

Item No	Classification: Open	Date: 15 March 2012	Decision Taker: Cabinet Member for Regeneration and Corporate Strategy
Report title:		Approval to submit outline planning application for Heygate Redevelopment Masterplan	
Ward(s) or groups affected:		Cathedrals, Chaucer, East Walworth and Newington	
From:		Deputy Chief Executive	

RECOMMENDATION

That the Cabinet Member for Regeneration and Corporate Strategy;

1. Confirms the approval of the council to allow Lend Lease to formally submit for planning their outline masterplan for the Heygate Estate, subject to the Director of Regeneration approving all documentation as outlined in paragraphs 19 & 20.

BACKGROUND INFORMATION

Development Objectives

2. The council has been pursuing a programme for the regeneration of the Elephant and Castle since the late 1990's. In 2004 the council adopted a development framework for the area in the form of supplementary planning guidance. This document set out development objectives for the area and includes proposals for how they might be given physical effect. The focus was a plan to bring forward the comprehensive phased regeneration of a core site focused on the shopping centre, northern end of Walworth Road, transport interchange and the demolition and redevelopment of the council owned Heygate estate.
3. The council's vision in the SPG was to replace the monolithic, single use, car dominated environment with a town centre which would provide employment opportunities, new homes, an improved transport interchange, new parks, shops and community facilities for its residents. The ambition was to change the perception of the Elephant and Castle and to establish it as a central London destination for both Southwark residents and Londoners.
4. The plan set out in the SPG took the form of a town centre designed around an open network of open spaces and public routes comprising mixed use and mixed tenure development. The redevelopment process would provide new affordable homes to replace those on the Heygate. These were to be provided on "satellite" sites in council ownership located around the opportunity area as well as back on the Heygate site itself.
5. The form of development was envisaged as being highly urban with tall buildings that would mark Elephant and Castle on the London skyline. The plan envisaged building heights reducing in scale at the edges of the development area where the

new scheme met existing Victorian streets.

6. There was a strong focus in the plan on re-connecting the centre of the Elephant with the adjoining neighbourhoods from which it had become disconnected through the 1960's re-planning of the area. To give effect to this the plan proposed opening up rail arches beneath the viaduct to create new pedestrian routes between the Heygate site and the shopping centre, aligning crossings on key arterial routes with local pedestrian/cycling desire lines, and the removal of the network of subways at the heart of the Elephant.
7. The fragmented nature of the townscape on Walworth Road north of Heygate Street was identified as a particular issue which needed to be addressed. There were a number of vacant and under used sites in this part of the area and the design of the Heygate estate related poorly to this important local route. A key objective in the plan was therefore to "repair" the high street and reconnect Walworth and Elephant through mixed use developments with ground floor retail frontages.
8. The proposals placed a strong emphasis on delivering a sustainable development. An ambitious target was adopted for zero carbon growth. To deliver this it was envisaged that that an Energy Services Company would be established to build out a decentralised network of heat and power network to supply development plots within the core area including the Heygate site.

Planning Context

9. Since the SPG was adopted in 2004 the council working with the GLA has developed and consolidated this approach into the land use planning framework for the area. The London Plan [2010] and Core Strategy [2011] both identify the Elephant and Castle as an opportunity area that has the capacity to provide up to 4000 new residential units, 5000 jobs, provide up to 45,000 sq.m of additional retail floor space, and 30,000 sq.m of business space.
10. There is therefore a strong planning framework in place which promotes growth and development at the Elephant and Castle. Consultation on a draft Supplementary Planning Document [SPD] which will replace the 2004 SPG has just been completed. Once adopted the SPD will provide further detail on the council's planning approach.

Partner Selection

11. In order to bring forward the redevelopment of the area the council in 2005 launched twin procurement processes to identify Housing Association partners to build replacement affordable homes for Heygate residents on a number of council owned sites in proximity to Elephant and Castle and also to identify a commercial partner to work with it to redevelop the Heygate site itself.
12. In July 2007 the council's Executive agreed to select Lend Lease Europe as its development partner. The serious economic downturn that occurred from late 2007 resulted in a delay in completion of full contractual documentation. As a consequence it was not until July 2010 that the council and Lend Lease formally entered into a contract [referred to as the Regeneration Agreement] for the

redevelopment of the site.

Progress to date

13. A number of developments have taken place since 2004 which have contributed to the advancement of the regeneration of the area e.g. Strata Tower, the redevelopment of sites alongside the rail viaduct, the removal of the southern roundabout and subways, the refurbishment of St Mary's Churchyard, and the implementation of a programme of 10 affordable schemes totalling 512 social rent units which will in part replace the Heygate estate. In total these developments represent progress towards the delivery of the council's vision for the area. A number of these developments have been planned and designed to connect to a decentralised heat network.
14. The next phase of the regeneration has been focused on the redevelopment of the 23 acre Heygate estate. To facilitate this in July 2007 the council launched a programme which was designed to accelerate the rehousing of tenants and leaseholders from the estate. There are now no tenants left on the estate and only 4 leaseholders. The first phase of the demolition of the estate at Rodney Road was completed in July 2011. The blocks on the south side Heygate Street all of which are vacant are currently being prepared for demolition.

Heygate Site

15. Securing planning consent for the Heygate site therefore represents the next major milestone that has to be achieved in order to bring forward the redevelopment of this key part of the core area. To facilitate this Lend Lease are in the process of preparing two planning applications. One is an outline planning application for the site marked on the plan in Appendix B of this report. The second is a detailed planning application for the Rodney Road site.
16. Under the terms of the Regeneration Agreement Lend Lease shall not submit the planning application without first obtaining the written approval of the council (not to be unreasonably withheld but the council must act in the best interests of the Development) to the application and all material associated drawings, specifications and other supporting material. This report therefore seeks the Cabinet Member for Regeneration and Corporate Strategy's confirmation of the council's approval for Lend Lease to submit their planning application for the Heygate estate. As noted above a detailed planning application is being prepared for the Rodney Road phase 1 site. Lend Lease do not expect to submit this application until June. Written approval to submit this application is not being sought at this time.

KEY ISSUES FOR CONSIDERATION

17. Since the completion of the Regeneration Agreement in July 2010 Lend Lease have been working to bring forward a viable planning application for the site which can deliver the council's vision for this key part of the Elephant and Castle regeneration area. In order to achieve this Lend Lease have ;

- a. Assembled a professional team to carry out the technical and design work and provide the necessary advice on a range of planning, environmental, sustainability and transport related issues.
 - b. In May 2011 Lend Lease entered a planning performance agreement [PPA] with the council's planning department which has provided a framework for negotiations with the Local Planning Authority. The PPA identified key issues for negotiation and discussion, a programme for the pre application process and agreed a level of resources necessary to ensure that this could be achieved. A large number of meetings have taken place with the council's planning team and these discussions have informed the content of the final application. Lend Lease have also presented proposals at three meetings of the Design Review panel and their comments have also shaped the content of the scheme.
18. Lend Lease have also have undertaken an extensive programme of public consultation and engagement with residents and other stakeholders during the pre application phase. This programme has been designed to inform the local community about the emerging application, test opinion on key issues and provide local stakeholders with an opportunity to influence the content of the application. In summary the programme has comprised the following;
- a. The establishment of a Regeneration Forum to which 180 key stakeholders have been invited. The forum has met 7 times since May 2011. In addition to discussions about elements of the emerging Lend Lease scheme the forum has also had briefings from Transport for London, Oakmayne [developer of 50 New Kent Road] and the council's planning policy and regeneration teams.
 - b. Lend Lease have arranged 3 public exhibitions of their proposals. Details of the first two were mailed to 7,500 people in the opportunity area. The final exhibition took place on the 22nd-25th February. Details of this event were promoted in the local press and information about it was mailed to 40,000 people in a wider radius of the site. Ex-Heygate residents who have a right to return to the area have been invited to every exhibition.
 - c. In addition to the Regeneration Forum Lend Lease have established a number of Liaison Groups. These are thematic workshops which have enabled discussions to take place on particular issues of interest to residents. Finally over 30 Outreach events have been arranged to discuss the planning application proposals and meetings have taken place with residents on Wansey Street who live immediately adjoining the scheme.

Application Structure

19. The Application will comprise the following documents for which planning approval is being sought;

- a. Parameter Plans detailing the minimum and maximum amounts of development on each plot including the height and width of individual buildings on each plot.
 - b. Development Specification that sets out details of the minimum and maximum quantum's of development for which planning permission is being sort ;
 - c. A Design Specification document [DSD] which will provide a framework for the design of detailed phases of the scheme. The document will set "rules" and "standards" for the detailed design of subsequent phases including critically the tall buildings and open spaces within the scheme e.g. examples of appropriate materials, minimum widths for plot to plot distances, minimum heights of retail units.
 - d. Environmental Impact Assessment/Application and reports. This aspect of the application will comprise an assessment of the likely significant environmental effects of the development scope and Principles
 - e. Design and Access Statement. The application will also include an "illustrative masterplan" including a strategy for landscaping, estate management and phasing. This document is intended to provide a visualisation of the form of the scope of the development and the principles upon which it is established. It should be noted however that the Planning Authority are not being asked to formally approve this document.
20. The application will be supported by the following which will provide the justification for the scope of the development and the principles upon which it is to be established. The documents that are to be submitted are currently in draft form ahead of their submission to the Local Planning Authority (LPA). Once submitted the LPA will undertake a formal validation process after which the application will be classified as valid;
- Planning Statement
 - Retail Assessment
 - Transport Assessment
 - Housing Statement
 - Draft Heads of Terms
 - Vision & Destination Statement
 - Statement of Community Involvement
 - Sustainability Strategy
 - Energy Strategy
 - Waste Strategy
 - Utilities and Services Strategy
 - Tree Strategy
 - Travel Plan
 - Access Statement
 - Health Impact Assessment

The application –content and scope

21. The proposals for the Heygate site will be in the form of a outline application. Planning permission is being only sought for the amount and type of land use as follows.
 - a. 2,462 residential units
 - b. Retail (A1, A2, A3, A4, A5): 16,750sqm
 - c. .Business (B1): 5,000sqm
 - d. Leisure (D2): 5,000 sqm
 - e. Community & Culture (D1): 5,000sqm
 - f. Sui Generis/Energy Centre: 925 sqm
 - g. Parking/Servicing; Plant; Storage: 43,666sqm
[note b-g Maximum GEA in sqm
22. The application seeks to reserve the following matters for future approval although some supporting detail is provided in accordance with Circular 01/06;
 - a. Layout - An indicative layout with separate development plots.
 - b. Scale - An indication of the upper and lower parameters for height, width and length of each building.
 - c. Landscaping -Commitments in the DSD and illustrative landscaping strategy
 - d. Appearance - Commitments in the DSD and an illustrative masterplan
 - e. Access - An indication of areas for accessibility into the development site and in addition the DSD will contain commitments to as to how circulation within the site boundary will be designed.

Comments on Proposed Application

23. The council's development objectives for the core area which includes the Heygate site are summarised in the background section of this report. The Lend Lease proposals will make a very significant contribution to the implementation of these objectives. The principal components of the proposals which will enable the original plan and vision for the core site to be delivered are summarised below;
 - a. The development takes the form of a network of new open spaces and public routes at the heart of which is a new 0.8 hectare public open space. A series of other spaces and pocket parks will also be provided. [see Illustrative Ground Plan Appendix B]. The proposals therefore develop the approach that the council first brought forward in the 2004 SPG and which were subsequently elaborated on in the documents the council prepared as part of the partner selection process. Lend Lease have carried out more detailed

design to maximise the retention of mature trees on the site and to ensure the scale of the park and massing of buildings sited adjacent to it are appropriate. The network of new routes is designed to reconnect the site to streets adjoining the site and a number of new pedestrian crossings are proposed on Walworth Road, Rodney Place and Heygate Street which will facilitate this.

- b. The development comprises 12 individual plots. These include for a number of taller buildings at both the northern end of Walworth Road and towards the eastern end of the new park. These proposals have been subject to testing to ensure that they do not harm strategic and local views including those from the Serpentine Bridge, south towards St George the Martyr and north from Camberwell towards St Paul's Cathedral. The scale and massing of the development generally diminishes in height towards the existing residential streets on the periphery of the site. The current phasing of the scheme envisages that plot H4 on the New Kent Road frontage adjoining the Oakmayne development will be constructed first. This scheme will enable an early phase of the central park to be delivered which will help deliver early public realm benefits.
- c. The scheme includes for a significant increase in new retail and commercial space which has the potential to generate employment opportunities and contribute to the development of the Elephant and Castle as a central London destination. This space also has the capacity to accommodate community facilities to support the development and increasing population. The primary Walworth and New Kent Road frontages incorporate ground floor commercial units which are designed to attract major high street retailers and other commercial operators into the area. This provision will be complimented by a secondary retail street linking Walworth Town Hall and proposed new park at the heart of the scheme which includes affordable retail space for use by local and independent traders.
- d. The scheme includes for a significant increase in residential dwellings in line with the council's development and planning objectives for the area. A variety of residential typologies, including town houses, will be provided through the development. The proposals includes for a minimum of 10% 3 bedroom units and 60% 2 bed units and therefore the mix complies with that required at the Elephant and Castle in the Core Strategy. These will be designed to comply with residential design standards for room sizes, lifetime homes and amenity space. Amenity space will be provided in the form of communal areas and also private balcony's and gardens. The Regeneration Agreement requires a minimum of 25% of the residential floorspace to be provided as affordable accommodation. Subject to viability the council and Lend Lease would like to increase this towards the 35% target established in the core strategy. All homes will be designed to be "tenure blind" i.e. there will be no visible difference in the external appearance of affordable and homes for sale.
- e. The proposals include a new energy centre which is to be located on the site of the existing Heygate boiler house. This facility will provide heat to all plots

within the Heygate site and has the capacity to serve other development within the core site. Initially this CHP plant will be fuelled from natural gas and will therefore be capable of ensuring all early phases comply with sustainable homes code 4. Lend Lease and EoN, who will operate the plant, are designing the plant to utilise renewable sources of energy that will become available in the future such as biomethane fuel to supply gas CHP and gas boilers. This will allow Code for sustainable homes 4 to be achieved.

24. In conclusion the proposed outline planning application is considered to be consistent with the council's original development objectives for the area. The scheme has the capacity to deliver substantial regeneration and employment benefits and opportunities, transform the quality of public realm at the Elephant and Castle and change the perception of the area. The Cabinet Member for Regeneration and Corporate Strategy is therefore recommended to confirm the approval of the council to allow Lend Lease to formally submit for planning their outline masterplan for the Heygate Estate.

POLICY IMPLICATIONS

Southwark Council Corporate Plan 2009 – 2011

25. The proposals contained in the outline planning application for the redevelopment of the Heygate site have the capacity to meet a number of the council's corporate plan objectives. The proposals will help transform the Elephant and Castle by creating a place where people love to live. The scheme is centred on the development of a network of quality open spaces which will help build the borough's reputation as a cultural and green hub.
26. The masterplan for the site has the capacity to build strong communities that promote connected, healthy and active lives. The proposals are strongly based on valuing the environment. The scheme will contribute to reducing the Borough's carbon footprint. The energy costs of the new developments for residents will be reduced and the development can be designed to increase recycling.

Core Strategy/Southwark Plan

27. The London Plan [2010] and Core Strategy [2011] both identify the Elephant and Castle as an opportunity area that has the capacity to provide up to 4000 new residential units, 5000 jobs, provide up to 45,000 sq.m of additional retail floor space, and 30,000 sq.m of business space.
28. There is therefore a strong planning framework in place which promotes growth and development at the Elephant and Castle. Consultation on a draft Supplementary Planning Document [SPD] which will replace the 2004 SPG has just been completed. Once adopted the SPD will provide further detail on the council's planning approach.

Community impact statement

29. The council has been pursuing a programme to regenerate the Elephant and Castle

since the late 1990's. During this time there has been extensive consultation on the plans for the area and individual projects within it. Engagement with the community has taken place through the statutory planning process as part of the adoption of the Southwark Plan, Core Strategy and Supplementary Planning Document. This has been supplemented by engagement with residents and businesses including occupants of the Heygate estate through the council's housing and regeneration processes. In combination these processes have established a broad based consensus in support of the council's plans for regeneration.

30. The pre application consultation that Lend Lease has recently carried out has been undertaken in the context of the council's work with the community over the last 10 years. Their consultation on the proposals in their outline application are summarised in paragraph 18 above. This programme has involved establishing a regeneration forum, exhibitions, themed meetings and newsletters. The details of the programme and how this has influenced the content of the proposals in the application will be set out in the statement of community involvement which will be submitted in support of application.
31. The environmental impact assessment that will be submitted with the application will contain an equalities impact assessment which will appraise the extent to which the development impacts on sections of the population identified as being equalities target groups including women, black Asian and minority ethnic people, young people and children, older people, disabled people, lesbians, gay men, trans people and people from different faith groups.
32. One aspect of the EiA which should be highlighted now is that of Crossway's Church which will need to be demolished to allow the scheme to proceed. Officers are continuing to work with the representatives of the church to identify an alternative site or premises in the area from which they can continue to operate. Progress is being made and officers are currently of the view that a solution can be identified.

Resource Implications

33. There are no resource implications arising directly from this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Communities, Law & Governance

34. The Cabinet Member for Regeneration and Corporate Strategy is advised that this decision is not reserved for IDM under Part 3D of Southwark's Constitution. However, the Leader has delegated the decision on the forward plan for the Cabinet Member for Regeneration and Corporate Strategy to consider the recommendation.
35. The Cabinet Member for Regeneration and Corporate Strategy will note at paragraph 16 of this report that under paragraph 5.4 of Schedule 1 to the Regeneration Agreement, the developer shall not submit the application without first obtaining the written approval of the council (not to be unreasonably withheld but the council must act in the best interests of the Development) to the application and all material associated drawings, specifications and other supporting material. Paragraphs 19 and

20 contain details of all such drawings, specifications and other supporting material, which are currently in draft form ahead of their submission to the Local Planning Authority, and which will be considered by the Director of Regeneration for approval.

36. If the developer makes any changes to the application, drawings, specifications or other supporting material after approval has been given but before submission of the application to the Local Planning Authority, further written approval must be obtained by the council.

Finance Director (NR/F&R/5/3/12)

37. This report recommends that the Cabinet Member for Regeneration and Corporate Strategy confirms the approval of the council to allow Lend Lease to formally submit for planning their outline master plan for the Heygate Estate.
38. The Finance Director notes the resource implications contained within the report. Officer time to effect the recommendation will be contained within existing budgeted revenue resources.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Draft Elephant & Castle SPD 2011,	https://www.southwark.gov.uk/downloads/download/2896/elephant_and_castle_spd_supporting_documents	Jon Abbott Project Director 0207 5254901
Southwark Plan 2007	www.southwark.gov.uk/downloads/download/2284/the_southwark_plan	Jon Abbott Project Director 0207 5254901
Core Strategy 2011	www.southwark.gov.uk/downloads/download/2648/documents_for_core_strategy_adoption	Jon Abbott Project Director 0207 5254901
Elephant and Castle SPG2004	160 Tooley Street SE1	Jon Abbott Project Director 0207 5254901
Regeneration Agreement and Stage 2/3 Elephant & Castle Partner Procurement Documents	160 Tooley Street	Jon Abbott Project Director 0207 5254901

APPENDICES

No.	Title
A	Planning Application - Site Plan
B	Planning Application - Illustrative Ground Plan

AUDIT TRAIL

Lead Officer	Deputy Chief Executive, Eleanor Kelly	
Report Author	Jon Abbott, Elephant and Castle Project Director	
Version	Final	
Dated	15 March 2012	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES/ CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	Yes	Yes
Finance Director	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		15 March 2011