only if material considerations in a particular case indicate that the plan should not be followed.

4.115 The Proposal would be in conflict with the development plan and its requirements with the regards to the protection of the protection of the employment uses on site. Even in the case of considering the Proposed

Submission Local Plan as a material consideration, the Proposal would still be contrary to the provisions of the relevant Proposed Submission Local Plan Policies. Therefore, the Proposal would fetter or compromise the development of the remainder of the Willow Way LEL / LSIS and the objectives of the wider site allocation. Therefore, the adverse impacts of the proposed development would considerably outweigh any benefits (discussed further below), contrary to the presumption of sustainable development.

4.116 In light of the above, it is concluded that limited weight can be attributed to the policies of the emerging plan due to the significant unresolved objections to the emerging policies, the harmful impact of the Proposal to the emerging plan and the emerging plan not being yet formally part of the Borough's development plan.

4.117 The Appellant has provided in their Statement of Case a table which sets out the benefits of the Proposal:

Issue	Weighting
Provision of much needed housing	Very Substantial Benefit +
Provision of modern, flexible and additional employment space to meet identified occupier needs	Very Substantial Benefit +
Redevelopment of sustainable, urban, brownfield site and optimising the site's capacity	Very Substantial Benefit +
Improvement of air quality, a key objective of the London Plan	Very Substantial Benefit +
High quality design, including creating a beautiful and successful place	Substantial +
Provision of construction employment opportunities	Substantial +

4.118 The Appellant argues in their Statement of Case that the provision of modern, flexible and additional employment space to meet identified occupier needs,

much needed high quality housing, the redevelopment of under-utilised brownfield land and the improvement of air quality, a key objective of the London Plan, are Very Substantial Benefits in favour of the development. In addition, the proposed high-quality design of the proposed development and the provision of construction employment opportunities are Substantial Benefits in favour of the Proposals. The Appellant does not identify any harm, however they note that the Council's conservation officer comments show a moderate degree of harm to the setting of the adjacent Conservation Area, which is less than substantial. The Appellant argues that the benefits are such to clearly outweigh this by applying the approach in paragraph 202 of the NPPF.

4.119 The following table represents the weight that I consider that can be attributed to the relevant planning issues.

Issue	Weighting
Provision of housing	Very Substantial Benefit +
Provision of affordable housing	Very Substantial Benefit +
Planning obligations and CIL that would contribute to wider improvements in the borough	Substantial Benefit +
Provision of wheelchair accessible dwellings	Very Substantial Benefit +
Improvement of air quality	Very Substantial Benefit +
Provision of passive surveillance, increasing safety and security	Substantial +
Provision of construction employment opportunities	Substantial +
Loss of industrial capacity	Very Substantial Harm -
Unacceptable internal layout and arrangements for the proposed commercial units, impeding the provision of flexible workspace that can be adapted to the needs of a wide range of employment uses.	Very Substantial Harm -

Lack of potential industrial end users	Very Substantial Harm -
Insufficient provision of number of jobs	Very Substantial Harm -
Marketability of the proposed commercial units for industrial uses	Very Substantial Harm -
Lack of sufficient affordable three-bedroom units	Very Substantial Harm -
The Proposal would fetter or compromise the development of the remainder of the Willow Way LEL (/ LSIS) and the objectives of the wider site allocation and masterplan area.	Very Substantial Harm -
Lack of contextual design	Very Substantial Harm -
Negative impact on designated heritage assets	Very Substantial Harm – (Low to moderate (less than substantial) in NPPF terms)
Negative impact on non-designated heritage assets	Very Substantial Harm – (Low degree of harm in NPPF terms)
Inadequate delivery and servicing provision	Very Substantial Harm -

4.120 The above table demonstrates that the Proposal would result in a Very Substantial Harm due to the loss of industrial capacity, the unacceptable internal layout and arrangements for the proposed commercial units, the lack of potential end users, the reduction of the number of jobs and the marketability of the proposed commercial units. In addition, there would be lack of sufficient affordable three-bedroom units, unacceptable design, a harmful impact on heritage assets (designated and non-designated) and inadequate delivery and servicing provision. The Proposal would also fetter or compromise the development of the remainder of the Willow Way LEL / LSIS and the objectives of the wider site allocation and masterplan area. No benefits have been identified in terms of the impact of the proposed design on the surrounding area and no heritage benefits have been identified. Given the insufficient capacity of

the proposed loading bay there is potential conflict with other vehicles. The inadequate footway width solution will directly impact existing servicing for other commercial units located on the Western side of Willow Way.

4.121 The benefits of the proposal, which include the provision of housing, affordable housing, wheelchair accessible dwellings, improvement of air quality, construction opportunities and planning obligations and CIL, do not outweigh the harm identified above in the balancing planning exercise. As set out in the evidence, the proposed development is clearly in conflict with the Development Plan. The relevant policies for considering the application are considered to be up to date and therefore, in accordance with the NPPF, the Development Plan is given full weight. In view of this, the conflict with the Development Plan outweighs any benefits to the scheme. Overall, the proposed public benefits would not outweigh the identified substantial harm.

5. CONCLUSION AND SUMMARY

- 5.1 Site Allocation SA48 in the Site Allocations Local Plan allocates the Willow Way site as a Local Employment Location (LEL) to enable its protection of B Use Class Employment Uses. The introduction of 60 residential units (Use Class C3) would constitute a departure from the adopted development plan. If the proposed 479sqm of mezzanine floorspace is discounted, the Proposal would only provide 922sqm of commercial floorspace, which would represent a net loss of industrial capacity contrary to the provisions of DM Policy 10. In addition, the evidence base documents demonstrate that the proposed floor to ceiling heights beneath and at mezzanine level would be significantly insufficient for the range of employment uses that could be reasonably accommodated and the lack of dedicated yard space or back of house space, and the associated reliance on an on-street bay for all servicing and delivery requirements (serving both the employment units and the residential units) represents a significant constraint on the attractiveness of the proposed employment floorspace. The absence of at least a basic internal fit-out would significantly restrict the provision of flexible workspace that could be adapted to the needs of a wide range of employment uses and would be contrary to LP Policy E2 and DM Policy 10. Given there is no end user identified for the commercial floorspace, it is considered that its attractiveness would be significantly impeded.
- 5.2 Similarly, with regards to the Proposed Submission Local Plan, the Proposal would result in a net loss of industrial capacity, and that there has been no demonstration that the amount of industrial capacity has been maximised as much as reasonably practical, or that the proposal has sought to optimise the use of land and maximise opportunities to increase job densities, through evidence of a development options appraisal considered through the design-led approach. In addition, no exceptional circumstances have been demonstrated to show that the co-location of uses on the LSIS site that would result in the net loss of industrial capacity would be compliant with the direction of the Proposed Submission Local Plan. The proposed design of the commercial units would not be attractive to potential future occupiers and it would likely reduce the marketability of the commercial units for industrial uses.
- 5.3 The proposal fails to demonstrate that it would provide an affordable housing mix in line with the requirements of the borough's Strategic Housing Market Assessment and the applicant has provided no design feasibility or viability justification for this. A total of 8 units would have 3 or more bedrooms out of the proposed 30 affordable units, which represents 26.6% of the affordable housing units. Part 9 of Core Strategy Policy 1 requires that 42% of affordable housing units have three or more bedrooms. In relation to the proposed development, this would equate to a requirement of 13 affordable units with three or more

bedrooms. Therefore, the proposed development is characterised by an under-provision of 5 affordable housing units with three or more bedrooms. The applicant has not demonstrated through a viability assessment why additional family sized accommodation to meet the policy requirement cannot be provided within the affordable tenure as the scheme does not meet the requirements to follow the Fast Track Route of the threshold approach.

- 5.4 In addition, it has not been satisfactorily demonstrated that the Proposal would not fetter or compromise the development of the remainder of the Willow Way LEL (/ LSIS) and the objectives of the wider site allocation and masterplan area. The Proposal has not been thoroughly considered and informed by the requirements of policies and guidance related to the masterplan process and as such it is likely that it would prejudice the future development of other parts of the site and adjoining land or compromise the delivery of the site allocation and outcomes sought for the wider area.
- 5.5 The analysis in this Proof has concluded that limited weight can be attributed to the policies of the emerging plan due to the significant unresolved objections to the emerging policies, the harmful impact of the Proposal to the emerging plan and the fact that the emerging plan has not been yet formally part of the Borough's development plan.
- 5.6 It has been demonstrated that the Proposal would result in loss of industrial capacity, unacceptable internal layout and arrangements for the proposed commercial units, lack of potential end users, insufficient provision of number of jobs and marketability of the proposed commercial units. In addition, there would be lack of sufficient affordable three-bedroom units, unacceptable design, a harmful impact on heritage assets and inadequate delivery and servicing provision. The Proposal would also fetter or compromise the development of the remainder of the Willow Way LEL (/ LSIS) and the objectives of the wider site allocation and masterplan area.
- 5.7 In terms of public benefits, it is recognised that the Proposal would deliver 60 new homes of which 30 would be affordable tenure. In addition, the scheme has the potential to result in job creation associated with the commercial floorspace and would generate planning obligations and CIL that would contribute to wider improvements in the borough, together with benefits to the local economy during the construction phase. In addition, the scheme would provide wheelchair accessible dwellings in compliance with M4(2) and M4(3) and the proposed residential units would provide passive surveillance, increasing safety and security.
- 5.1 However, the aforementioned benefits are moderated by the concerns regarding the extent to which the Proposal would result in a net loss of

industrial capacity rather in a maximisation of employment uses; the lack of a context-based design approach; a degree of harm to the significance of key surrounding heritage assets which varies between low to moderate (less than substantial) due to the scale, bulk, massing and footprint of the proposed building, and the lack of trees and vegetation; the inadequate delivering and servicing arrangements for the commercial uses that would not be suitable to meet the needs of a range of future occupiers, and that this could impact the uptake of employment floorspace and undermine the continued function of the Willow Way LEL; the inadequate footway width solution will directly impact existing servicing for other commercial units located on the Western side of Willow Way; and that in the absence of a convincing and robust masterplan approach, that the Proposal has the potential to adversely impact on the function or effectiveness of the LEL (/ LSIS) to accommodate commercial and industrial uses.

- 5.2 The benefits of the proposal, which include the provision of housing, affordable housing, wheelchair accessible dwellings, improvement of air quality, construction opportunities and planning obligations and CIL and passive surveillance do not outweigh the harm that has been identified above in the balancing planning exercise. As set out in the evidence, the proposed development is clearly in conflict with the Development Plan. The relevant policies for considering the application are considered to be up to date and therefore, in accordance with the NPPF, the Development Plan is given full weight. In view of this, the conflict with the Development Plan outweighs any benefits to the scheme.