

<b>Item No.</b> 12.	<b>Classification:</b> Open	<b>Date:</b> 7 June 2016	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Draft Old Kent Road Area Action Plan	
<b>Ward(s) or groups affected:</b>		Livesey, South Bermondsey, East Walworth, Grange, Chaucer, Nunhead, Peckham	
<b>From:</b>		Councillor Mark Williams, Regeneration and New Homes	

## **FOREWORD - COUNCILLOR MARK WILLIAMS, CABINET MEMEBR FOR REGENERATION AND NEW HOMES**

As part of Southwark's work to tackle the housing crisis we have been consulting with local residents, businesses and community groups along the Old Kent Road for the past year on how we can significantly regenerate the area. This work culminates in the publication of this Old Kent Road Area Action Plan which sets out how and where we expect 20,000 new homes, 5,000 new jobs, and new parks, schools and health facilities to be built over the next 15-20 years. We have listened to local residents and are clearly setting out that we want to extend the Bakerloo Line down the Old Kent Road with two new stations, in addition to the new Overground Station at Surrey Canal Station. We also want to see significant improvements to the Old Kent Road itself including bus lanes, cycle lanes, more and better crossings for pedestrians and the creation of a tree lined boulevard from the Lewisham border all the way to Tower Bridge Road. Working with landowners and developers we will create a new park at Mandela Way and at the gasholders as well as a new green link along the former Surrey Canal route. We will also create a more legible street pattern where there is currently large warehousing, big box retail, and industrial sites. We will work with the affected businesses to help them take advantage of and adapt to new development or find new more suitable premises elsewhere. This will require intensive work from our officers to make sure that as many businesses as possible benefit from these proposed changes.

We also set out in this Old Kent Road AAP that we will require 35% affordable housing with 70% of these units being social rent with the remainder being intermediate homes. This approach means that those who both need social housing and help getting on the housing ladder will receive assistance. We will also require developers to help pay for the infrastructure needed to allow this scale of development to happen, most notably the Bakerloo Line extension. We are in the process of conducting the analysis for uprating the Community Infrastructure Levy for this area, whilst this work is underway we will introduce a s106 obligation for the Old Kent Road area which will generate funds towards the extension. The AAP also sets out the need to provide new primary and secondary schools, improved play space for our children, and that development must improve air quality in the local area.

## **RECOMMENDATIONS**

1. That cabinet:
  - a. Approves the draft Old Kent Road Area Action Plan (Appendix A) and the proposed changes to the adopted policies map (Appendix B) for public consultation.
  - b. Notes the integrated impact assessment (Appendix C), the consultation plan (Appendix D) and Habitats Regulations assessment (Appendix E).

## BACKGROUND INFORMATION

2. In March 2015 the Old Kent Road was confirmed as an opportunity area in the London Plan, emphasising its significant potential for growth in homes and jobs. The designation identifies potential for at least 2,500 new homes and around 1,000 additional jobs, although notes that targets should be informed by preparation of a planning framework for the area.
3. Over the past 18 months the council has been collaborating with the GLA and TfL on the preparation of an area action plan (AAP) for the opportunity area. The purpose of the AAP will be to manage change and regeneration in the opportunity area over the next 20 years, ensuring that the area's potential transformation happens in a way that results in a better place to live, visit and work. It will provide a vision for the area as well as policies and site guidance on issues ranging from building heights and densities, land uses, open spaces, public realm improvements, social infrastructure and transport, including the delivery of the Bakerloo Line extension. It will also explain how change will be implemented, including some of the funding mechanisms that will support the delivery of infrastructure.
4. Once adopted, the AAP will be part of Southwark's Local Plan and will be used alongside the New Southwark Plan to determine planning applications and to help focus investment. It will also be endorsed by the Mayor of London as an opportunity area planning framework (OAPF). As a part of Southwark's local plan it is required to be consistent with the borough-wide New Southwark Plan and must be in general conformity with the London Plan.
5. The preparation of the AAP will be carried out in several stages, comprising of the following:
  - a. Stage 1 - Informal consultation on the draft AAP which took place between February 2015 and March 2016;
  - b. Stage 2 - Consultation on a scoping report on the integrated impact assessment, carried out over five weeks from 12 February 2016 to 18 March 2016;
  - c. Stage 2 - Consultation on the draft AAP (the current stage);
  - d. Stage 3 - Consideration of comments on the draft AAP and preparation of the final revised plan for publication
  - e. Stage 4 – Invitation of representations on the final plan and subsequent submission to the Secretary of State for an examination-in-public (EIP) in 2017.
  - f. Examination-in-public into the AAP in 2018.
  - g. Stage 5 - Adoption of the final AAP as part of Southwark's local plan in late 2019.
6. The council is currently at stage iii in the process. Over the last 18 months the council has prepared a thorough evidence base to help underpin the plan. This has included a survey of all existing businesses in the area, an analysis of the area's character including its strengths and weaknesses, a place-making and capacity study, infrastructure studies and a development viability study.
7. Extensive consultation has also taken place over the last 12 months. The council established the Old Kent Road community forum to bring together all relevant stakeholders in the area, including local residents and businesses, to raise awareness of potential changes affecting the area and explore the vision and options for growth and regeneration. This is reported further in paragraphs 9 to 15

of this report.

8. The draft AAP is accompanied by detailed OS based maps which document changes to Southwark's adopted policies map (Appendix B), integrated impact assessment (Appendix C), the consultation plan (Appendix E) and Habitats Regulations assessment (Appendix F) (which screens any impacts on EU protected wildlife habitats). In tandem with consultation on the draft AAP the council will also consult on a revision of its Community Infrastructure Levy Charging Schedule, which is addressed in a separate report on this agenda.

## **CONSULTATION**

9. Consultation on the draft AAP is being carried out in accordance with the requirements of the Planning and Compulsory Purchase Act 2004 (as amended).
10. Over the past 12 months the council has consulted extensively on the emerging AAP. Through the community forum the council has sought to raise awareness of what the plan might mean for the local community, consider the way the area has changed over time and explore the vision for the future. Using guest speakers, workshops and planning for real exercises the forum has considered a range of themes including heritage and character, employment and businesses, retail and town centre uses, walking, cycling and buses (surface transport), open and green spaces and faith community spaces, the vision for the opportunity area and strategic options for regeneration. The outcomes and feedback have been invaluable in informing the plan.
11. Separate to the community forum, the council has maintained an on-going dialogue with a number of businesses in the opportunity area, initially through an Employment Study and also through business-focused workshops designed to capture views from business owners in the area. As well as businesses the council also targeted young people to find out their views about the Old Kent Road and their aspirations for the future. Some of these young people gave a presentation at the community forum to enable the wider community to hear their views.
12. Besides the informal consultation through the community forum, the council also consulted formally on the scope of the integrated impact assessment and the comments made have informed that document.
13. In accordance with Southwark's statement of community involvement (SCI), the draft AAP will be available for comment over a twelve week period from June 17 2016, although consultation will be focused as far as possible in the 6 weeks prior to the start of August. The draft AAP will be published on the council's website and made available at libraries, one stop shops and the council's Tooley Street offices. An advert publicising the draft AAP will be put in the press and written notification will be sent to around 1000 contactees on the Planning Policy mailing list and My Southwark.
14. In addition to the statutory consultation described above, other consultation channels will include:
  - Leaflet to be sent to all addresses in the opportunity area
  - Presentations on the draft AAP at community council meetings
  - Consideration of the draft AAP by Planning committee
  - Workshops to be held at the Old Kent Road community forum
  - Event targeted at young people
  - Targeted outreach with tenants and residents associations
  - Continuing discussions with landowners and developers.

15. These are described further in the consultation plan (appendix D):

## **KEY ISSUES FOR CONSIDERATION**

16. The draft AAP is an ambitious plan for the regeneration of the Old Kent Road and area around it. It establishes a vision and policies to manage change over a 20 year period. Because of the proposals for the Bakerloo Line extension and the fact that the Old Kent Road is a London Plan opportunity area, the draft AAP and the evidence base which helps support it have been prepared in collaboration with officers at the GLA and TfL. In view of the need to coordinate the impacts of the draft AAP, officers at Lewisham council have also been involved in its preparation.
17. The opportunity area covers an area of 281 hectares comprising the Old Kent Road itself from the Bricklayers Arms roundabout to the borough boundary with Lewisham, as well as the hinterland on either side.
18. The vision envisages that over the next 20 years or so, the opportunity area will be transformed, becoming increasingly part of central London, providing at least 20,000 new homes and 5,000 additional jobs. The two key drivers of change are the expansion of central London and its functions and the construction of the Bakerloo Line extension. As pressure for land intensifies in central London, so many of its functions, including provision of commercial space, space for cultural activities and institutions such as universities are being pushed outwards. The effects of this are already being felt in the opportunity area as rents for commercial space are rising and demand is growing for office and managed workspace, especially around Bermondsey. The Bakerloo Line extension will bring most of the opportunity area within a 10 minute walk of a tube station, stimulating growth in homes and jobs and driving residential densities which are similar to tube station locations elsewhere in central London.

### *Homes*

19. New homes will help meet Southwark and London's huge need for housing. They will include affordable homes and rented homes for middle income groups to help ensure the area remains accessible for existing residents. The density of homes in the core area of development would reflect densities in other central London opportunity areas, including Elephant and Castle and Canada Water. The distribution of new homes is shown in individual site allocations. These focus mainly on the industrial and retail land in the opportunity area, although would not preclude development on existing housing land. Consultation on regeneration on existing estates would need to be carried out in accordance with the principles set out in the July 2015 cabinet report.

### *Revitalised neighbourhoods*

20. The policies in the revitalised neighbourhoods section of the draft AAP aim to ensure robust and high quality urban design and a strategy for public realm improvements. The core area contains large areas in which the historic street pattern has been lost. Reinforcing and in some cases reintroducing a strong street pattern lies at the heart of creating neighbourhoods which are easy to move around in and which can develop a character and sense of identity. Tall buildings will be appropriate in the core area where they are located close to important nodes of activity and can be set within generous public realm. On the Old Kent Road itself, the draft AAP seeks to create a rhythm to building heights with zones of transformation alternated with stretches which have more consistent should heights.

21. The Old Kent Road has a history stretching back 2,000 years. The character of the Old Kent Road has been shaped over time and it will continue to evolve. As it becomes more closely part of central London, it will take on new roles and the look and feel of the area will change. This will also create opportunities to stitch together old and new, incorporating the area's heritage assets into new development and enabling them to be appreciated better by improving their surroundings. It will also be possible to reveal parts of the area's history which have been lost, such as the former Surrey Canal route. The draft AAP outlines a heritage-led regeneration approach to ensure that the story of the Old Kent Road remains strong and indeed can be understood more clearly.
22. Achieving the vision for the area will require an upgrade of the area's public realm. The Old Kent Road itself will be transformed into a modern boulevard with improved public realm for pedestrians, protection for cyclists and improved bus infrastructure along its entire length. The AAP's public realm strategy identifies a number of places on the Old Kent Road where targeted improvements would build on existing strengths and redefine the area's character.

#### *Local economy*

23. Much of the land which is a focus for development is designated preferred industrial location (PIL) by the Core Strategy. To help understand the potential opportunities and impacts of development, the first step which the council took in preparing the plan was to carry out a survey, jointly with the GLA, of all the commercial and non-residential uses. This helped identify which businesses are operating in the area, the reason why they are there, the number of people they employ and their future aspirations. It was also a good means of making contact with businesses and raise awareness of potential future changes.
24. The draft AAP indicates that the current PIL designation will be removed and in line with the approach set out in the new Southwark Plan preferred options, there will be a transition from single use industry, warehousing and retail to mixed use neighbourhoods. The AAP identifies clusters in which employment use will need to be retained and the numbers of jobs increased. These clusters aim to build on the strengths of the existing business activities. Some affordable or low cost space would be sought from large developments. The draft AAP includes a design guide to provide further information which can help ensure that space provided will appeal to a wide range of occupiers. Where businesses may be displaced by development, the draft AAP requires developers to consider relocation strategies or other mitigation.
25. The Old Kent Road is the commercial heart of the opportunity area and the draft AAP aims to revitalise it as a high street with stronger frontages on either side and a mix of uses including retail or other non-residential uses at ground level and residential homes above. Over the lifetime of the plan we would expect a transition from "big box" retail to a high street format as land values rises and the opportunity area becomes more firmly established as part of central London.

#### *Social infrastructure*

26. The council has assessed the social and infrastructure needed to help support growth. The draft AAP identifies the needs which include up to 8 primary schools and 2 secondary schools, new health facilities, early years facilities, play facilities and sports and leisure space. While the council has sought to assess the timing when facilities will be needed, this will need to be kept under review and will depend on the rate at which development occurs and any provision which might be

made outside the opportunity area. Indicative locations are set out in the plan and the council will need to work with providers, developers and funding agencies to ensure that these can be provided in appropriate locations and at the right time. It is anticipated that the land for infrastructure will be secured under s106 planning obligations, while facilities themselves would be funded by CIL and other mechanisms.

### *Transport*

27. The draft AAP seeks to facilitate the BLE, ensuring good access to potential stations and maximising the role of the stations as transport interchanges. Additional bus capacity alongside infrastructure which supports this including stops, stands, passenger and driver facilities will also be needed to support growth. Improvements are needed to deliver a high quality environment for people walking and cycling and car parking will be kept to a minimum, aside from spaces for disabled users and car clubs.

### *Environment*

28. The uplift in homes and jobs anticipated will require improvement to the network of green spaces in the area. The draft AAP proposes three major additions to the green infrastructure network: new open spaces on Mandela Way and the gasworks and the reinstatement of a green route on the alignment of the former Surrey Canal. These would be supplemented by pocket parks and improvements to existing spaces, particularly at Burgess Park and around Galleywall Road and potentially at Brimington Park. New open spaces would be designed to include a range of facilities including play space, sports provision, food growing, informal recreation, nature conservation and sustainable urban drainage systems.
29. Air quality is a serious issue, particularly at the northern end of the Old Kent Road. Given the amount of development envisaged, new development will be required to go beyond air quality neutral standards and result in an improvement.
30. The draft AAP proposes a decentralised energy strategy which will help development achieve the zero carbon standards specified in the London Plan. Proposals will be required to assess the feasibility of providing energy centres which serve a wider area and to which developments around can connect.

### *Delivering the plan*

31. Delivering the AAP will require commitment from the public sector over a long period of time. Southwark, together with Lewisham, the GLA and TfL are exploring the best way of ensuring that the approach across the authorities is coordinated and maximises the potential to obtain funding from the Treasury and other sources. The public sector owns little land in the opportunity area aside from housing estates and therefore a collaborative approach will be required with partners to ensure that infrastructure which is needed can be provided. Development will be expected to contribute financially towards the provision of infrastructure, including the Bakerloo Line extension and the borough is reviewing its CIL charging schedule to help achieve this.

### **Community impact statement**

32. In preparing the draft AAP the council has completed an integrated impact assessment (appendix C). This assessment found that the AAP/OAPF has strong objectives for improving the quality of the environment in the opportunity area including fostering community cohesion, improving health and equal opportunities

for all. Policies reflect the aim of achieving revitalised neighbourhoods with new community facilities, healthcare, education, cultural, leisure and arts space. The plan recognises the opportunity area also has a number of existing community networks, including many religious groups and churches, creative businesses and a diverse population. There may be a risk that community networks could be affected by redevelopment in the area if meeting places or cultural facilities are displaced by development. However the AAP provides many opportunities to replace, enhance and expand community and cultural functions, which will be an integral part of the place-making strategy. The implementation of the AAP will ensure high quality development is delivered across the opportunity area, encouraging sites to consider wider considerations to achieve the aspirations of the plan, including new green spaces, improved transport infrastructure connecting routes and high quality new buildings. There may be short term effects relating to increases in construction activity. However in the long term the AAP will create a better environment for residents, workers and visitors helping to improve the health of the population including improving air quality, public realm and increasing physical activity and reducing factors relating to deprivation such as crime and unemployment.

### **Financial implications**

33. There are no immediate financial implications arising from the draft Old Kent Road AAP. Any potential additional costs from any specific proposals emerging from the preparation and adoption of the plan or any queries thereof will be submitted as separate reports for consideration in line with the appropriate protocols.

### **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

#### **Director of Law and Democracy**

34. Area Action Plans (AAPs) are local development documents under the legislative framework established under the Planning and Compulsory Act 2004 ('the 2004 Act'). Regulation 5 of the Town and Country Planning (Local Planning) (England) Regulations 2012 ('the Regulations') provides that any document which (i) relates only to part of the area of the local planning authority; (ii) identifies that area as an area of significant change or special conservation; and (iii) contains the local planning authority's policies in relation to the area, is a local plan. As part of the Local Plan for Southwark, the Old Kent Road AAP, once adopted, will be used to make planning decisions on development proposals submitted to the Council.
35. A detailed statutory procedure for the adoption of local plan documents is set out in Part 6 of the Regulations including preparation and publication of a local plan, the consideration of consultation responses and the requirement for conformity with the London Plan. Section 19(3) of the 2004 Act requires that, in preparing local development documents, the local planning authority must comply with their statement of community involvement (SCI) and this report confirms that there will be compliance with the twelve week consultation period referred to in the SCI, which is itself a statutory document. The Consultation Plan which accompanies this report sets out both the statutory minimum requirements for consultation in the Regulations and the extended proposals in the SCI.
36. Ultimately, the Old Kent Road AAP will be submitted to the Secretary of State and will be subject to independent examination, as will be outlined in further reports as the statutory process progresses.
37. This report is accompanied by an Integrated Impact Assessment (Appendix C). The Integrated Impact Assessment will incorporate the Sustainability Appraisal,

Strategic Environmental Assessment, Health Impact Assessment and Equalities Analysis and these are considered separately in the following paragraphs.

38. Section 19(5) of the 2004 Act requires a sustainability appraisal of the proposals in each development plan document such as the Old Kent Road AAP and the Regulations prescribe that the sustainability appraisal report must be submitted to the Secretary of State as part of the adoption process referred to in paragraph 37. The purpose of the Sustainability Appraisal is to promote sustainable development by integrating sustainability considerations into plans. By testing each plan policy against sustainability objectives, the Sustainability Appraisal process assesses and reports the likely significant effects of the plan policies and the opportunities for improving social, environmental and economic conditions by implementing the plan.
39. Sustainability Appraisals are also required to satisfy the European Directive 2001/42/EC. The Directive requires a formal Strategic Environmental Assessment (SEA) of certain plans and programmes that are likely to have significant effects on the environment. The SEA was transposed into UK law by the Environmental Assessment of Plans and Programmes Regulations 2004. SEA is focused primarily on environmental effects, whereas Sustainability Appraisals go further by examining all the sustainability related effects of plans, whether they are social, environmental or economic. The process for undertaking a SA is conducted in accordance with the requirements of the SEA Directive.
40. The council is also required by UK law to pay due regard to advancing equality, fostering good relations and eliminating discrimination for people sharing certain protected characteristics, as set out in the Public Sector Equalities Duty (2011) (under section 149 of the Equalities Act 2010). The council carries out Equalities Analysis (EqIA) of its plans, decisions and programmes to consider the potential impact (positive and negative) of proposals on the key 'protected characteristics' in the Equality Act 2010 and on Human Rights.
41. The council is also required by UK law to pay due regard to advancing equality, fostering good relations and eliminating discrimination for people sharing certain protected characteristics, as set out in the public sector equalities duty under section 149 of the Equality Act 2010). The council carries out Equalities Analysis (EqIA) of its plans, decisions and programmes to consider the potential impact (positive and negative) of proposals on the key 'protected characteristics' in the Equality Act 2010 and with regard to the Human Rights Act 1998.
42. Health Impact Assessment (HIA) is a combination of procedures, methods and tools by which a policy, program or project may be judged as to its potential effects on the health of a population, and the distribution of these effects within the population. While a HIA is not required by law it is considered good practice, particularly since responsibility for managing the health of populations was transferred from national government to local authorities following the Health and Social Care Act 2012.
43. Part 3B of the Cabinet Role and Functions of the Southwark Constitution provides that the Cabinet Member for Regeneration and New Homes has particular responsibility for development of the local development framework.
44. Part 3F of the Constitution provides that it is function of planning committee to comment on local development framework documents in respect of all significant planning matters and to make recommendations to cabinet and this report refers to the intention to include this step in the consultation process.



45. Part 3C of the Constitution provides that approval for recommendation to council assembly of those proposals and plans contained in the council's policy framework are reserved to full cabinet.
46. Part 3A of Southwark's Constitution provides that it is the Council Assembly that must agree the policy framework including development plan documents.

**Strategic Director of Finance and Governance (FC16/004)**

47. This report is requesting cabinet to approve the draft Old Kent Road Area Action Plan (Appendix A) and the proposed changes to the adopted policies map (Appendix B) for public consultation.
48. The strategic director of finance and governance notes that there are no immediate financial implications arising from this report and any costs from specific proposals emerging from the adopted plan would be subject to separate report for formal approval.
49. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.

**BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
The Core Strategy 2011	160 Tooley Street, SE1	planningpolicy@southwark.gov.uk
<b>Web link:</b> <a href="http://www.southwark.gov.uk/info/200210/core_strategy">http://www.southwark.gov.uk/info/200210/core_strategy</a>		
New Southwark Plan preferred options (October 2015)	160 Tooley Street, SE1	planningpolicy@southwark.gov.uk
<b>Web link:</b> <a href="http://www.southwark.gov.uk/downloads/download/4346/new_southwark_plan_preferred_option">http://www.southwark.gov.uk/downloads/download/4346/new_southwark_plan_preferred_option</a>		
Southwark Statement of Community Involvement 2008	160 Tooley Street	planningpolicy@southwark.gov.uk
<b>Web link:</b> <a href="http://www.southwark.gov.uk/info/856/planning_policy/1238/statement_of_community_involvement_sci">http://www.southwark.gov.uk/info/856/planning_policy/1238/statement_of_community_involvement_sci</a>		

## APPENDICES

No.	Title
Appendix A	Draft Old Kent Road AAP (circulated separately and available on the web site)
<b>Web link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5147&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5147&amp;Ver=4</a>	
Appendices B – E below are available on the following web link:	
<b>Web link:</b> <a href="http://www.southwark.gov.uk/oldkentroadaap">http://www.southwark.gov.uk/oldkentroadaap</a>	
Appendix B	Proposed changes to the adopted policies map (available on the website)
Appendix C	Integrated impact assessment (available on the website)
Appendix D	Consultation plan (available on the website)
Appendix E	Habitats Regulations assessment (available on the website)

## AUDIT TRAIL

<b>Lead Officer</b>	Simon Bevan, Director of Planning	
<b>Report Author</b>	Tim Cutts, Team Leader, Planning Policy	
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<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	26 May 2016	