

planning report PDU/0347/03

23 March 2006

King's Cross Central

in the London Borough of Camden

planning application number 2004/2307/P

Strategic planning application stage II referral

Town & Country Planning Act 1990 (as amended); Greater London Authority Act 1999; Town & Country Planning (Mayor of London) Order 2000

The proposals

Outline application for the comprehensive, phased, mixed-use development of former railway lands within the King's Cross Opportunity Area, as set out in the Revised Development Specification. The original package of applications included land in the so-called 'Triangle' site, which is mainly in the Borough of Islington but is partly in the Borough of Camden; this report deals only with the substantive part of the King's Cross Central site, i.e. excluding both boroughs' part of the 'Triangle'.

The applicant

The applicant is 'King's Cross Central' development partners, comprising Argent King's Cross, London and Continental Railways (LCR) and Exel PLC. The primary landowners are London and Continental Railways and Exel PLC. The application is based on a masterplan prepared by **Allies and Morrison** and **Porphyrios Associates**.

Strategic issues

There were a number of outstanding strategic planning issues from the updated scheme that was seen by the Mayor in November 2005 relating to **affordable housing, energy, accessibility, the southern hub and biodiversity**. Further work was also required on detailed matters relating to noise, air quality impacts and the outstanding issues that were raised by Transport for London before the applications were to be referred back to the Mayor for a decision. These matters have subsequently been resolved to ensure that this key strategic regeneration scheme is now compliant with London Plan policies.

Recommendation

That Camden Council be advised that the Mayor is content for it to determine the case itself, subject to any action that the Secretary of State may take, and does not therefore wish to direct refusal.

Context

1 On 22 and 25 June 2004 respectively Islington and Camden Councils consulted the Mayor of London on an application for planning permission for the above uses at the above site. This was referred to the Mayor under Categories 1A, 1B, 1C, 3B and 3F of the Schedule of the above Order. These are:

- 1A Development which (a) comprises or includes the provision of more than 500 houses, flats, or houses and flats; or (b) comprises or includes the provision of flats or houses and the development occupies more than 10 hectares.
- 1B Development (other than development which only comprises the provision of houses, flat, or houses and flat, which comprises or includes the erection of a building or buildings in Central London (other than the City of London) and with a total floorspace of more than 20,000sq.m.
- 1C Development which comprises or includes the erection of a building in respect of which one or more of the following conditions is met (c) the building is more than 30 metres high and outside the City of London.
- 3B Development (a) which occupies more than 4 hectares of land which is used for a use within Class B1 (business) of the Use Classes Order.
- 3F Development for a use, other than residential use, which includes the provision of more than 200 car parking spaces in connection with that use.

2 In line with paragraph 2 'Definition of applications of potential strategic importance' of the Town and Country Planning (Mayor of London) Order 2000 and for the purposes of reports to the Mayor in response to the boroughs' consultation, all parallel applications for listed building and conservation area consent, together with the application for the 'Triangle' site, were treated as applications for the more substantial development (i.e. the main site application) and therefore one strategic planning application referral to the Mayor. The 'Triangle' applications will be considered by Islington Council on 18 April.

3 On 27 October 2004 the Mayor considered planning report PDU/0347/01 for the original applications. The applications were subsequently updated and on 16 November 2005 the Mayor considered planning report PDU/0347/02, and subsequently advised Camden and Islington Councils that substantial progress had been made in reaching resolution on the strategic planning concerns previously raised in relation to transport, retail, regeneration, accessibility, open space and design. The Mayor welcomed the imaginative approach to child play space provision and associated commitment to a wide range of community facilities to support a development of this scale and nature.

4 However, the Mayor sought further clarification that the applicant supported Transport for London's preferred route for the Cross River Tram through the 'boulevard' (see letter from GLA Head of Planning Decisions to Camden Council Director of Environment, 17 November 2005). The Mayor remained concerned that the proposals, which showed this alignment as one of three options, did not fully support this route. The Cross River Tram is a key element of the Mayor's Transport Strategy and it is essential for this ambiguity to be resolved. The Mayor wished to agree the alignment of the proposed CRT with the applicant with a terminus located at the heart of the Interchange hub. The Mayor indicated that he may be minded to direct refusal if this could not be agreed at the outline stage.

5 Also, the following strategic planning issues remained outstanding and the Mayor indicated in November 2005 that the proposals were unlikely to be acceptable unless these issues are addressed before the application was referred back to the Mayor for a decision:

- The maximisation of affordable housing provision in response to the Mayor's policies on affordable housing and his strategic target of 50% as well as issues relating to housing mix, space standards, affordability and tenure.
- The need to demonstrate compliance with London Plan energy policies, particularly relating to the provision of renewables.
- In the absence of a listed building consent application for the Great Northern Hotel for the Mayor's consideration, further assurances were needed that a satisfactory solution for pedestrian movement in the southern hub was not rendered incapable of achievement if the present application proposals were to be permitted.
- The outstanding issues raised by the London Development Agency and the need to adequately capture the employment benefits flowing from this development in the s.106 agreement.
- Further clarity on the design rules being prepared as part of the outline consent and how further attention to design will follow.
- Further details of proposed mitigation measures for biodiversity impacts arising from works to Camley Street Park or agreement of an alternative east-west route to the satisfaction of all stakeholders, secured through legal agreement.
- The access issues raised in the report, including the overall approach to inclusive design, and the policy requirement for 10% wheelchair accessible housing.

6 Further work was also required on detailed matters relating to noise, air quality impacts and the outstanding issues raised by Transport for London (TfL) before the applications were referred back to the Mayor for a decision.

7 A copy of the above-mentioned report regarding the updated applications is attached at Appendix One. The essentials of the case with regard to the proposal, the site, case history, strategic planning issues and relevant policies and guidance are as set out therein, unless otherwise stated in this report. Since then, the application has been revised in response to the Mayor's concerns (see below). On 9 March 2006 Camden Council decided that it was minded to grant planning permission for the revised application, and on 10 March 2006 it advised the Mayor of this decision in so far as it related to the substantive part of the site (i.e. excluding the 'Triangle'). Under the provisions of the Town & Country Planning (Mayor of London) Order 2000 the Mayor may direct Camden Council to refuse planning permission, and has until 23 March 2006 to notify the Council of such a direction. This report sets out the information needed by the Mayor in deciding whether to direct refusal. Camden Council indicated that it would refer its decision on the 'Triangle' site to the Mayor at the same time as Islington Council does so, if the latter also decides that it is minded to approve it. This is expected in April 2005.

8 The environmental information for the purposes of the Town and Country Planning (Environmental Impact Assessment) (England and Wales) Regulations 1999 has been taken into account in the consideration of this case.

9 The Mayor of London's decision on this case, and his reasons, will be made available on the GLA website www.london.gov.uk.

Update

10 Immediately prior to Camden Council's formal decision, the Mayor's Planning Advisor wrote to the Council on 7 March 2006 to set out the GLA officer position as an update to the earlier formal Mayoral reports of 27 October 2004 and 16 November 2005. He confirmed that subsequent to the Mayoral reports, there have been a number of productive joint meetings between Camden Council officers, the applicant and the GLA group officers to address the outstanding substantive issues that were raised within those reports. The letter further states that:

"In respect of sustainability the applicant's commitment through the drafting of the Section 106 agreement to on-site generation through the use of wind turbines, ground source heating and to communal combined heat and power heating systems with the use of bio-fuels is welcomed. This, combined with a commitment to go 5% beyond building regulations requirements, should help make this major development scheme one of the most sustainable yet to come forward in London and GLA officers will be reporting it as such to the Mayor.

My colleague Pat Hayes at Transport for London (TfL) has written under separate cover in respect of the details of the transport proposals. An undertaking to allow TfL to be a co-signatory to the transport elements of the Section 106 agreement is I think key to resolving any of the outstanding transport related issues and in particular improvements to bus services, safeguarding for the Cross River tram and the provision of temporary bus garaging. If your committee is minded to approve the scheme as it stands I would hope that they would be able to confirm such a role for TfL.

The applicant has worked closely with the GLA group to address the Mayor's concerns and this is welcomed. The imaginative approach to child play space provision together with the commitment to a wide range of community facilities to support a development of this scale and nature is also welcomed. Overall, I consider that the applicant has responded positively to the strategic planning issues raised in earlier reports.

The proposals have the potential to deliver a dramatic new urban quarter predicated on mixed-use, sustainable, high-density development within a high quality environment, and to build on the unique heritage features of the site. It will deliver a fundamental change to the economy and environment of this key part of Central London. The proposals respond imaginatively to the challenges of the site and the provisions of the London Plan. The proposals have been a long time in the planning and the applicants have used the long gestation period to actively engage and consult with community groups and other stakeholders, which is strongly supported. In my view the proposals will deliver a rich and varied mix of uses across the site and are commensurate with the unique character and tradition of the Central Activities Zone.

Obviously any final decision on this scheme will rest with the Mayor, but for the reasons set out above, I will be making clear that in my view the application is now compliant with the London Plan."

Energy

11 Following the updated consultation report (PDU/0347/02) the applicant has continued to work with the GLA to resolve the Mayor's energy concerns. The Mayor sought further work in respect of energy efficient design and substantially stronger commitments to energy efficiency and renewable energy measures, in particular for combined heat and power with absorption chillers (CHP/Tri-generation) and for biomass as a renewable energy source.

12 Camden Council has agreed to Section 106 (S.106) draft heads of terms that secure the following:

- The principle of energy efficient design, in terms of the specific measures that will be worked up in the reserved matters applications.
- The inclusion of a district heating system, the connection of CHP and Tri-generation, and the inclusion of a 250kW Fuel Cell.
- The design of the system to enable connection to the Triangle site.
- The installation of fourteen wind turbines, photovoltaic cells, solar hot water panels and ground source heat pumps.
- The implementation of bio-fuel technology through the district heating system to reduce carbon emissions by 10% in conjunction with the above technologies. This is subject to a suitable supply chain and cost assessment.

13 The Council has imposed a condition to require the submission of an environmental sustainability plan with any reserved matters applications. This condition requires the plan to explain the energy efficient design measures and the extent to which those measures reduce carbon emissions beyond building regulations. It also requires an explanation of how buildings relate to the site-wide strategy for district heating incorporating tri-generation from distributed combined heat and power, how the buildings relate to the strategy for using bio-fuel boilers to supplement the energy supplied through district heating systems, an assessment of the cost-effectiveness and reliability of the supply chain for bio-fuels and explanation of any other measures to incorporate renewable measures.

14 Overall, this strategy provides a strong framework to ensure that once the development is constructed, its buildings should contain excellent energy efficient design measures and will contain decentralised power, heating and cooling generation linked through a district system, part of which will be fuelled by renewable energy technology. The onus is on the applicant to bring forward this strategy in the reserved matters stage, and on Camden Council to ensure that it is delivered to the highest possible standard. The proposed legal agreement and planning condition do, however, ensure that the scheme will contain key energy efficiency and renewable energy measures. For the purposes of this application the strategy is welcome in strategic planning terms for energy.

Bio-diversity

15 These matters have been agreed in negotiations between the GLA and the London Wildlife trust to ensure that a satisfactory package of mitigation measures will be delivered at the detailed design stage.

Design

16 In previous comments the Mayor requested further clarity on the design rules being prepared as part of the outline consent and how further attention to design will follow. This information has now been supplied in the form of heads of terms. Each reserved matter application will have to show (how) it meets a wide range of design, townscape, energy and other tests, but also how it fits with the wider area or zone. These measures are now adequately embedded in the outline consent and this now gives the necessary comfort that the application will meet the London Plan's high standards for design.

Accessibility

16 Although an access statement was submitted with the planning application it requires further development to fully ensure that the needs of disabled people are fully integrated into the design from the outset and that the London Plan Policy on inclusive design and accessible housing is fully implemented. Camden Council has set up an Access Forum, which has already met a few times and which has made some detailed comments on the access statement and how the future engagement of disabled stakeholders should be developed. The group feels that this Forum should continue and be supported and facilitated by the developer.

17 It is recommended that the condition which is proposed to be imposed with the planning permission and requires the preparation of an Access Strategy shall need to accord with the following:

“The Access Strategy shall be submitted to and approved by the local planning authority before development can commence, and shall accord with the following parameters and principles to ensure:

- The principles of inclusive design inform and will be fully integrated within the proposals;
- Best practice standards (not minimum standards) will be used in the design;
- A framework will be created which ensures that designers and users work together to deliver the best reasonably practicable solutions for achieving inclusive access;
- The establishment of an Access Forum within 3 months of the grant of planning permission, to provide engagement with disabled stakeholders including representatives of the London Access Forum and representatives from the established Access Groups in the Boroughs of Camden and Islington and individuals or representatives of other relevant organisations of disabled people in London affected by these proposals.
- Individual access plans, developed in consultation with the Access Forum, to be submitted and approved prior to commencement of construction or conversion of each phase of the development;
- The provision of all residential developments to be designed to further ‘Access for All’ and to meet ‘Lifetime Home’ standards, including a 10 per cent wheelchair access provision;
- The Development shall be undertaken in accordance with the advice of the Disability Rights Commission on access, the Disabled Persons Transport Advisory Committee’s Principles on Inclusive Design, and the ODPM best practice Planning and Access Guide;
- The establishment of appropriate mechanisms for the implementation of the Access Strategy to be monitored and reviewed at annual intervals, unless otherwise agreed by the Local Planning Authorities, in order to achieve its objectives.”

18 The detail of the mechanisms for monitoring and review of the Access Strategy, membership and terms of reference for the Access Forum and the nature and content of the individual access plans should be underpinned by a suitable clause within the Section 106 agreement. This approach is based on the planning condition for the Olympics and Paralympic Games which has resulted in the preparation of a detailed Access for All framework for the planning of the Games. King’s Cross is of a scale and size and importance that requires a

consistent strategic approach to ensure that the access needs of disabled people are fully integrated within the design from the outset of the development process.

19 Camden Council proposes to impose a condition which will require the formal submission of an access statement for written approval of reserved matters. Each access statement will need to: address the relevant design principles set out in the "Access and Inclusivity Strategy", dated September 2005; highlight any areas where technical or other constraints have prevented or constrained the application of those design principles; include a project programme for that building or phase, to identify the key stages at which important decisions affecting inclusivity and accessibility will be made.

20 The Council confirms that the above Accessibility Forum will continue to meet with the applicants' inclusive design champion and be supported by the applicant. The access statements that will be forwarded with reserved matters for formal consideration and approval will therefore seek to ensure that the overarching principles of accessibility and inclusivity are achieved. In relation to wheelchair housing the applicant is committed to delivering 10% wheelchair housing for the social housing. The same does not apply across other tenures, which is disappointing in the context of London Plan policy 3A.4. However, the s.106 does seek to ensure that up to 10% will be achieved subject to an up to date and comprehensive assessment of need which demonstrates that a different proportion would be appropriate.

Transport for London's comments

Key outstanding TfL issues

21 Transport for London (TfL) made late representations to Camden Council regarding Section 106 matters as intimated by the Mayor's planning advisor in paragraph 10 of this report. These were set out in a letter to Camden Council dated 6 March 2006. TfL requested that its representation should be reported to the Planning Committee, however this was not done. TfL's principal issue for any strategic scheme, which requires the delivery of significant public transport infrastructure improvements, is that any planning permission requires that TfL is a co-signatory to any subsequent Section 106 agreement. The body of the letter's contents is replicated below for ease of reference.

"Transport for London (TfL) has reviewed the latest Committee report on this application which was posted on your web site on 02 March, including the heads of terms of the Section 106 Agreement relating to transport. In order to assist your Planning Committee in taking its decision and to avoid any doubt in TfL's position on these details, TfL requests that the following amendments are included and reported to your Committee,

TRANSPORT CHAPTER

TfL to be co-signatory to the Section 106 Agreement

Clause 8.6.5

TfL requests that the wording of this clause is amended to:

".... TfL will be a co-signatory to that part of the S106 agreement relating to buses, trams and the cycle facility."

HEADS OF TERMS FOR S106 AGREEMENT

Improvements to Bus Services

TfL needs to retain flexibility over how contributions are spent as demand and service scenarios may have changed in the future. TfL therefore requests the inclusion of the following text after clause 215:

"The agreement to include definitions for Route 63 Improvements, Route 214 Improvements, Route 390 Improvements and Route 394 Improvements so as to allow TfL to apply payments received to the improvement of any existing (or the introduction of any new) bus or services and bus or infrastructure serving the Development."

Clause 215 needs to be amended to include reference to the provision of driver facilities:
"The developer to provide bus stands for four buses along the access route T3 shown on Parameter Plan KXC007REVS to support the improvements to TfL bus routes numbers 63 and 394 described above and driver facilities to be located nearby."

Cross River Tram

There are issues regarding the timing and TfL needs to retain flexibility. TfL therefore requests the following changes:

Clause 216:

"The Developer acknowledges that some adjustment of the boundary of the Development Zone A within the tolerance provided for by Parameter Plan KXC 004 by indenting the ground floor building line would be required to provide additional Public Realm and the Developer will incorporate this adjustment within future applications for Reserved Matter approval(s) for Development Zone A".

Clause 217:

"The Developer will not submit to the Council any details required under the outline planning permission that would prejudice the delivery of the Cross River Tram along the routes currently under consideration without the consent of TfL".

Bicycle Storage Facility

TfL is satisfied with the wording in the draft S106, regarding the provision of space for a cycle parking facility, but wishes for this to be referred to as a 'Cycle Facility'.

22 Since the Camden Planning Committee, TfL has been advised by Peter Bishop, Head of Environment that Camden is agreeable to TfL being a co-signatory to the Section 106 Agreement, in an email dated 13 March 2006. This assurance is welcomed by TfL. This is quoted below for ease of reference:

"Following our conversation this morning I confirm that TfL will be co-signatories of the S.106. This does not require consent of the Development Control Sub Committee ... this will give you control over the detail as you will need to ultimately sign this off.

There will be no problem in agreeing flexibility to spend the sums on bus services to be agreed at the appropriate time between TfL, Camden and the developer. This will be in the detailed wording of the S.106 and I am happy for you to draft the wording. The same is true regarding reasonable small scale facilities for bus areas. This has now been agreed in principle with Argent..."

The principle of TfL being a co-signatory to the Section 106 Agreement was also accepted by the developer in a letter from the applicant to the GLA on 2 March 2006, as far as it relates to transport matters.

23 TfL, however, still had concerns regarding the issues raised in its letter, quoted above, relating to the requirement that the wording of the Heads of Terms of the Section 106 should be strengthened to ensure that the delivery of the Cross River Tram is not prejudiced. TfL has been in discussion with the developer regarding a form of wording of the Section 106 that will require TfL's agreement prior to any submission of detail planning applications. This will allow TfL to ensure that the Cross River Tram project is not compromised prior to the submission of the TWA Order application. TfL's concerns have now been satisfied and an agreement made with the Developer in terms of the relevant clause within the Section 106 agreement (reproduced at Annex 1).

Context

24 The southern part of the site enjoys excellent public transport accessibility with the highest range of transport options in London. The site, south of the canal, has a Public Transport Accessibility Level (PTAL) of 6 (in a range of 1- 6 where 6 is excellent). The outlying areas, however, currently have a PTAL of 1, which is expected to rise to 4 once the site is developed and additional transport services are provided. The site is served by 13 bus routes, 6 Underground lines, national rail services to both King's Cross and St. Pancras stations. International rail services will become available on completion of the Channel Tunnel Rail Link in 2007 and the Cross River Tram is also currently under consideration.

Progress since Stage 1

25 In the first Stage 1 report in October 2004 TfL raised a number of concerns regarding transport matters and the Transport Assessment. Subsequently TfL worked closely with the developer and their consultants to resolve the issues. In the updated Stage 1 report in November 2005 TfL reported that most issues had been resolved. In particular, positive and satisfactory agreement was reached on the Transport Assessment and analysis of Underground and rail capacity. TfL undertook a series of Railplan tests for 2021, using the agreed transport demand, trip distributions and background growth assumptions implicit to this model and rail capacity enhancements based on the Mayor's Transport Strategy and the London Plan. The conclusions were that Underground and rail is expected to cope with the additional demand generated by the development and it highlighted the importance of Thameslink 2000, which will relieve the overcrowding. Bus services to and from the site will also be heavily used and the Cross River Tram will provide benefits by relieving the Underground.

26 Since the updated Stage 1 report the DfT has agreed to underwrite the funding for the Underground Phase 2 works which include the Northern Ticket Hall and construction is starting on site.

27 The main areas that were still unresolved at the last Stage 1 report were the issues associated with the Pancras Road layout, the Great Northern Hotel and the integration with the Network Rail King's Cross station Western Concourse, public realm and the Cross River Tram terminus. The Mayor's Stage 1 report letter in November 2005 highlighted the requirement that the Cross River Tram should terminate within 'the heart of the interchange hub' and that only this option should be shown on the application plans. Progress on these issues is covered below.

Cross River Tram (CRT)

28 The planning drawings have not been amended since the updated Stage 1 and still show three tram options. The developer has, however, written to the GLA (2 March 2006, the

contents of which have been replicated above) confirming that it will not object at the Transport and Works Act Order stage to TfL's chosen route:

"...Argent and its development partners will not object at the Transport and Works Act stage to the principle of any of the CRT options shown on Parameter plan KXC019. Furthermore, we would not object on the basis that the 'wrong' option had been selected (by TfL), provided of course that TfL does, as promised, work closely and openly with ourselves and the local authorities on CRT, in accordance with para 6 of the agreed Position Statement. We accept that it is ultimately for TfL to decide the form, content and timing of any TWA Order application(s).

We are happy to include a suitable form of words covering the above points within the Section 106 Agreement."

29 Subsequent to this letter, and in addition to this point, TfL has had further discussions with the developer. The wording of the Section 106 has been strengthened on two points:

- The developer will not object to TfL's selected route and terminus for the tram at the TWA Order application stage; will give assurance that TfL will not be challenged by the developer on the principle of TfL's preferred option;
- The developer will not submit detailed planning applications for certain key buildings along the tram route, without the consent of TfL; this will ensure that the tram is not prejudiced prior to the submission of the TWA Order application. (See Annex 1)

Pancras Road layout and Great Northern Hotel

30 Since the Stage 1 report all stakeholders have worked together to agree a solution for Pancras Road including pedestrian access. It has been accepted that the Great Northern Hotel must be colonnaded at ground floor level to create a 5 metres wide walkway to provide sufficient pedestrian space. It is understood that the DfT, Network Rail and the applicant (who owns the hotel) are in discussions to ensure that the walkway is secured.

31 An outline layout for Pancras Road with the Western Concourse shown (drawing no 89231/os/026/revf) has been agreed by stakeholders as the basis for detailed design. The highway alignment of Pancras Road is not part of this application (the highway drawings are illustrative only) and the detailed design will be brought forward to Camden at a later date. The above layout was the basis of a dynamic simulation (Vissim) model that has been produced by TfL. This shows acceptable working of traffic and pedestrian flows in the area between King's Cross and St Pancras stations. There will be a high number of taxi movements serving the two stations and it will be necessary for the taxi operations to be well managed by the station owners (LCR and Network Rail) and Camden to ensure a high standard of operation.

Bus services and infrastructure

Services

32 TfL welcomes the fact that the developer has now agreed to buses being routed through the site and that two-way bus operations will be accommodated on the Boulevard and Pancras Road.

33 Based on the review of the Transport Assessment, which identified that the development will have an impact on bus services, London Buses has reached agreement with the applicant

regarding the provision of bus service enhancements to mitigate the impact of the development. Bus planning work has identified improvements necessary to provide new links to other parts of London to enable a development of this scale to integrate into the city. Also, extra capacity will need to be provided on existing bus routes currently serving the site, which now operate at or near capacity, so as to enable passengers travelling to or from the new development to use these routes.

34 The Heads of Terms of the Section 106 Agreement sets out that a total sum of £4,200,000 will be available for bus enhancements. This funding will be in phased payments during the build-out. The funding has been calculated on the basis of:

- £540,000 per year for 3 years for frequency enhancements on route 390
- £166,666 per year for 3 years as a contribution to the extension of route 63 to the north of the site
- £405,000 per year for 3 years for the extension of route 394 from Islington, Angel, via Barnsbury to the north of the site.
- £305,000 per year for 3 years for the conversion of route 214 from single-deck to double-deck.

35 TfL requested in its letter of 06 March, 2006, that the wording of the Section 106 should be strengthened to give TfL flexibility over how the contributions for bus services are spent, as services and demand may change in the future. TfL wishes to reserve the right to use these payments for alternative measures with mitigation effects on the development if they are deemed more appropriate at the time of implementation. Although the point was not raised with the Planning Committee, Camden Council officers have confirmed that this is acceptable, and that they have delegated powers to amend the S.106 agreement prior to the document going back to the Council's Committee to ratify the final document. Also, with TfL being a signatory to the S106, it will be in a position to influence the way the Section 106 contributions agreed for bus enhancements are spent.

36 Exact routes of the service and stopping arrangements in the site will need to be finalised during the usual process of planning and consultation, and it will be important that any disadvantage to existing residents as a result of bus re-routings is minimised.

Bus infrastructure

37 The application includes provision for 4 bus stands in the north-west of the site, to cater for buses from routes 63 and 394; this is contained in the Heads of Terms for the Section 106 Agreement. The details of such provision will have to be agreed in consultation with Bus Infrastructure Development and other relevant parties at TfL.

38 TfL has discussed with the developer, their consultants and LB Camden the need for driver facilities north of the canal, for the extended bus routes that terminate in this area. It had been suggested that this could be contained in the basement of one of the nearby buildings or shared with facilities for the estate management staff. This point was not included in the Heads of Terms for the Section 106 Agreement and was also raised in the TfL letter to Camden of 06 March, 2006, (quoted above). This is a fundamental requirement for the operation of bus routes. However, subsequent to the LB Camden Planning Committee, Peter Bishop, Head of Environment, has confirmed in his email of 13 March that the developer will make provision for space for these facilities (see quoted above).

39 TfL has a programme to bring all bus stops up to the London Bus Initiative accessibility standards, including the provision of high kerbs to assist disabled passengers and red-surfaced

clearways to discourage parking at bus stops. All new bus stops should be provided to this standard, as set out in London Buses' service proposals document. This will need to be included in the Section 106 Agreement.

Temporary bus garage

40 The developer has agreed and signed with TfL, Heads of Terms for a temporary bus garage with washing and fuelling facilities on the site, to replace the existing temporary bus garage. This will be for a minimum of 60 buses, whilst the development is constructed, which is expected could be for up to 10 years.

Cycle Park

41 TfL has secured the provision for a high quality Cycle Park of 810 square metres for 800 cycles. This is included in the Heads of Terms for the Section 106 Agreement, to be located in the lower ground floor of plot B1. This will provide facilities for renting and parking cycles. This is a favourable location opposite St Pancras station and TfL has been offered discounted rent for this facility. This facility will offer an important interchange facility and will help to promote cycle use to and from King's Cross.

Highways

42 Euston Road, Pentonville Road and Camden Road are part of the Transport for London Road Network (TLRN) and also the northern boundary of the Congestion Charge Zone. York Way is part of the Strategic Road Network (SRN) for which TfL has an interest under the Traffic Management Act. TfL has undertaken TRANSYT Modelling of the King's Cross Area and is satisfied that the impact on the TLRN and SRN is acceptable. Five new and/or modified junctions along York Way are proposed. These will need to be agreed in consultation with TfL Director of Traffic Operations.

43 TfL welcomes the fact that the principal highways within the development will be adopted by Camden and Islington Councils. TfL believes that on-street parking controls in the area, including waiting and loading restrictions, should be reviewed when the site is occupied, to prevent parked vehicles interfering with the safe the operation of buses, traffic and pedestrians.

Public Realm

44 TfL and Camden have agreed to joint fund an urban design study for the interchange 'hub' south of the canal and the area immediately surrounding the site. The purpose will be to develop a world-class urban realm strategy for the wider King's Cross area.

Pedestrians and access

45 TfL welcomes the emphasis on pedestrian access and priority throughout the site. This will help to encourage journeys on foot. Pedestrian routes should be accessible to all. TfL welcomes that the document "Inclusive Mobility" will be used to plan routes for pedestrians. Detailed design work will need to comply with the Disability Discrimination Act (DDA) and take account of other guidance, including TfL's Streetscape Guidance and the Department for Transport's Guidance on the use of Tactile Paving. TfL supports rigorous arrangements for maintenance to ensure that facilities remain to a high standard and the use of CCTV to ensure a secure environment.

Car parking

46 The car parking is broadly in line with London Plan policy. This has to be viewed in the context that there is an outstanding entitlement for 415 public car parking spaces under the CTRL Act. All, but 50, of these will be surrendered by London & Continental Stations & Property and it has been agreed that 290 of these spaces will be transferred for residential use, giving a net reduction of car parking of 75 spaces. In summary, car parking provision will be:

- Residential: 0.47 space per dwelling
- Student housing: 1:25 units
- Office: 1:1,500m²
- Hotel and serviced apartments: none south of the canal (where 2/3 is located) apart from disabled parking and 1:750m² north of the canal
- 1:1,500m² retail south of the canal and 1:1,000m² north of the canal
- Community and leisure: 1:1,500m² in the south and 1:1,000m² in the north.

47 Overall the total car parking provision will be 1,298, which is lower than initially proposed, and is welcomed. On-street parking (between 60 and 70 spaces) is included in these calculations and will be restricted mainly to visitors and the disabled. Overall disabled parking will be 5%. Any car parking for city car clubs will be in addition to the provision above.

48 A multi-storey car park is proposed, which will contain 800 of the spaces identified above. It will not however, be a public car park. Although TfL questions this approach to parking provision, it welcomes the requirement for the applicant to submit a car parking management plan, secured through the S.106 agreement.

Cycle access and parking

49 TfL considers the development is broadly acceptable, but still wishes to see enhancements to the Pancras Road layout (not part of this planning application) to ensure sufficient width to enable safe, unobstructed passage for cyclists. This should be in line with TfL's best practice guidelines for Intermodal Transport Interchange for London and its London Cycling Design Standards for routes of high importance.

50 The proposed cycle parking level is below TfL's London Cycling Design Standards. The Camden Committee Report highlights that a further 3,714 cycle parking spaces will have to be provided to meet Camden's RUDP standards. A similar number would be required to meet TfL's standards. Condition 51 of the Committee Report requires the RUDP standards to be met and this is acceptable to TfL. At the detailed design stage it is important that adequate cycle parking is provided at the entrances of buildings, shops and amenities to provide for short stay and visitors arriving by cycle. TfL will, with Camden and Islington Councils, wish to discuss arrangements for cycle access over the site, where appropriate, during the various construction phases.

Taxis

51 The agreed layout for Pancras Road within the interchange hub has provision for a taxi facility on Pancras Road for the set down and pick up.

Coach parking

52 The Council has proposed that the provision of coach parking will be considered as part of the reserved matters and will following detailed operational assessment of needs do so in consultation with TfL, which is welcome.

Green Travel Plan

53 TfL welcomes the inclusion of a Green Travel Plan that outlines the applicants' intention and commitment to promoting sustainable travel. It is unclear, however, how this will be secured and TfL is disappointed it will not be included in the Section 106 agreement.

Construction Traffic

54 The impact of construction traffic on the local road network has been included in the Transport Assessment, which TfL welcomes. TfL wishes however, to reserve its right to influence the development of the Traffic Management Plan once site works are programmed to start and will need to be a party to this agreement.

Section 106 summary

55 TfL in its letter to Camden Council of 6 March 2006 (see above) required that it would be a co-signatory to the Section 106 Agreement. Without being a signatory to the Section 106 Agreement, TfL will not have an on-going influence on matters relating to transport. Although this was not reported to the Planning Committee, Camden Council officers have subsequently written to confirm that the Director of Environment has delegated powers to amend the Section 106 agreement accordingly to incorporate TfL. This written confirmation provides TfL with the necessary protection of its role within the development process and will thus secure the necessary public transport infrastructure improvements and the delivery of sustainable transport solutions.

56 The Heads of Terms of the Section 106 that was reported to the Committee includes:

- £4.2m for bus enhancements and route extensions.
- Standing for 4 buses.
- Favourable location and rental terms for a Cycle Park close to St Pancras station

57 Recent confirmation from Camden Council has also confirmed that TfL will have flexibility over the allocation of bus enhancement funding and that bus driver facilities for the extended routes will be provided by the developer north of the canal.

58 Further, but outside of the planning application process, Argent has agreed and signed with TfL the Heads of Terms for a lease for up to 10 years for a temporary bus garage facility for 60 buses had been agreed and signed with the developer; this does not form part of the Section 106 agreement.

Transport for London conclusions

TfL to be co-signatory to Section 106 Agreement

59 The Council's officers have written to confirm that this has been agreed and the Section 106 agreement will be amended as far as transport issues to show that TfL is a co-signatory. This will help ensure the delivery of bus provision, the Cross River Tram and the Cycle Park.

Bus enhancements

60 TfL is now satisfied that the design integrates public transport with the development and the impact of the development will be mitigated through the Section 106 Agreement for £4.2m bus route enhancements.

Cross River Tram

61 TfL requires strengthened assurances, through the Heads of Terms of the Section 106 Agreement, as sought through its letter to LB Camden, that the developer will not challenge TfL's selected route at the TWA Order application stage and also that detailed design of buildings along the route will require TfL's consent prior to submission of detailed planning applications. These assurances are required so that the delivery of TfL's preferred option for the Cross River Tram, will not be prejudiced by the developer.

62 TfL and the Developer has now agreed wording for the Section 106 Agreement that will require the developer to seek TfL's consent for detailed design along the route of the tram, thus ensuring that the delivery of the tram is not frustrated prior to the submission of the TWA order application (See Annex 1).

Cycle Park

63 TfL welcomes the provision of space for a high quality cycle park, which will assist with the integration of cycling with other public transport modes.

Temporary Bus Garage

64 Though outside of the subject of the planning application, TfL also welcomes the agreed and signed Heads of Terms for a temporary bus garage facility for up to ten years.

London Development Agency's comments

65 As previously stated in November 2005 (report PDU/0347/02), the LDA supports the proposal given the potential economic and regeneration benefits, and the major contribution towards employment and housing targets for the King's Cross Opportunity Area. The Agency is significantly involved in the surrounding area through its King's Cross – Finsbury Park Area Programme and a range of other financial and professional commitments.

66 The LDA has provided Camden Council with initial comments on the detail of the draft Section 106 clauses as set out in the Council's pre agenda report. The Council has agreed to detailed discussions with the LDA before finalising the Section 106 agreement.

Regeneration strategy

67 As previously stated, the LDA welcomes the regeneration strategy and the applicants' intention to work in partnership with the local authorities and partnerships over the next twenty years. The LDA asks to be part of the discussions on how the King's Cross partnership will operate, linking into existing initiatives and structures and future partnership arrangements. This should be formalised through the Section 106 agreement, where appropriate.

Nature of employment space

68 The Agency is keen to understand the applicant's intentions as they emerge on the nature and quality of employment space provision to ensure that they meet local and regional market demands. The Agency welcomes further discussions on how best to maximise

employment space opportunities that will be provided at King's Cross Central and to ensure that appropriate mechanisms are put in place.

Business support

69 As previously stated, the LDA anticipates working closely with the applicant and partners to collaborate on business support activities. The LDA has a variety of initiatives in place in this area and welcomes further discussions before finalising the Section 106 agreement and the partnership structure.

70 These discussions will need to include the variety of business types; usages; the allocation and design of space; the size and type of space; and mechanisms to deliver affordable premises. This will need to be throughout the entire scheme and at all stages of the development. These matters will need to be formalised in the S106 agreement, where appropriate.

71 The LDA has existing commitments to the creative, technology and science sectors within the area and the development should therefore be complimentary and establish links with these existing initiatives.

Employment and training

72 In general, whilst the LDA supports the overall provision for employment and training clauses within the Section 106 agreement, King's Cross Central is a major development scheme and therefore a key component to the regeneration aspirations for the wider area. To maximise these regeneration aspirations, it is essential that King's Cross is not developed as an island and needs to be properly integrated with the surrounding area(s).

73 In order to maximise the benefits for the existing and future communities, the LDA requests involvement in finalising appropriate Section 106 requirements for employment and training. In particular, this should ensure establishing links with existing initiatives, the transfer of the existing Construction Training Centre, local labour targets and pre and post construction labour market information.

74 The LDA also wishes to discuss further with Camden Council and the developer the requirements for childcare provision and how best to meet these requirements, in addition to the provision of the proposed Sure Start Nursery.

Construction and renewable materials

75 The LDA welcomes the requirement for the developer to implement a construction materials and purchasing strategy for agreeing specifications and targets in contracts with contractors, designers and suppliers of services in relation to construction of buildings. It also welcomes the Section 106 requirements for re-use of surfaces and requests that this clause be amended to include the re-use of other materials where appropriate. In respect to any demolition works, the applicant should have consideration to the ICE Demolition Protocol, where appropriate.

Conclusion

76 In summary, the LDA has no objections to the proposal, and wishes to work with the developer and Camden Council to ensure this development maximises the benefits for the

surrounding area and the community. The LDA therefore welcomes further detailed discussions on the issues raised above.

English Heritage’s comments

77 English Heritage has assessed the development proposals against the criteria in Planning Policy Guidance 15: Planning and the Historic Environment (PPG15) and is satisfied that the applicant has set out a convincing case for the complete demolition of the Northern Stanley and Culross Buildings. The King’s Cross Conservation Area Advisory Committee has continued to argue for the retention of these buildings but English Heritage sees no reason to change its overall advice to Camden Council and continues to believe that conditional listed building and conservation area consent could reasonably be granted for the demolition of the Northern Stanley and Culross Buildings.

CABE’s comments

78 The Commission for Architecture and the Built Environment review concluded that the proposals are impressive and congratulate the designers for a thorough analysis that underpins the masterplan. The southern entrance needed more resolution. Higher blocks in the north add richness, and terracing along the Channel Tunnel Rail Link tracks is appropriate.

“We offer our congratulations to the design teams and client on the impressive development of this masterplan. The constraints on the site are immense, and it is to the credit of the design team that the masterplan now on offer positively addresses these constraints in terms of the opportunities they hold, rather than the problems they create. The time that the client has allowed for design thought is laudable; the result is an ambitious scheme that has the potential to create an extraordinary new area for London.”

Other comments

79 The Department for Transport has written to confirm that it is a stakeholder and, in most cases, the client in the following projects in the area of King’s cross and St. Pancras stations:-

- London Underground Lines Phase 1 works comprising the Western Ticket Hall and the Tube Ticket Hall;
- London Underground Lines Phase 2 works comprising of the Northern Ticket Hall and associated tunnelling works;
- Channel Tunnel Rail Line works;
- Network Rail’s King’s Cross station enhancements (including the Western Concourse) and renewals.
- Argent, Exel and LCR King’s Cross Central Development.

80 The Department confirms that funding is in place for the LUL and the main CTRL works. Further high priority work continues to review and develop the value-for-money case for delivering the fit-out of the Thameslink station at Midland Road. The Department recognises that Network Rail’s Western Concourse project is progressing well and it is understood that Network Rail intends to make the necessary planning applications imminently. The Western Concourse has funding approval in principle and the Department is very supportive and considers that there is a clear way forward as the project continues to follow the normal railway project procedures.

81 The overall aim of the Department is to ensure delivery of Phase 2 of the London Underground works and Network Rail's Western Concourse in time for the 2012 Olympics, and to facilitate the development of the King's Cross Railway Lands whilst optimising the value for money of the projects from the taxpayers' perspective and minimising disruption to passengers. The Department recognises that there are potential risks to achieving these objectives. It considers that the principal risks arise from the highly constricted site, which results in problems in maintaining surface access and providing adequate construction sites and associated working areas. DfT has established a governance structure, which includes the key stakeholders (LUL, Metronet, Network Rail, LCR, Argent and Transport for London) to manage these risks. Essentially, the structure consists of a Senior Steering Group and a Working Group, which reports to the former group and both groups are chaired by the DfT. An integrated programme has been produced to ensure that the scope and programme of works are efficiently co-ordinated and that the cost and risk to the public purse are minimised. As such, a baseline integrated programme for the period from 2005 to 2013 and the associated land use choreography has been agreed by all of the Working Group members. The Working Group will control any required integrated programme changes. The DfT maintains that it is seeking to engender a partnership-type approach to ensure timely delivery of these important strategic infrastructure projects.

82 The Deputy Chair of the London Assembly (who is also the London Assembly member for Barnet and Camden) has written to support the development proposals in view of the many benefits that he believes the scheme will have for the area. In particular, he applauds the significant allocation of public realm (10.5 hectares) and open space (4 hectares) within the site and the commitment to provide a range of community facilities, such as a primary school and primary health care services.

Financial viability

83 Camden Council did not apply the GLA housing toolkit approach to assess the financial viability of this complex mixed-use scheme but rather employed DTZ and Tribal Treasury Services to develop a financial appraisal model in order to provide development valuation of the scheme to the Council. The Council's financial advisors have not seen the developer's financial model and few of the developer assumptions adopted regarding the likely costs and revenue which are likely to be incurred in the development scheme. This came about following early discussions with the developers that failed to secure an "open book" approach. The Council's advisors were provided with documentation by the Council through the planning application process which included development specifications, public realm strategies, urban design statements and parameter plans. Limited financial assumptions have been provided to the Council and its advisors by the developer. A briefing note from DTZ has been submitted with the formal referral documentation to the Mayor that summarises the key financial conclusions.

84 The DTZ financial model has been constructed as a flexible tool with which to model the likely development at King's Cross Central. DTZ therefore undertook a range of financial modelling on behalf of the Council between 2003 and 2005. The information that was used largely sets out types of land uses, broad quantum of development and broad indications as to zoning. Little information was provided regarding the likely timing or phasing of the development and no information was provided to the Council's advisors regarding any build costs or revenue assumptions. The developer's information does not provide 'definitive development schemes' to be appraised but instead it includes broad principles for the zoning of the scheme and types of land uses. As such, the appraisal is based upon a range of assumptions regarding the actual development, which will be undertaken by the developer within the parameters set by the developer.

85 It is important to recognise that the developer does not own the King's Cross Central development land. There is a formula in place whereby the value of the land will be calculated and paid by the developer to the landowners. DTZ has not seen the formula agreement. The payment for the land is likely to be one of the most significant costs incurred by the developer. It is unlikely that the developer will be required to pay for all of the land at the outset of the development. It is reasonable to assume that land purchases will be made on a phased basis as and when land is required. The Council's advisors appraisals have demonstrated that the results of the appraisals are sensitive to both the quantum and timing of land payments and the results of the models vary significantly as these variables are changed. This is commonplace for such a complex scheme where land ownership is not with the developer and is with other parties.

86 For a scheme of this size and complexity the timing of the delivery of different land uses will have a material impact upon the viability of the development scheme. The size and complexity of the scheme means that there are a large number of unknowns or key variables in the scheme which can only be quantified as further due diligence is undertaken. It is likely that the most important variables, and the variables over which the developer can exert the greatest level of control, will be the make-up or land-use mix of the scheme and the phasing of the development. The developer will be able to exert less control over the ultimate cost of infrastructure and the cost of the land.

87 Based upon DTZ's adopted assumptions, office (use class B1) development is likely to be the most profitable development type within the subject scheme. Other uses may be more profitable on a unit basis (per square metre) but these uses are likely to constitute a far smaller proportion of the overall development scheme and so its impact on the financial viability will be less significant than the office element. The maximum development ceiling for office development within the scheme is 455,510 square metres. The profitability of the office space is expected to be high because in the current market the margin between the expected end value of the buildings and the costs of construction is greater for offices than for the other land uses within King's Cross Central. As a result, a material reduction in office space below that which the developer has applied will have a significant impact upon the financial viability of the development scheme. Reducing the volume of office space will erode the profitability of the scheme and this will impact upon the ability of the scheme to bear the costs of the section 106 items and the investment in heritage that the developer is proposing. The provision of Section 106 items and investment in heritage does not in itself create a direct financial return for the developer and is therefore effectively a cost to the scheme.

88 Residential accommodation is the second largest development type (173,475 square metres) within King's Cross Central in terms of the maximum development area applied for by the developer. The profitability of the private residential element is likely to be broadly similar, on a per square metre basis, to that of the highest quality office space. The margin between the unit construction cost and the unit sales is likely to be large for both of these land uses. The DTZ financial appraisal is based upon an affordable housing provision of 44%. The affordable housing component is unlikely to produce a material margin between unit build costs and unit value. DTZ argues that once fixed costs such as land, infrastructure and Section 106 costs are taken into account, the developer will not generate profit from the affordable housing element of the overall scheme. DTZ further asserts that it is the foregone profit that the developer will lose by not developing 100% open market housing which is the true cost to the overall scheme. The overall profit for the total residential element of the scheme is likely to be far lower than the profits generated by the office space, both when calculated on an overall basis and on a per square metre basis. Increasing the proportion of affordable housing above the current 44% will have a direct impact upon the ability of the development to bear the section 106 costs and to fund investment in heritage.

89 The sector referred to by the developer as 'Community/Health/Education' is the third largest land use within the overall scheme. It is not possible to determine how much of this space will generate revenue for the developer and how much will form part of the Section 106 contribution. In isolation, however, this land use is likely to be a 'net cost' to the developer and is likely to be a key area where the developer will seek to reduce costs if the viability of the scheme comes under threat. As such, increases in the affordable housing component and reductions in permitted office development should be considered in the context of an increasing threat of a reduction in this third largest development type.

90 The DTZ paper summarises that the key conclusions are:

- Office use is likely to be the largest land-use by volume and it is likely to be the most profitable land-use based upon current values and construction costs.
- The office element is likely to generate a greater level of profit than the other land uses.
- Based upon the benchmark assumptions, the appraisals have shown that even minor reductions in office volume, for example 5%, is likely to have a significant, negative impact upon development profitability.
- The appraisals demonstrate that private (open market) residential development could produce a similar level of development profit (per square metre developed) as high quality offices.
- The overall profitability of the residential element falls to a lower level when the affordable housing element is taken into account.
- Minor increases in the affordable housing component above the 44% currently offered have a significant negative impact upon the overall scheme viability.
- The current offer of 44% affordable housing is likely to reflect close to, or at, the maximum within the overall viability of the residential element.
- Reductions in the office element or increases in the affordable housing component will materially impact upon the viability of the development and in turn impact on the ability of the scheme to bear the costs associated with the provision of section 106 contributions and the availability of capital for investment in heritage.
- Financial appraisals demonstrate that the viability of the scheme is sensitive to the phasing of development, in particular, upfront costs.
- There are likely to be significant infrastructure costs incurred by the developer in the early stages of the development. The developer has estimated that infrastructure costs could be in excess of £100 millions (these estimates have not yet been verified by Camden Council advisors).
- Significant costs at early stages of the scheme will have a disproportionate impact upon the overall viability of the scheme due to the potentially high finance costs associated with funding these works.

91 The financial appraisal, although heavily caveated demonstrates that the scheme is financially viable and should be able to deliver the strategic and local policy requirements for this mixed use regeneration proposal. It is therefore also possible to conclude from the financial

appraisal that 50% affordable housing is not financially viable within this development, within the context of the available resources and values. A deviation from the London Plan affordable housing target is therefore justifiable in this instance, taking into account the results of the financial appraisal and the scheme's other benefits. In sum, the revisions to the application demonstrate that the maximum reasonable amount of affordable housing has been sought, in accordance with London Plan policy 3A.8.

Response to consultation

92 Both the applicant and Camden Council have carried out extensive public consultation exercises throughout the pre-application and post-application stages. As such, there have been significant third party representations that have helped to secure a wider mix of potential development proposals as part of the overall scheme and ensure a thorough and robust interrogation of this important regeneration scheme. The Council gave two evenings on 8 and 9 March 2006 to formally consider the scheme and to hear representations in support of and in objections to the scheme. The strategic and local impacts have been rigorously assessed but, as in any complex and significant regeneration scheme that has a regional and arguably, national impact in as much that King's Cross is one of the primary gateways to London, a reasoned balance has to be struck between 100% mitigation of strategic and local impacts. Camden Council's Committee papers have comprehensively considered the third party representations that were duly submitted and received.

93 Subsequently the Mayor has received several letters of objections from Camden residents and resident groups with objections made on a number of grounds, including the need for more social housing, the over provision of offices as opposed to housing, heritage issues, energy efficiency and renewable energy. The objections also cite conflict with the London Plan target of 50% of affordable housing and the balance between intermediate/social housing. These issues are addressed elsewhere in this and earlier reports to the Mayor. With regards to heritage issues objectors oppose the demolition of some existing heritage buildings, which are the subject of other listed building applications. These issues have been considered in detail by English Heritage who now support the scheme as a whole. The representations received do not raise any new strategic planning issues that have not already been considered by the Mayor or cannot be dealt with adequately by the local planning authority. The quantum of social housing and the retention of heritage buildings in-situ have to be balanced with the perceived overall benefits that the scheme will bring to the local and wider areas. The affordable housing quantum is 44% and the demolition of the heritage elements is considered to be satisfactory. An increase to the affordable housing component and the retention of those heritage elements would have an adverse effect on the viability and thus delivery of this important strategic regeneration scheme.

Legal considerations

94 Under the arrangements set out in article 5 of the Town and Country Planning (Mayor of London) Order 2000 the Mayor has the power to direct the local planning authority to refuse permission for a planning application referred to him under article 3 of the Order. In doing so the Mayor must have regard to the matters set out in article 5(2) of the Order, including the principle purposes of the Greater London Authority, the effect on health and sustainable development, national policies and international obligations, regional planning guidance, and the use of the River Thames. The Mayor may direct refusal if he considers that to grant permission would be contrary to good strategic planning in Greater London. If he decides to direct refusal, the Mayor must set out his reasons, and the local planning authority must issue these with the refusal notice.

Financial considerations

95 Should the Mayor direct refusal, he would be the principal party at any subsequent appeal hearing or public inquiry. Government guidance in Circular 8/93 (*'Award of Costs in Planning and Other (including Compulsory Purchase Order) Proceedings'*) emphasises that parties usually pay their own expenses arising from an appeal.

96 Following an inquiry caused by a direction to refuse, costs may be awarded against the Mayor if he has either directed refusal unreasonably; handled a referral from a planning authority unreasonably; or behaved unreasonably during the appeal. A major factor in deciding whether the Mayor has acted unreasonably will be the extent to which he has taken account of established planning policy.

Conclusion

97 The applicant has worked closely with the GLA group positively to address the Mayor's strategic policy concerns raised previously. The proposals have the potential to deliver a dramatic new urban quarter predicated on mixed-use, sustainable, high-density development within a high quality environment, and to build on the unique heritage features of the site. It will deliver a fundamental change to the economy and environment of this key part of central London. The proposals respond imaginatively to the challenges of the site and the provisions of the London Plan. The proposals have been a long time in the planning system and the applicant has used the long gestation period to actively engage and consult with community groups and other stakeholders. The applicant is encouraged to continue its close working relationship with the GLA group throughout the detailed design and development implementation in particular the LDA and TfL.

98 The proposals will deliver a rich and varied mix of uses across the site and are commensurate with the unique character and tradition of the Central Activities Zone. The application proposal will promote economic development and wealth creation in Greater London; it will promote social development and will promote environmental improvements. The application proposal accords with the development plan requirements of the London Plan and as such will result in a development that will be in the best interests of good strategic planning in Greater London.

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Annex 1

Revised Wording for Main Site Planning Obligations Clause 217
Agreed between the Developer and Transport for London

217:

The Developer shall not, without TfL's consent (such consent to be provided within a reasonable time limit to be agreed and not to be unreasonably withheld) submit any details required for the following Development Zones and Principal Public Realm Areas under the outline planning permission and attached conditions that would prejudice the delivery of the Cross River Tram routes, terminus locations, layover facilities and Islington extension indicated on Parameter Plan KXC019 and potential layover facility along York Way:

- i) Development Zone A;
- ii) Development Zone R plots R4 and R5 which front York Way (in relation to potential York Way layover facility);
- iii) Goods Way West (Landscape Proposals Plan LPP105 shows the broad disposition and layout);
- iv) Canal Square (Landscape Proposals Plan LPP105 shows the broad disposition and layout)
- v) Goods Way East (Landscape Proposals Plan LPP105 shows the broad disposition and layout) including its junction with York Way
- vi) The Boulevard (Landscape Proposals Plan LPP103 shows the broad disposition and layout)

The Developer shall not require TfL's consent to submit for such Development Zones and Principal Public Realm Areas details that would not prejudice the delivery of the Cross River Tram routes, terminus locations, layover facilities and Islington extension indicated on Parameter Plan KXC019 and potential layover facility along York Way by conforming to Cross River Tram urban design parameters established under clause 217A.

217A:

TfL and the Developer shall provide each other with the information and assistance as is reasonably required to assist the Developer in discharging its obligations under clause 217. TfL shall work with the Developer and the Council to establish, prior to the Developer working up its first set of details under the outline planning permission and attached conditions, Cross River Tram urban design parameters for the Development Zone and Public Realm Areas identified in clause 217 above, consistent with TfL's technical requirements and world class terminus and public realm design. The Parties shall seek to minimise any floorspace loss that may arise from such accommodation of the Cross River Tram and its safe and efficient operation.

217B:

The Developer undertakes not to object at the Transport and Works Act stage to the principle of any of the Cross River Tram routes and options shown on Parameter Plan KXC019. The Developer also undertakes not to object to TfL's selected route shown in the TWA Application on the basis that in the Developer's view, better alternative routes are available and identified on Parameter Plan KXC019, subject to TfL working closely with the Developer and using reasonable endeavours to reach agreement on the preferred option for layover facilities and other details of

TfL's selected route. The Developer retains the legal right to make and pursue future third party representations at the Transport and Works Act stage on future detailed design matters.