

London Borough of Southwark Response

Examination of the New Southwark Plan

Inspectors' Matters, Issues and Questions

Matter 9 – Infrastructure (including transport), viability and implementation including monitoring

Issue 1

Whether the Plan is justified, effective, consistent with national policy and in general conformity with the London Plan in relation to infrastructure and implementation.

Relevant Policies – IP1 – IP8

IP1 Infrastructure

Question 9.1

Does the policy adequately address the requirements for securing sufficient water support to support development?

1. Yes, policy IP1 Infrastructure adequately addresses the requirements for securing sufficient water support to support development.
2. We have a Statement of Common Ground with Thames Water.
3. The policy adequately addresses the requirements for securing sufficient water support to support development. LB Southwark has a Statement of Common Ground with Thames Water. The requirements for securing sufficient water support for development is not a strategic issue raised in this agreement. It is therefore not an issue for Thames Water.
4. The following agreements were made with Thames Water. Southwark and Thames Water agree that this is an appropriate policy to manage surface water flood risk. Southwark and Thames Water agree that developers should be encouraged to contact Thames Water as early as possible to discuss their development proposals and intended delivery programme to assist with identifying any potential water and wastewater network reinforcement requirements.

Question 9.2

Is the policy necessary for soundness?

1. Yes. It is necessary for soundness.
2. It is necessary to ensure that this policy is effective in ensuring that infrastructure is able to support new development and regeneration.
3. Implementation Policy IP1 Infrastructure sets out that:
4. “We will work with a range of infrastructure providers, neighbouring boroughs and utility companies to ensure that adequate infrastructure is in place to support future and existing residents. We will also encourage shared servicing options to ensure infrastructure (both social and physical) is in place to support the occupants of developments throughout their lifetimes”.
5. LB Southwark has demonstrated how it will work with a range of infrastructure providers, neighbouring boroughs and utility companies.
6. This is evidenced by SOCG with key stakeholders in water, waste, energy and transport as well as with neighbouring boroughs.
7. With regard to infrastructure LB Southwark has a SOCG, prior to submission, with Thames Water (document SCG12) regarding water infrastructure, Environmental Agency (document SCG08) with regard to environmental issues including waste, and Transport for London (TfL) with regard to transport infrastructure. LB Southwark received comments from National Grid under representation number NSPPSV123). A SOCG was not requested by National Grid.
8. LB Southwark has a SOCG with neighbouring boroughs on strategic issues including infrastructure prior to submission with Lambeth (document SCG10), Lewisham (document SCG03), and the Greater London Authority (document SCG13).

IP2 Transport Infrastructure (P51)

Question 9.3

Taking each in turn, what is the evidence and justification for the strategic transport projects? Are the projects committed and where necessary does the NSP need to safeguard land to enable their implementation?

1. LB Southwark will work in partnership with key bodies that include TfL, the GLA and neighbouring boroughs to secure funding and ensure that transport infrastructure supports the needs of residents by prioritising active travel.

2. Implementation policy IP2 Transport Infrastructure sets out that: Development must support the implementation of the following strategic transport projects and initiatives:

a. The Bakerloo Line extension to Old Kent Road

We have prepared a joint response with TFL to this Question and this is uploaded separately.

b. The Old Kent Road Healthy High Streets project

We have prepared a joint response with TFL to this Question and this is uploaded separately (Ref: M9.00a).

c. A rail station at Camberwell

Southwark is investigating the feasibility of reopening Camberwell train station. The latest study in 2019 confirmed the difficulty in creating enough redevelopment to economically support reopening the station. The council continues to work with Network Rail and TfL to try to find new solutions, especially in light of any new rail franchise agreement that the government may create within the 15 year timeframe of the plan.

d. A walking and cycling bridge from Rotherhithe to Canary Wharf

Transport for London (TfL) was studying the feasibility of introducing a new ferry service between Rotherhithe and Canary Wharf. The proposed service replaces earlier plans for a walking and cycling bridge across the Thames linking the two locations. However, in light of the Covid –19 pandemic TfL have stated that the scheme is currently unaffordable in the context of other walking and cycling priorities. The Council is continuing to work with TfL to facilitate the walking and cycling bridge and considers this to be an important infrastructure project to improve non automated travel.

e. The Elephant and Castle public realm improvements and the Northern Line ticket hall

A new entrance, ticket office and fully accessible station will be created for the Northern line and Bakerloo line in 2029. This station will also be the start of the Bakerloo Line Extension. The council and TfL have negotiated with developers of the Elephant and Castle shopping centre for them to construct the box for the new ticket hall. TfL will then fit out the new station and platforms.

The developer is working closely with TfL and has identified some minor changes that need to be made to the original planning application which was granted in January 2019. The changes are to

the proposed new ticket hall for the Northern line station to help safeguard the possibility of extending the Bakerloo line from Elephant and Castle to Lewisham. The changes will future proof an integrated, interchange between the Northern and Bakerloo lines. The developer will be submitting a Section 73 application to Southwark Council to formalise the changes.

f. Peckham Rye station

In 2019 Network Rail discussed with the council the need for access improvements to the station. Last year several stations in the borough received £30k for minor improvements, in compensation for the timetable delays across the Southern network during the previous year. This is an infrastructure priority for Southwark Council as part of this 15 year plan.

g. Expansion of cycle hire

The council is helping TfL to identify sites and using developer contributions to deliver cycle hire docking stations to bring these facilities to more neighbourhoods in the borough. Policy P52 requires that financial contributions will be required from major developments that are commensurate to the size and scale of the proposal. This may include providing space within the development for the expansion of the cycle hire scheme. The roll out of cycle hire by TfL will be done in phases and Phase 1 sites have been identified on the TRLN and borough roads. TfL can submit applications for the erection of cycle hire docking station on the highway. This will have to be considered on the availability of the space on the highway to provide it taking into account existing car parking pressure at that location and highway safety implications. The Council is not compelled to safeguard any part of the highway for this purpose but for each application to be evaluated on its own merits.

Applicants of major developments could be required to provide private land and contribute towards the provision of cycle hire docking station on that sliver of land and, where there are constraints with securing it on-site, the applicant may negotiate with the Council to install it on the highway and pay the associated costs.

Question 9.4

What is the latest situation regarding the timetable and funding for the Bakerloo Line Extension?

1. We have prepared a joint response with TfL to this Question and this is uploaded separately (Ref: M9.00a).

Question 9.5

Does the NSP provide sufficient detail about the proposed Bakerloo Line Extension and the phasing of proposed development in the Old Kent Road Opportunity Area to guide planning applications and the emerging Old Kent Road Area Action Plan?

1. We have prepared a joint response with TFL to this Question and this is uploaded separately.

Question 9.6

Do the projects reflect the 2019 Movement Plan for the Borough and are initiatives such as the Southwark Cycling Spine or the Low Lines (including Peckham Coal Line) strategic transport projects for the Borough?

1. Yes these transport projects deliver Southwark Council's objectives and are delivering strategic transport projects which will help improve accessibility in Southwark as part of the council's Movement Plan. For example, the Southwark Cycling Spine is the Council's flagship cycle project to create a new route through the middle of the borough. These projects are referred to in specific policies P51 Low Line, Figure 9 in document EIP27A and P52 Cycling in the NSP with maps rather than IP2 Transport Infrastructure.

IP3 (IP2) – Community Infrastructure Levy (CIL) and Section 106 Planning Obligations

Question 9.7

Is the policy sufficiently clear as to the circumstances where contributions will be sought beyond monies collected from Community Infrastructure Levies (i.e. Borough and Mayoral CILs)?

1. The purpose of the Implementation Policy is to set out the Council's intention to require CIL and Section 106 payments where appropriate. The Section 106 and CIL Supplementary Planning Document (EIP49) and the Addendum S106 SPD (EIP50) set out Section 106 and CIL requirements in developments coming forward. The Viability Background Paper (EIP20) sets out the requirements within the Plan per policy. An updated SPD will be prepared providing further guidance on S106 requirements once the NSP is adopted.

Question 9.8

Should the policy refer to 'mitigating' any impacts rather than 'offset'?

1. Yes, we suggest the policy should be updated to state 'mitigate' rather than 'offset'.

Question 9.9

Is the policy required for soundness?

1. Yes, the policy is required for soundness to ensure it is positively prepared and seeks to meet the area's objectively assessed needs through planning obligations. As set out in the NPPF, Section 4, Paragraph 54 '*local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations. Planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition*'.

IP6 – Monitoring development (IP5)

Question 9.10

Is the policy necessary for soundness? (see also questions in Issue 4 below)

1. The Council has set out the requirement in the monitoring development policy to monitor development to assess how planning policies are working and responding to peoples' needs in Southwark. The Council considers this to be necessary in order to give prominence to the monitoring of development and the importance of responding to ensure continuous improvement. However the policy is not necessary for soundness and the Inspector could remove this policy if he considered this action to be appropriate.

IP7 – Statement of Community Involvement (IP6)

Question 9.11

Is the policy required for soundness?

1. The Council has set out the requirement in the implementation policy to consult in accordance with the Statement of Community Involvement. The Council considers this policy to be necessary in order to give prominence to the Statement of Community Involvement. However, the policy is not necessary for soundness and the Inspector could remove this policy if he considered this action to be appropriate.

IP8 – Local development Scheme (IP7)

Question 9.12

Is the policy required for soundness?

1. The Local Development Scheme policy sets out the Council's intention to prepare documents in accordance with the Local Development Scheme.

However, this policy is not necessary for soundness and the Inspector could remove this policy if he considers this action to be appropriate.

Issue 2

Whether the Plan is justified, effective and consistent with national policy and in general conformity with the London Plan on promoting sustainable transport solutions in the Borough

Policy P49 – Highway Impacts

Question 9.13

Are any proposed modifications to the policy and its reasoning required as a consequence of the recent 2019 Movement Plan?

1. No. Changes were made in the Proposed Submission Version to reflect the Movement Plan (2019). The strategy for movement in Southwark as set out in the recent 2019 Movement Plan is reflected in transport policies in the New Southwark Plan. Policy P49 Highway Impact and the recent 2019 Movement Plan (document SP506) take the same strategic approach to movement in Southwark. Both share a priority to reduce traffic and shift the priority to walking and cycling. The Movement Plan (2019) (document SP506) and the supporting social equity framework will inform an early amendment to the New Southwark Plan to reflect any changes as a result of consultation. The SOCG with Transport for London (document SCG14) has set out that “TfL agrees that the Movement Plan is appropriate and in line with the Mayor's Transport Strategy”.

Question 9.14

Is criterion 5 justified and is the NSP clear on what are ‘large development sites’?

1. Large schemes are defined as major schemes. We suggest this is modified to ‘major’ and not ‘large’ for clarity.
2. Criterion 5 is justified because it aims to reduce the externalities of new development on the use of highways and by extension local residents to ensure safe and efficient use of the public highway.
3. Criterion 5 sets out that development must:
4. “Incorporate delivery and servicing within large development sites and not on the highway”

5. Construction and traffic management plans must be submitted for major schemes as set out in the validation checklist. These will detail how large development will incorporate delivery and servicing within large development sites and not on the highway.
6. Construction and Traffic Management Plans are required on major schemes. These plans are required for all developments providing over 500 homes or more than 25,000 sqm of floorspace to demonstrate how negative impacts of the construction process on the amenity of neighbouring occupiers and the environment will be managed and mitigated.
7. Depending on the type of development LB Southwark may request further documentation and evidence of how delivery and servicing will be incorporated.

Policy P51 – Low Line Routes

Question 9.15

Are the low line routes justified and is the policy effective in securing their delivery? In combination with Policy P51 are there any other programmes or funds to deliver the low lines in Southwark? What is the role of the Low Lines SPD (identified in the Local Development Scheme) and should this be referenced in the Policy and/or reasoning text?

1. The Low Line Route is justified as it sets out an important local infrastructure project which has been developed by local residents. The policy is effective because it designates the route to protect it from development and ensures that land is available for this walking route and for community projects.
2. In combination with Policy P51 Low Line Routes, the Low Line Route will be delivered with a number of partners. The initial partners were: Better Bankside, Blue Bermondsey, Borough Market, Team London Bridge, The Arch Company and Southwark Council. Indicative Low Line routes are planned to extend into Lambeth in the Waterloo area. This is supported by the regeneration strategy in LB Southwark, which encourages partners and local residents to develop low line projects in their area. Network Rail are working with LB Southwark to work on projects around their viaducts and railway sidings.
3. The delivery of the Low Line in the designated railway lines and arches has inspired local residents to deliver similar projects in other locations in the borough. The Peckham Coal Line is designated as a low line route and indicated on a map. This is being delivered in partnership with the community through an innovative crowdfunding campaign.

4. The Low Lines SPD, as identified in the Local Development Scheme, will set out additional guidance for the creation, maintenance and continued use and design of the Low Line. The Low Line SPD has not been drafted yet and is therefore not in policy. Generally, SPDs are not referred to in policy as they are wider guidance which do not form part of the development plan but are instead a material consideration. The protection of the designated low line routes is achieved through policy.

Policy P52 – Cycling

Question 9.16

Will the policy, and its focus on cycle parking provision, be effective in securing modal shift to cycling?

1. Yes. Policy P52 Cycling and its focus on cycle parking provision is effective in securing modal shift to cycling because it puts the infrastructure in place to encourage more local residents to cycle instead of relying on private vehicles. This provides the infrastructure to support the regeneration and movement plan strategy and projects that are changing modal shift in Southwark to increase walking and cycling.
2. This modal shift is supported by our Evidence Base the Southwark Cycling Strategy (2015) (document SP507), and the proposed Southwark Spine network to enhance existing cycle networks to ensure a greater number of local residents are able to access after cycling routes as the shift is supported by the Movement Plan (2019) (document SP506).
3. Policy P52 Cycling is effective because it sets out requirements for new development to ensure that this modal shift is supported and implementable.
4. Policy P52 Cycling incentivises cycling through the provision of a high number of secure and accessible cycle parking, and provision for accessible bicycles and tricycles as well, as set out in criterion 2,3 and 4 of P52. This is effective in ensuring that barriers to the use of bicycles are removed enabling more local residents to cycle.
5. Criterion six requires new development to provide a financial contribution is required to support wider cycle provision for those who do not have access to a bicycle to be able to hire one.
6. The SCOG with TfL (document SCG14) sets out the agreement by both parties that “the policies guiding the provision and promotion of cycling facilities in Southwark are generally in line with the approach of the Mayor’s Transport Strategy.”

7. It is therefore the view of the council that policy P52 Cycling is effective in securing a modal shift towards cycling.

Policy P52 – Cycling

Question 9.17

Is the focus in policy on the Southwark Cycle Spine route justified? Are there other planned improvements or gaps to address in developing a safe and convenient cycling network for Southwark? Is it clear to future users of the NSP whether their site would be on or adjacent to the cycle network in respect of part 1 of the policy? (is this the network routes shown on the Vision Maps?)

1. Yes, the route of the Southwark Spine is justified.
2. The Southwark Spine is a proposed new addition to the cycle network in Southwark. Analysis of the existing network identified the need for a new north-south route through the borough to complement proposed Quietway routes and link to the new north-south Cycle Superhighway on Blackfriars Road. The Spine route will be funded by LB Southwark and designed to Quietways standard. The route will be cohesive, direct, safe, attractive, comfortable and easy to navigate for all ages and abilities.
3. The Southwark Cycling Strategy (2015) (document SP507) sets out planned improvements to the cycling network in Southwark.
4. The Area Vision maps and site allocation maps show the existing cycle network. It does not show any under construction or proposed routes. There is an interactive map in which the cycle routes that are in the pipeline are set out. This can be found here:
5. Through the use of these tools, users of the NSP are able to use this and understand where current and proposed cycle routes are and how these will affect their site.

Policy P52 – Cycling

Question 9.18

Are the requirements in the policy justified and viable, including criterion 7 re cycle hire fobs?

1. Yes, the requirements set out in policy P52 Cycling are justified and viable.
2. In reference to cycling the NPPF sets out in chapter 8 Promoting healthy and safe communities paragraph (91) that:

3. *“Planning policies and decisions should aim to achieve healthy, inclusive and safe places which:
 - a) *promote social interaction, including opportunities for meetings between people who might not otherwise come into contact with each other – for example through mixed-use developments, strong neighbourhood centres, street layouts that allow for easy pedestrian and cycle connections within and between neighbourhoods, and active street frontages;”**
4. The approach to cycling in the publication version of the Publication London Plan (2020) sets out that Development Plans should help remove barriers to cycling and create a healthy environment in which people choose to cycle.
5. Policy P52 Cycling aims to remove the barriers to cycling by setting our stringent requirements that new development must meet in regards to cycling.
6. The requirement for new development to support the delivery of new cycle routes is justified and effective because it is part of a wider commitment by neighbouring London Boroughs and the GLA to improve strategic cycling routes cross borough and improve connectivity.
7. The SOCG with Lambeth Council details that “Both parties agree to work collaboratively to deliver the Mayor’s Transport Strategy outcomes with regards to walking and cycling”, as well as agreeing that “Both parties agree to work collaboratively, and with TfL, to deliver the Central London Bike Grid”.
8. The SOCG with Lewisham Council details that “Both parties agree to continue to share ideas and emerging strategies on improving walking and cycling in their respective boroughs and ensure policies are complementary.”
9. Policy P52 Cycling is policy compliant with the Publication London Plan (2020). The SOCG with Transport for London (document SCG14) has set out “Both parties agree that the policies guiding the provision and promotion of cycling facilities in Southwark are generally in line with the approach of the Mayor’s Transport Strategy”.
10. TfL, Lambeth and Lewisham all agree with LB Southwark's approach to cycling in P52 Cycling, as supported by the Southwark Cycling Strategy (2017) and Movement Plan (2019). Collectively these organisations will deliver improved cycling routes for local residents to promote cycling as a first choice mode of travel.
11. Criterion 7 of P52 Cycling aims to remedy this issue of affordability by removing the barrier of cost to cycling as the first choice of mode of travel. By providing free cycle hire fobs for two years it incentivises cycling and allows

local residents to get used to cycling and they will be more likely to continue cycling after this period.

12. The Publication London Plan (2020) does not specifically set out a requirement for the provision of free cycle hire hobs. Criterion seven is supported by Transport for London as set out in their representation in Appendix 1 of their SOCG (document SCG14).
13. Furthermore, the Movement Plan (2019) (document SP506) sets out a Movement and equity framework which highlights the need for improved affordability of more sustainable modes of transport. This framework considers access to transport which included the cost of travel or physical access. Criterion seven is therefore justified and viable in its approach.
14. The SOCG with TfL (document SCG14) sets out the agreement by both parties that “the policies guiding the provision and promotion of cycling facilities in Southwark are generally in line with the approach of the Mayor’s Transport Strategy.”
15. Since the publication version of the Publication London Plan (2020) has been submitted, TfL have identified that since the Publication London Plan (2020) is at an advanced stage there are certain standards that are not in general conformity with the latest strategic policy, including Table 9 and 10. Updates to Table 9 and Table 10 have been set out in document EIP177 and agreed by TfL in the updated SCG (SCG14a). The Council is suggesting to the Inspectors that they consider these changes as modifications.
16. The policy is effective because it aims to achieve a modal shift to cycling, and ensures that new development is amenable to the existing and proposed cycle networks to ensure greater connectivity for local people.

Policy P52 – Cycling

Question 9.19

What are the implications of recent Use Classes Order changes for Table 9 accompanying Policy P52? Are the standards for Southwark justified?

1. The proposed amendments to this policy as agreed with TfL in the update to the Statement of Common Ground are set out in document EIP177. The Council is suggesting to the Inspectors that they consider these changes as modifications.

Policy P53 – Car Parking

Question 9.20

Is the policy justified, effective, viable and in general conformity with the London Plan, including the requirements (3 year minimum membership) and the 80 dwelling threshold for car club provision?

1. Yes, it is the view of the council that the policy is justified, effective, viable and in general conformity with the Publication London Plan (2020).
2. LB Southwark's strategy for Policy P53 Car Parking is to deliver car free development with the exception of provision of car parking spaces for disabled people.
3. The publication version of the Publication London Plan (2020) sets out a clear strategy for the transition away from the reliance on personal vehicles and need for car parking.
4. Policy T6 Car Parking in paragraph (A) sets out:

“Car Parking should be restricted in line with levels of existing and future public transport accessibility and connectivity.”
5. Policy T6 Car Parking promotes car free development, with no onsite parking with the exception of onsite disabled parking.
6. The Publication London Plan (2020) does not specifically set out a requirement for the requirements set for Car Clubs membership. Criterion seven is strongly supported by Transport for London as set out in their representation in Appendix 1 of their SOCG (document SCG14).
7. LB Southwark's Kerbside Strategy (document SP508) set out how LB Southwark will work with TfL and neighbouring boroughs to assess the suitability of car clubs in Southwark. LB Southwark is supportive of shared mobility, as set out in Case Study 5 of the Kerbside Strategy.
8. The maximum car parking standards are low and in some areas are zero, therefore car-club provision is required for residents who need access to a car on occasion. There are different models of car clubs and in recent years eligible car clubs now apply for permits in Controlled Parking Zones and the monitoring by those companies enables them to enforce their fleet. The policy requires three years free membership per eligible adult to a car club if a car club bay is located within 850m of the development. Alternatively contributions can be made to create new car club bays for larger schemes over 80 units. This would not apply to smaller schemes below this threshold. Where car club bays are proposed off street the managing company would need to be enabled access and the bays fully accessible by users. As we are largely car

free development in the borough, the contributions are related to memberships to access car clubs operating in the borough. A minimum 3 years membership is considered reasonable for new residents of new developments.

9. The policy is justified because the approach is supported by this wider strategy to manage car parking and promote car free development.

Policy P53 – Car Parking

Question 9.21

Is criterion 3 of the Policy clear on what quantum of provision of electric vehicle charging points (EVCP) would meet the requirement of the policy?

1. The Publication London Plan (2020) sets out the quantum of provision of electric vehicle charging points (EVCP). To be policy compliant, new development must meet the quantum for provision of EVCP as set out in the Publication London Plan (2020) for residential parking, office parking, retail parking and Hotel and Leisures uses parking. The London Plan forms part of the development plan. This policy is not required in the New Southwark Plan as this would be replication.
2. Policy T6.1 Residential parking point C sets out that:
“All residential car parking spaces must provide infrastructure for electric or Ultra-Low Emission vehicles. At least 20 per cent of spaces should have active charging facilities, with passive provision for all remaining spaces.”
3. Policy T6.2 Office parking point F sets out that:
“Car parking provision at Use Classes Order B2 (general industrial) and B8 (storage or distribution) employment uses should have regard to these office parking standards and take account of the significantly lower employment density in such developments. A degree of flexibility may also be applied to reflect different trip-generating characteristics. In these cases, appropriate provision for electric or other Ultra-Low Emission vehicles should be made.”
4. Policy T6.3 Retail parking point F sets out that:
“Where car parking is provided at retail development, provision for rapid electric vehicle charging should be made.”
5. Policy T6.4 Hotel and leisure uses parking point C sets out that:
“All operational parking must provide infrastructure for electric or other Ultra-Low Emission vehicles, including active charging points for all taxi spaces.”
6. New development in Southwark must meet the above requirements to be policy compliant.

7. Criterion 3 is compliant with the Publication London Plan (2020) and indicates that parking spaces should provide ECVP. The Publication London Plan (2020) sets out what the quantum of provision is for specific land uses.

Issue 3

With regards to national policy on viability and the cumulative scale of obligations and policy requirements, is the Plan deliverable?

Question 9.22

The May 2020 background paper on viability (document EIP20) sets out the viability evidence underpinning the NSP which is drawn from 6 principal pieces of work carried out over a 4 year period – the most recent of which is the 2019 BNP Paribas ‘Housing and Affordable Workspace Policies Further Viability Sensitivity Testing’. Cumulatively, do the viability studies provide the necessary high-level understanding of the viability of potential development sites in the Borough, particularly in relation to the requirements for 35% affordable housing and affordable workspace?

1. Yes, the viability studies provide an understanding of the viability of potential development sites in the borough as confirmed in Paragraph 2.20 of the Viability Background Paper EIP20. Some sites may require more detailed site and scheme specific viability analysis when they come forward through the development management process. The requirements and guidance for this are set out in the various policies in the New Southwark Plan.
2. The Viability Background Paper (EIP20) provides a list of approved schemes that have met these policy requirements. In addition, a number of schemes have been approved and demolition has started or construction has started on site meeting the policy requirements, these include:

Planning application reference	Site	Provisions	Status
18/AP/2895	2 Varcoe Road	74 units (approved at Planning Committee 35.1% affordable housing and 10% affordable workspace, subsequently increased to 100% affordable housing)	Under construction
17/AP/3757	62 Hatcham Road	86 units (approved	Under construction

		at Planning Committee 35% affordable housing and 10% affordable workspace, subsequently increased to 100% affordable housing)	
17/AP/4546	180 Ilderton Road	84 units (approved at Planning Committee 35% affordable housing and 10% affordable workspace, subsequently increased to 100% affordable housing)	Under construction
17/AP/2773 and 17/AP/4596	Malt Street and Nyes Wharf	1,300 and 153 units (40% affordable housing and 10% affordable workspace)	Starting on site with demolition
17/AP/1646	634-636 Old Kent Road	42 units (35% affordable housing)	Site has been cleared

Question 9.23

In relation to proposals in the Old Kent Road Opportunity Area does viability appraisal appropriately factor in the likely contributions for transport infrastructure necessary to support the growth ambitions in this part of the Borough?

1. The revised CIL charging schedule was brought into effect on 1 December 2017 to ensure that the council can secure sufficient funding for infrastructure to support growth in the Old Kent Road Opportunity Area, including the Bakerloo Line extension in the Old Kent Road area.
2. The revision included amending the boundary between CIL zones 2 and 3 so that the whole of the Old Kent Road Opportunity Area falls within zone 2 and all residential development pays a rate of £218 per square metre; and increasing the existing CIL rates in line with the All-in-Tender Price Index, as provided for in the CIL Regulations.

3. The OKR Viability Study 2016 (EIP19) and associated updated viability studies support this approach. The overall funding relating to the Bakerloo Line is addressed under Question 9.4.
4. The viability background paper (EIP20) demonstrates schemes in Old Kent Road which have been approved with the required CIL charges to support transport infrastructure on the Regulation 123 List in addition to S106 bus contributions required by TFL, cycle docking stations or cycle infrastructure and a delivery and servicing bond. The majority of approvals in Old Kent Road have met the requirements for these contributions as well as CIL. The Malt Street development (planning application reference 17/AP/2773) has started demolition on site and is meeting the policy requirements including affordable housing, affordable workspace, bus contributions and CIL.
5. Increased and improved bus services are needed to accommodate growth in the Old Kent Road Opportunity Area prior to the arrival of the Bakerloo Line Extension (BLE) and developers will be expected to fund adequate mitigation in advance of its delivery. It will require contributions from developers to pay for additional bus services.
6. In order to ensure that on-street servicing and deliveries do not negatively impact on the highway network, the council also requires developers to enter into a Delivery Service Plan (DSP) Bond with the Council against submitted baseline figures for daily servicing and delivery trips. These bonds would be calculated at £100 per residential unit and £100 per 500 sqm non-residential floorspace. The company responsible for the management of the proposed development would be expected to monitor daily vehicular activity (both commercial and residential), quarterly for a period of 2 years from 75% occupancy of each block.
7. If the site meets or betters its own baseline target, the bond will be returned to the Applicant within 6 months of the end of the monitoring period. If the site fails to meet its own baseline, the bonded sum will be made available to the Council for sustainable transport projects in the ward of the development. The council will retain £1,600 per block for assessing the quarterly monitoring.

Question 9.24

Is there an expectation that applicants will submit financial viability assessments and is that justified given that NPPF paragraph 57 states that up-to-date policy requirements in the plan should be deliverable reflecting the typology of sites represented in the Borough? Are site specific circumstances in Southwark so variable that some flexibility will be required around site viability to ensure deliverability of the plan strategy? Is that evidenced in the 2019 viability work with reference to certain site typologies and the CIL zones?

1. Historically viability appraisals have been required for all planning applications submitted and approved triggering an affordable housing requirement. Through the fast track approach more flexibility is introduced into the policy. Unless developers are following the fast track approach set out in Policy P1, a viability appraisal will need to be submitted for any schemes triggering affordable housing requirements. This will be where the requirements of the Fast Track route have not been satisfied or where the applicant has demonstrated particular circumstances that justify the need for a viability appraisal at the application stage.
2. On schemes triggering an affordable workspace requirement, where developers comply with Policy P30, requiring the provision of affordable workspace, a viability assessment will not be required.
3. Schemes not following the fast track route (on schemes triggering an affordable housing requirement) are required to provide a viability appraisal to ensure the maximum viable amount of affordable housing can be provided given the acute affordable housing need in the borough as set out in LBS Response 3.11.
4. The 2019 study (SP109) confirms that a range of typologies on sites throughout the borough have been considered, comparing the residual land value to their current use value (plus a premium) - called the benchmark land value. See Paragraphs 1.3-1.7.
5. The study states that:
'Due to the extent and range of financial variables involved in residual valuations, they can only ever serve as a guide. Individual site characteristics (which are unique), mean that conclusions must always be tempered by a level of flexibility in application of policy requirements on a site by site basis to allow schemes to come forward in the context of their site specific variations.'

The residual appraisal method is also used by developers when determining how much to bid for land and involves calculating the value of the completed scheme and deducting development costs (construction, fees, finance, CIL and S106) and developer's profit. The residual amount is the sum left after these costs have been deducted from the value of the development, and guides a developer in determining an appropriate offer price for the site.

In light of the above, we would highlight that the purpose of this viability study is to support the Council's emerging policies through Examination in Public by providing evidence to show that the requirements set out within the NPPF are met. That is, that the policy requirements and contributions expected from development should not undermine the deliverability of the plan (para 34).

The viability analysis in this study provides a high level understanding of the viability of potential development sites in the context of the cumulative impact of the Council's emerging planning policies. It should be noted that some sites may require more detailed site and scheme specific viability analysis when they come forward through the development management process. In line with the requirements of the NPPF and NPPG, it will be up to applicants to demonstrate to the Council whether particular circumstances justify the need for a viability assessment at the application stage'.

6. The suite of viability studies provides details of the viability developments, looking at the different typologies, in each CIL zone, with different values and benchmark land values. The Study provides a conclusion based on our policy position, which does not set an affordable housing requirement per CIL zone or typology.

Question 9.25

The 2019 Viability Study indicates a more nuanced approach to reflect the values in the CIL Zones in respect of in-lieu affordable housing contributions and affordable workspace. Should this be reflected in the NSP for soundness or is it a matter for the related SPDs including the Viability SPD?

1. This is a process matter for the forthcoming Affordable Housing SPD and Affordable Workspace SPD which will set out the in lieu contributions required from developments (see LBS response to answer to Question 5.25). An update to the Viability SPD will also be required to reflect the New Southwark Plan requirements.

Question 9.26

Are the values/inputs used in residual method applied in the viability assessments informing the NSP appropriate, justified and reasonably aligned to the recommended approach in the PPG including 'standardised inputs'? This includes key inputs of land values including existing use value and a required premium/uplift to incentivise release, construction costs, sales values (including prices paid by registered providers), developer profit, contingencies and risks, the nominal value of £2000 per dwelling/£30 per sqm for commercial for site specific S106 costs, the cost of the Mayoral CIL (MCIL2) and Southwark CIL, and the cumulative cost of development plan policy (summarised at Table 1 of the May 2020 Viability Background Paper (EIP20))?

1. As set out in the Viability Background Paper (EIP20), Paragraphs 2.14-2.17 the viability studies have adopted a consistent methodology and adopt the residual valuation approach to test the impact on viability of the emerging New Southwark Plan policies. This accords with the recommended approach in the NPPF and NPPG. This compares the residual land values of a range of

development typologies on sites throughout Southwark to their value in existing use (plus a premium), referred to as 'benchmark land value'. If a development incorporating the New Southwark Plan policy requirements generates a higher residual land value than the benchmark land value, then we consider that these policy requirements will not adversely impact upon viability.

2. All of the viability assessments consider the cumulative impact of the New Southwark Plan policy requirements, Mayoral CIL and the local CIL, within the appraisals, which in turn informs the viability position. The reports also confirm the inputs to the development appraisals including the development costs e.g. cost of construction, fees, finance, CIL and Section 106 and other pertinent policy costs which are detailed in the reports, and therefore the viability evidence base tests the cumulative cost of policy requirements.
3. The 2019 study also undertakes further sensitivity testing on the November 2017 viability work to consider the cost implications associated with design standards as set out in both the emerging New Southwark Plan and the London Plan (2016). In particular, it considers the requirements for energy, accessible homes, water efficiency, car parking and electric vehicle charging. The 2017 study provides further details of these inputs, it includes allowances for MCIL2 and the updated Southwark CIL as appropriate.
4. The appraisals also incorporate notional allowances of £2,000 per unit for residential schemes and £30 per sq m for commercial schemes to address any residual Section 106 costs, which is in accordance with the assumptions included in previous viability assessments undertaken on behalf of the Council.

Question 9.27

Overall, is the NSP consistent with national policy at NPPF paragraph 34?

1. Consistent with NPPF Paragraph 34, the Plan sets out the contributions expected from development. These are also listed in the Viability Background Paper (EIP20). It sets out the amount and tenure of affordable housing required, along with the infrastructure required. The contributions required do not undermine the deliverability of the Plan.
2. The Viability Background Paper provides a list of delivered schemes that have met these policy requirements, which demonstrates the deliverability of the Plan. LBS response to question 9.22 also sets out a number of schemes that have been approved and where demolition or construction has started on site which meet the affordable housing and affordable workspace requirements and a number of the other policy requirements which demonstrate the deliverability of the Plan.

3. Where schemes do not or cannot meet the plan requirements, there may be other issues to prevent this. As recognised in 2019 viability study (SP109) some schemes are identified as having challenging viability regardless of the Council's affordable housing policy i.e. they are identified as being unviable at 0% affordable housing. In Southwark we consider this to be mainly as a result of high benchmark land values. In practice therefore, such sites would not come forward for development as they are more valuable in their existing use.

Issue 4

Are the Plan's monitoring and review mechanisms effective and otherwise consistent with national policy?

Question 9.28

The plan on submission does not contain a monitoring framework for the Plan. How will the effectiveness and performance of the policies in the plan be measured? Should a monitoring framework (possibly based on the indicators in Appendix 9 of the IIA) form an appendix to the NSP as a main modification to guide future Annual Monitoring Report processes?

1. Chapter 11 of the NSP IIA (EIP72) sets out the proposals for monitoring. This explains the plan will be monitored through Baseline Indicators found in Appendix 9 which refer to findings of Appendix 3: Baseline Data. Each of the baseline indicators are attributed to specific IIAOs which have been used during the appraisals of the NSP (Appendix 5, 6 and 7).
2. The most appropriate way to monitor the plan is through the Local Development Framework Authority's Monitoring Report (AMR). The AMR monitors the type of development that is occurring as a result of all of the council's planning policies and guidance and what effects this development is having in terms of sustainability. Additionally, the council monitors data through the London Development Database (LDD).
3. Southwark is committed to changing the way planning information is monitored and shared, to make it significantly more accessible, easy to measure against the policies and easy to understand. We are leading the way in the delivery of a range of digital projects alongside MHCLG to improve the management of our back office system. In the future this could enable simplified monitoring and clearer monitoring targets. We would welcome a modification to the plan to include a monitoring framework and a draft main modification is set out in EIP178.