

Strictly Private & Confidential – Commercially Sensitive

Quilter House, Greyhound Lane, SW16

5SD

UPDATED VIABILITY REPORT

Prepared by Grove CPC Limited

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SW10 0RJ
Tel: 0207 349 7190
groveproperty.com

On behalf of Grove Project One Limited

March 2024



Confidentiality Statement

This report is the Updated Viability Report required under Schedule 9 of the Section 106 Agreement dated 14 July 2021 relating to Quilter House (16-22 Greyhound Lane, Streatham, SW16 5SD) and it is being submitted on behalf of Grove Project One Limited, the Developer.

This Report is submitted to the Council on the following basis:

- 1 on a strictly private and confidential basis as its content is commercially sensitive and confidential; that the council maintain the Report secret and confidential and, save as provided below, not to allow any non-permitted disclose of the Report as it would adversely affect Planetree Developments Limited's legitimate economic interests;
- 2 the Council must not disclose the Report to anyone other than:
 - (a) the appropriate Council officers who need to have access to it; and
 - (b) to the Council's properly appointed advisors if so required, on the basis that they accept the same obligation of confidence as the Council, as set out in this note, and they only provide access to those of its employees who need access to it,and in both cases solely for the purpose of evaluating and advising the Council on the Report for the purpose envisaged in the Agreement;
- 3 that the Council accepts that the information being imparted in this Report is being provided in circumstances where an obligation of confidence arises and that it has the necessary quality of confidence;
- 4 that all intellectual property rights of whatsoever nature and howsoever arising are reserved, including all copyright and all moral rights are asserted by Planetree Developments Limited on behalf of itself and the authors;
- 5 that all of Grove Project One Limited's rights are reserved; and
- 6 that should the Council receive a request under either the Freedom of Information Act 2000 and/or the Environmental Information Regulations 2004 and/or otherwise for the disclosure of the Report the Council will:
 - (a) not disclose the Report without first consulting with GPOL; and

(b) if requested by GPOL, the Council will assert such grounds as GPOL reasonably believe appropriate to refuse to comply with the request in whole or part.

CONTENTS

1 Introduction

2 Development Proposals

3 Development Appraisal, Inputs and Assumptions

4 Concluding Statement

APPENDICES

1 Section 106 Agreement dated 14 July 2021

2 AY Viability report dated 1 February 2021

3 Development Value – Residential Pricing

1 INTRODUCTION

- 1.1 This Updated Viability Report (“UVR”) has been prepared by Grove CPC Limited (Grove) in accordance with Schedule 8 & 9 of the S106 Agreement dated 14 July 2021.
- 1.2 A planning application for the Site was approved on 16 July 2021 (Reference 20/03340/FUL) with the description of the development as follows:

Retention and restoration of façade fronting Greyhound Lane together with amalgamation of units 18-22 for retail (use Class E) and unit 16 for a flexible retail/ financial and professional services/ restaurant (Use Class E) at ground floor together with 14 residential units above and associated works and loading bay.

- 1.3 This report seeks to update the London Borough of Lambeth (“LBL”) on the financial viability of the scheme at Quilter House, 16-22 Greyhound Lane, London, SW16 5SD (hereafter referred to as “the Site”) in accordance with the provisions set out in the Section 106 Agreement, Schedule 9 and in particular Second Affordable Housing Contribution.
- 1.4 The UVR is submitted on behalf of the owner, Grove Project One Limited (hereafter referred to as “the Owner”).
- 1.5 Grove CPC Limited is instructed to update the viability assessment submitted as a part of the planning application to reflect the current viability position of the practically complete scheme. This will demonstrate whether or not the proposed development can support a Second Affordable Housing Contribution.
- 1.6 Supporting evidence has been prepared with the assistance of the following team:
 - Development Managers (Grove) – Costs
 - Rampton Baseley – Residential values – actual, under offer & anticipated
- 1.7 The appraisal and financial information in this UVR does not represent formal ‘Red Book’ valuations and should not be relied upon as such. This report has been prepared for the purposes of S106 discussions only. More specifically, this report complies with the Viability Assessment Mechanism within the Section 106 Agreement and re-assesses whether the development can support a contribution towards Second Review affordable housing.

2 DEVELOPMENT PROPOSALS

- 2.1 The planning application proposed redevelopment of the Site, into two commercial units on the ground floor and 14 flats on the upper floors (first & second).
- 2.2 A summary of the Proposed Development areas is provided below.

Table 1: Summary of Proposed Floorspace		
Development	GIA (sq m)	GIA (sq ft)
Residential – 14 flats	835	8,988
Commercial Unit 18-22	92	988
Commercial Unit 16	350	3,773

3 DEVELOPMENT APPRAISAL INPUTS AND ASSUMPTION

3.1 As stipulated in the Section 106 Agreement, the development appraisal uses the same methodology as the Benchmark Appraisal. The Benchmark Appraisal has been used as a base and is included within Appendix 2.

Development Value

3.2 As mentioned previously, the Section 106 Agreement states that receipts will include achieved and anticipated receipts.

3.2 Six receipts have been received to date and so anticipated values have also been included based seven under offer units and one available unit. The anticipated net receipts (i.e. residential values) have been considered in detail by residential agents Rampton Baseley.

3.3 The residential GDV equates to 5,670,000.00 see Annex 1

3.4 In summary, the Residential GDV is £5,670m, equating to an average of £405k per unit and £631 per sq ft.

3.5 For ease of reference, the residential values achieved and anticipated as at 2024 have been compared in the table below against the residential values that were agreed by the Council's viability assessor prior to the Section 106 Agreement being signed.

Table 2: Summary of Proposed Development Values		
Item	Agreed by Council's Viability Assessor (2021)	Actual/Anticipated (2024)
Residential Values		
£ per sq ft	£734 psf	£631 psf

The Commercial GDV equates to £1,900,000 for Unit 18-22 and £200,000 for Unit 16, a Commercial GDV of £2,100,000.

The Total Development Value of the Scheme equates to £7,770,000.

Development Costs

3.6 The amount spent for each headline item is identified in the table below. For ease of reference, the 2021 values have been compared against actual costs.

3.7 A summary of the construction cost, fees and associated costs is provided in the table below:

Table 3: Summary of Proposed Development Costs and Fees				
Item	Agreed AY Appraisal Input (2021)	Total Cost (2024)		
Site Acquisition Costs				
Stamp Duty	£116,500	£115,750		
Agent Fee	£23,300	£1,882.45		
Legal Fee	£18,640	£10,072		
TOTAL	£158,440	£127,704.45		
Construction Costs				
Build Cost	£2,530,030	£3,787,896.11		
Demolition	£0	£54,402.83		
Contingency	£0	£0		
TOTAL	£2,530,030	£3,842,298.94		
Other Development Costs				
Building Regulations / Utilities / Warranty	£N/a	£215,263.92		
Rights of Light	£N/a	£0		
S106, Construction Legals	£N/a	£43,866.20		
TOTAL	£N/a	£259,150.12		
Fees				
Professional Fees & 16 Exit	£253,003	1,118,397.61		
TOTAL	£1,158,000	£1,118,397.61		
Planning Obligations				
S106/CIL	£229,035	£307,959.99		
TOTAL	£229,035	£307,959.99		
Marketing				
Marketing	£13,602	£15,000		
TOTAL	£13,6012	£15,000		
Disposal Fees				
Agent Fees	£134,308	£160,000		
Misc	£0	£181,171.02		
TOTAL	£515,531	£341,171.02		
Finance				
Finance	£222,667	£1,092,396.27		
TOTAL	£222,667	£1,092,396.27		

3.9 The Development Cost amounts to £6,796,118.41.

Development Timing

3.10 Construction commenced November 2021 and has recently completed during February 2024,

- Actual Construction Period: 26 months.
- Sales: 9 months equating to a sales rate of 1-2 per month.

Land Value

3.11 As per Section 9 of the S106, the agreed Land Value is £2,330,000.

4 CONCLUDING STATEMENT

4.1 The purpose of the UVR is to assess whether the viability of the Development has improved over time and whether or not, it is able to pay a Second Affordable Housing Contribution.

4.2 As stipulated by the Section 106 Agreement, the following formula should be used to assess whether there should be a Balance Contribution

$$\text{Balance Contribution} = \text{£A} - (\text{B} + \text{C} + \text{D})$$

Where A is the Development Value = £7,770,000

Where B is the Land Value = £2,330,000

Where C is Development Costs = £6,796,118

Where D is Developers Profit (17.5% on Residential and 15% on Commercial) = £1,307,250

So,

$$\text{Balance Contribution} = 7,770,000 - (2,330,000 + 6,796,118 + 1,307,250)$$

$$\text{Balance Contribution} = (\text{£}2,663,368).$$

4.3 Given the significant development deficit, mostly due to excessive construction and finance costs and the introduction of a sub-station during construction and the on site construction delays, the Development is clearly unable to support a contribution towards a Second Affordable Housing Review Contribution.

APPENDIX 1

DATED 14th July

2021

**THE MAYOR AND BURGESSES OF
THE LONDON BOROUGH OF LAMBETH**

-and-

GROVE PROJECT ONE LIMITED

-and-

ROBIN ANDREW WEMYSS

1. Deed pursuant to Section 106 of the Town and Country Planning Act 1990
and other powers in relation to land at
16-22 Greyhound Lane London SW16 5SD

Camden Legal Services
On behalf of
London Borough of Lambeth
Brixton Town Hall
London SW2 1RW
Telephone number 020 7974 6007

LS/JL/1769.136

CONTENTS

RECITALS

CLAUSE

1. Definitions and interpretations
2. Construction of this Deed
3. Planning obligations
4. Conditionality
5. No encumbrances
6. General provisions
7. Covenants by the Owner
8. Implementation
9. No waiver
10. Severability
11. Interest
12. Verification and enforcement
13. Resolution of disputes
14. Owner's actions on completion
15. The Council's actions on completion
16. Service of notices
17. Indexation
18. Third parties
19. Deed governed by English Law
20. Mortgagee's consent

- | | |
|------------|---------------------------------------|
| SCHEDULE 1 | The Permission |
| SCHEDULE 2 | The Site |
| SCHEDULE 3 | Contributions |
| SCHEDULE 4 | Restriction of Parking Permits |
| SCHEDULE 5 | Car Club Membership |
| SCHEDULE 6 | Cycle Hire |
| SCHEDULE 7 | Employment and Skills |
| SCHEDULE 8 | Affordable Housing Review |
| SCHEDULE 9 | Affordable Housing Review Methodology |

THIS DEED is made the 14th day of July 2021

BETWEEN:-

1. **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LAMBETH** of Lambeth Town Hall, Brixton Hill, London, SW2 1RW of the first part (hereinafter referred to as the "**Council**"); and
 2. **GROVE PROJECT ONE LIMITED** (Co. Regn. No. 12532187) whose registered office is at Worlds End Studios, 132-134 Lots Road, London, United Kingdom, SW10 0RJ of the second part (hereinafter referred to as the "**Owner**"); and
 3. **ROBIN ANDREW WEMYSS** of 10 Patten Road London SW18 3RH of the third part (hereinafter referred to as the "**Mortgagee**");
- jointly referred to as the "**Parties**".

RECITALS:-

- A. The Owner wishes to construct the Development pursuant to the Permission upon the Site.
- B. The Owner is the freehold owner of the Site registered with freehold title absolute under Title Numbers TGL265948, TGL267523, TGL484579 and TGL484580 at the Land Registry. As at the date of this Deed the freehold titles are subject to a charge in favour of the Mortgagee.
- C. The obligations contained in this Deed are planning obligations for the purposes of Section 106 of the 1990 Act and covenants under the Acts.
- D. The Council is the local planning authority by whom the obligations in this Deed are enforceable.
- E. The Parties to this Deed are satisfied that the planning obligations secured by this Deed are necessary to make the Development acceptable in planning terms are directly related to the Development and are fairly and reasonably related in scale and kind to the Development and thus satisfy the requirements of Regulation 122 of the Community Infrastructure Levy Regulations 2010.
- F. Having regard to the provisions of the Council's development plan and the planning considerations affecting the Site, the Council considers that the Development ought only to be permitted subject to the terms hereof and determined to grant the Permission by delegated authority exercised on 22 April 2021.

G. The Mortgagee has agreed to enter into this Deed in order to consent to the terms hereof.

NOW THIS DEED WITNESSETH

1 Definitions and interpretation

1.1. The following words and phrases shall unless the context otherwise requires bear the following meanings: -

"1990 Act" means the Town and Country Planning Act 1990.

"Acts" means Section 106 of the 1990 Act and Section 111 of the Local Government Act 1972 and Section 16 of the Greater London Council (General Powers) Act 1974 and Section 1 of the Localism Act 2011 and in each case any statutory amendment, variation, substitution or re-enactment thereof together with all other statutory powers and acts pursuant to which the Parties hereto shall be empowered to enter into this Deed.

"Affordable Housing" means housing provided for sale or rent for those whose needs are not met by the market and which may include housing for eligible households for rent and/or shared ownership provided by an Approved Provider.

"Affordable Housing Contribution" means the sum of £74,000 (seventy four thousand pounds) payable by the Owner to the Council to be used for the provision of Affordable Housing within the London Borough of Lambeth.

"Affordable Housing Review" means the review of the Viability Assessment to be undertaken by the Owner at its own cost in the circumstances described in Schedule 8 which shall be substantially in the same form as the Viability Assessment and with the purpose of determining the viability of the Development at the date the review is undertaken in order to calculate the First Affordable Housing Review Contribution and the Second Affordable Housing Review Contribution, which assessment shall be in accordance with the Affordable Housing Review Methodology and will:

- (a) assume a land value equivalent to and in accordance with the Benchmark Land Value; and
- (b) assess changes in revenues and cost since the date of submission of the Viability Assessment,

"Affordable Housing Review Methodology"		means the methodology set out in Schedule 9.
"Application"		means the application for planning permission for the Development received by the Council that has been allocated reference number 20/03340/FUL.
"Approved Provider"		means: (a) any registered provider of social housing within the meaning of section 111 of the Housing and Regeneration Act 2008; or (b) any other suitable and appropriately qualified entity that may be proposed by the Owner and approved by the Council.
"BCIS All in Tender Price Index"		means the Building Cost Information Service price index produced by the Royal Institution of Chartered Surveyors.
"Benchmark Land Value"	Land	means the sum of £2,330,000 (two million three hundred and thirty thousand pounds) inclusive of the site acquisition costs in accordance with the Viability Assessment.
"Business Bay"	Parking	means a business or business shared-use parking place designated by the Council by an order under the Road Traffic Regulation Act 1984 or other relevant legislation for use by a business in the locality in which the Development is situated or any other parking place where a business vehicle may be parked.
"Business Unit"		means the retail (Use Class E) and flexible retail/financial and professional services/restaurant (Use Class E) units provided by the Development and "Business Units" shall be construed accordingly.
"Carbon Contribution"	Offset	means the sum of £54,900 (fifty four thousand nine hundred pounds) to be applied by the Council towards measures to reduce the amount of carbon dioxide released into the atmosphere in Lambeth.
"Car Club"		means a scheme which gives members of car clubs access to a pool of cars or other light vehicles for flexible periods of time on a pay-as-you-drive or similar basis.
"Car Membership"	Club	means a free membership to a Car Club for a minimum period of 3 years commencing from the date of First

Occupation of the relevant Residential Unit.

- "Car Club Operator" means an operator of a Car Club approved in writing by the Council and selected by the Owner and which has a Car Club operating within proximity to the Site.
- "Children's Playspace Contribution" means the sum of £1,910.70 (one thousand nine hundred and ten pounds and seventy pence) to be applied by the Council towards the provision of children's playspace in the vicinity of the Site.
- "Component" means either a Business Unit and/or a Residential Unit of the Development.
- "Council" means the party of the first part hereto which shall include its successors and assigns from time to time.
- "CPZ" means a controlled parking zone being a parking scheme established and operated by a Council under the Road Traffic Regulation Act 1984 in which on street parking in a respective area designated as a controlled parking zone is restricted to vehicles with parking permits issued by the Council.
- "CPZ Contribution" means the sum of £25,000 (twenty five thousand pounds) to be applied by the Council towards consultation into the introduction of a CPZ in the vicinity of the Development.
- "Cycle Hire Membership" means a free membership of the self-service bicycle sharing scheme operated by TfL for a minimum period of 3 years commencing from the date of First Occupation of the relevant Residential Unit.
- "Development" means the retention and restoration of facade fronting Greyhound Lane together with amalgamation of units 18 - 22 for retail (Use Class E) and unit 16 for a flexible retail/financial and professional services/restaurant (Use Class E) at ground floor together with 14 residential units above and associated works and loading bay pursuant to the Permission.
- "Disabled Person's Parking Bay" means a parking place designated by the London Borough of Lambeth for use by the holder of a disabled person's badge issued pursuant to Section 21 of the Chronically Sick and Disabled Persons Act 1970.
- "Disabled Person's Parking Contribution" means the sum of £20,000 (twenty thousand pounds) to be applied by the Council towards the provision of two Disabled

Person's Parking Bays in in the vicinity of the Site.

"Disposal"

means:

- (a) the Sale of a Component(s) of the Development
- (b) the grant of a lease of a term of less than 125 years of a Component of the Development or
- (c) the grant of an assured shorthold tenancy agreement or a short term let in respect of a Component of the Development

and "Dispose", "Disposals", "Disposed" and "Disposing" shall be construed accordingly.

"Electric Vehicle Charging Point Contribution"

means the sum of £10,000 (ten thousand pounds) to be applied by the Council towards the provision of one electric vehicle charging point in a Disabled Person's Parking Bay in the vicinity of the Site.

"Employment and Skills Contribution"

means the sum of £18,141.84 (eighteen thousand one hundred and forty one pounds and eighty four pence) to be paid by the Owner in accordance with the provisions of Schedule 3 and which shall be applied by the Council towards the provision of employment support and vocational training in the Borough of Lambeth.

"Employment and Skills Plan"

means the document to be provided in accordance with the principles in Schedule 7.

"First Affordable Housing Review"

means the Affordable Housing Review carried out in accordance with paragraph 2 of Schedule 8.

"First Affordable Housing Review Contribution"

means the contribution to be paid by the Owner to the Council pursuant to paragraph 9 of Schedule 8 in the event that the First Affordable Housing Review is applicable and that this demonstrates a First Surplus and the amount of the contribution shall be 80% (eighty percent) of the First Surplus and shall be applied by the Council towards the provision of Affordable Housing within its administrative area in accordance with the Council's affordable housing policies.

"First Occupation"

means the first Occupation of a specified part of the Development for the purposes permitted by the Permission and references to "First Occupy" and "First Occupied" shall be construed accordingly;

- "First Surplus" means the balance resulting from the First Affordable Housing Review to the extent that this exceeds the Benchmark Land Value PROVIDED THAT the First Surplus shall not exceed the Surplus Cap.
- "Habitable Rooms" means any rooms within a Residential Unit the primary use of which is for living, sleeping or dining and which expressly includes kitchens of 13 square metres or more, living rooms, dining rooms and bedrooms but expressly excludes kitchens with a floor area of less than 13 square metres, bathrooms, toilets, corridors and halls.
- "Head of Planning" means the Council's Divisional Director (Planning) or any other officer properly exercising the authority of that person for the time being.
- "Healthy Routes Network Contribution" means the sum of £9,240 (nine thousand two hundred and forty pounds) to be applied by the Council towards improving cycling between the Site and the Healthy Routes Network as identified in Lambeth Transport Strategy (of which Ellison Road is part).
- "Implementation" means implementation of the Permission by the carrying out of any material operation within the meaning of Section 56(2) and (4) of the 1990 Act PROVIDED THAT for the purposes of this Deed only, the following shall not constitute a material operation:
- (a) site clearance including demolition of existing structures and site reclamation works;
 - (b) ground investigations and site remediation or survey works;
 - (c) archaeological investigation;
 - (d) construction of boundary fencing or hoardings or infilling;
 - (e) piling and excavations;
 - (f) noise attenuation works;
 - (g) laying and diversion of services and service media;
 - (h) construction of temporary accesses;

(i) construction of temporary accommodation, site compounds and/or site welfare provisions;

(j) munitions probing and/or clearance;

and "Implement", "Implemented" and cognate expressions will be interpreted in accordance with this definition.

"Monitoring Fee"	means the payment by the Owner to the Council of £10,659.63 (ten thousand six hundred and fifty-nine pounds and sixty-three pence) to cover the costs of monitoring and implementing this Deed.
"Motor Vehicle"	means any mechanically propelled vehicles including electric vehicles intended or adapted for use on a road and/or highway.
"Occupation"	means occupation for the purposes permitted by the Permission but not including occupation by personnel engaged in construction, fitting out or decoration or occupation for marketing, security operations or display and "Occupy", "Occupied" and "Occupier" and cognate expressions shall be construed accordingly.
"Owner"	means the party of the second part which shall include its successors and assigns from time to time.
"Permission"	means the planning permission granted pursuant to the Application in the form of the draft attached to this Deed at Schedule 1.
"Practical Completion"	the date on which the Development (or relevant part of it) is properly certified as practically complete by the Owner's relevant professional under the contract for the construction of the Development and the term "Practically Complete" shall be construed accordingly.
"Planning Obligations"	means the Owner's obligations under Clause 7.
"Policy Level Residual Land Value"	means the gross residual land value of the Site with 40% (forty per cent) of the Residential Units being Affordable Housing (by Habitable Room) (or 50% (fifty percent) where public subsidy is available) and as otherwise calculated by the Affordable Housing Review Methodology.
"Residential Unit"	means all of the units of residential accommodation

provided by the Development.

“Resident’s Parking Bay”	means a marked highway parking space designated by the Council by order under the Road Traffic Regulation Act 1984 the Road Traffic Regulations (Parking) Act 1986 the Parking Act 1989 or the Road Traffic Act 1991 (or other relevant legislation) for use by residents of the locality in which the Development is situated.
“Resident’s Parking Permit”	means a parking permit issued by the Council under section 45(2) of the Road Traffic Regulation Act 1984 (or other relevant legislation) allowing for a Motor Vehicle to park in a Resident’s Parking Bay.
“Residual Land Value”	means the gross residual land value of the Site calculated by the Affordable Housing Review Methodology.
“RICS”	the Royal Institution of Chartered Surveyors.
“Sale”	means:- (a) the sale of the freehold of a Component; or (b) the grant of a lease of a Component with a term of 125 years or more and subject to nominal rent
“Second Affordable Housing Review”	means the Affordable Housing Review carried out in accordance with paragraph 4 of Schedule 9.
“Second Affordable Housing Review Contribution”	means the contribution to be paid by the Owner to the Council pursuant to paragraph 10 of Schedule 8 in the event that the Second Affordable Housing Review is applicable and that this demonstrates a Second Surplus and the amount of the contribution shall be 80% (eighty percent) of the Second Surplus and shall be applied by the Council towards the provision of Affordable Housing within its administrative area in accordance with the Council's affordable housing policies.
“Second Surplus”	means the balance resulting from the Second Affordable Housing Review to the extent that this exceeds the Benchmark Land Value and from which the First Surplus (if any) shall be deducted PROVIDED THAT the Second Surplus shall not exceed the Surplus Cap.
“Site”	means all the land known as 16-22 Greyhound Lane,

London, SW16 5SD as against which this Deed may be enforced that is registered with freehold title absolute under Title Numbers TGL265948, TGL267523, TGL484579 and TGL484580 at the Land Registry and is shown edged red on the plan attached to this Deed at Schedule 2.

"Substantial Implementation" means the occurrence of all of the following in respect of the Development:

- (a) completion of demolition on the Site;
- (b) commencement of foundation works on the Site; and
- (c) commencement of a building contract or series of contracts for the carrying out and completion of the piling works to be carried out within the Site and the commencement of those works.

"Substantial Implementation Date" means the date 24 months from but excluding the date of grant of the Permission.

"Surplus Cap" means the difference between the Residual Land Value and the Policy Level Residual Land Value as otherwise calculated by the Affordable Housing Review Methodology.

"Viability Assessment" means the assessment of viability of the Development by ULL Property which was submitted by the Owner with the Application dated September 2020 (and subsequent responses received on 8th December 2020, 22nd January 2021 and 4th February 2021) as reviewed by the Council's professional advisers Avison Young dated November 2020 (and subsequent addendums dated 13th January 2021, 1st February 2021 and 8th February 2021).

"Working Day" means any day excluding Saturdays, Sundays and any bank holidays in England and "Working Days" shall be construed accordingly.

2 Construction of this Deed

- 2.1 Any covenant by the Owner or the Council not to do any act or thing shall be deemed to include an obligation not to permit or suffer such act or thing to be done by another person where knowledge of the actions of the other person is reasonably to be inferred.
- 2.2 Any references to any particular statute includes any statutory extension, variation, modification, amendment or re-enactment of such statute and also

include any subordinate instruments, regulations or orders made in pursuance of it.

- 2.3 Where under this Deed any notice, approval, consent, certificate, direction, authority, agreement, action, expression of satisfaction is required to be given or reached or taken by any party or any response is requested ("Request for Approval"), any such notice, approval, consent, certificate, direction, authority, agreement, action, expression of satisfaction or response shall not be unreasonable or unreasonably withheld or delayed (save where the contrary intention is indicated) and the Council will use reasonable endeavours to deal with any Request for Approval in an expedient manner in order to allow the Owner to discharge its obligations under this Deed in a timely manner
- 2.4 The headings appearing in this Deed are for ease of reference only and shall not affect the construction of this Deed.
- 2.5 Where reference is made to a Clause, Part, Plan, Paragraph, Recital or Schedule such reference (unless the context requires otherwise) is a reference to a clause, part, paragraph, recital or schedule of (or in the case of plan attached to) this Deed.
- 2.6 In this Deed the singular includes the plural and vice versa and the masculine includes the feminine and vice versa.
- 2.7 Nothing in this Deed shall prohibit or limit the right to develop any part of the Site in accordance with a planning permission (other than the Permission or any variation of the Planning Permission) granted (whether or not on appeal) after the date of this Deed.

3 Legal effect

- 3.1 This Deed is made pursuant to the Acts and is a planning obligation for the purposes of Section 106 of the 1990 Act the Planning Obligations are entered into with the intent that, subject to Clause 3.2, they shall be enforceable by the Council against the Owner and also against its successors in title and assigns and any person corporate or otherwise claiming through or under the Owner an interest or estate created hereafter in the Site or any part or parts thereof as if that person had also been an originating covenanting party in respect of the Planning Obligations which relate to the interest or estate for the time being held by that person and insofar as it is not a planning obligation its provisions may be enforceable by the Council under any relevant statutory powers.

- 3.2 No person shall be liable for any breach of any of the Planning Obligations or other provision of this Deed after it shall have parted with its entire interest in the Site in respect of which such breach occurs but without prejudice to liability for any subsisting breach arising prior to parting with such interest.
- 3.3 This Deed shall cease to have effect (insofar only as it has not already been complied with) if the Planning Permission is quashed, revoked or otherwise withdrawn or (without the consent of the Owner) it is modified by any statutory procedure or expires prior to Implementation.
- 3.4 This Deed shall not be enforceable against any statutory undertaker or person who acquires any part of the Site or any interest therein for the purpose of the supply of electricity, gas, water, drainage, telecommunication services or public transport services.
- 3.5 The provisions of Schedules 3, 7, 8 and 9 of this Deed shall not be enforceable against any Occupiers of an individual Component.

4 Conditionality

- 4.1 Subject to Clause 4.2 below this Deed shall come into effect upon implementation of the Permission.
- 4.2 Clauses 7.2, 8 and 14 will come into effect on delivery hereof.

5 No encumbrance

- 5.1 The Owner HEREBY COVENANTS with the Council that it will not enter into any covenant or agreement relating to any part of the Site whose effect would be to preclude the carrying out of the Planning Obligations and covenants contained in this Deed PROVIDED THAT for the avoidance of doubt this Clause will not prevent any Disposal or dealing by grant of lease or otherwise with the Owner's interest in any part of the Site.

6 General provisions

- 6.1 IT IS HEREBY AGREED AND DECLARED that:
- (a) the covenants on behalf of the Parties hereto to be observed and performed under this Deed shall be treated as local land charges and registered at the Local Land Charges Registry for the purposes of the Local Land Charges Act 1975; and

- (b) nothing in this Deed shall prejudice or affect the rights powers duties and obligations of the Council in the exercise by it of its statutory functions and the rights powers duties and obligations of the Council under private or public statutes bye-laws orders and regulations may be as fully and effectively exercised as if it were not a party to this Deed.

7 Covenants by the Owner

- 7.1 The Owner will observe and perform the covenants and undertakings contained in Schedule 3 to Schedule 8 as planning obligations for the purposes of the 1990 Act and as covenants made under Section 16 of the Greater London Council (General Powers Act) 1974 and other powers under the Acts.
- 7.2 The Owner shall give the Council written notice of any change in ownership of the whole or any part of its interests in the Site until all obligations under this Deed have been discharged and such notice will be provided to the Council as soon as reasonably practicable after such change has occurred.

8 Implementation and Notifications

- 8.1 The Owner hereby covenants that it shall prior to Implementation give not less than five Working Days' written notice to the Council of the date of proposed Implementation of the Permission and the date of proposed Practical Completion.
- 8.2 The Owner shall notify the Council in writing of the date of Practical Completion and the date of First Occupation of any Component

9 No waiver

- 9.1 No waiver (whether express or implied) by the Council of any breach or default by the Owner in performing or observing any of the covenants undertakings obligations or restrictions contained in this Deed shall constitute a continuing waiver and no such waiver shall prevent the Council from enforcing any of the said covenants undertakings obligations or restrictions or from acting upon any subsequent breach or default in respect thereof by the Owner.

10 Severability

- 10.1 Each Clause, sub-Clause, Schedule or Paragraph shall be separate, distinct and severable from each other to the extent only that if any Clause, sub-Clause,

Schedule or Paragraph becomes or is invalid because of a change of circumstances or any other unforeseen reasons or if any one or more of such Clause, sub-Clause, Schedule or Paragraph shall be held by the Courts to be void for any reason whatsoever but would be valid if severed or any wording was deleted or any time period reduced or scope of activities or area covered diminished then any modifications necessary to ensure such Clause, sub-Clause, Schedule or Paragraph be valid shall apply without prejudice to any other Clause, sub-Clause, Schedule or Paragraph contained herein.

11 Interest

11.1 Without prejudice to any other right remedy or power herein contained or otherwise available to the Council if any payment of any sum referred to herein shall have become due but shall remain unpaid for a period exceeding seven Working Days the Owner shall pay on demand to the Council interest thereon at the interest rate of three per centum per annum above the base lending rate of the National Westminster Bank plc from the date when the same became due until payment thereof.

12 Verification and Enforcement

12.1 The Owner shall permit the Council and its authorised employees and agents upon reasonable notice which shall be a minimum of 48 hours to enter the Site at all reasonable times for the purpose of verifying whether or not any obligation arising hereunder has been performed or observed.

12.2 Without prejudice to the terms of any other provision herein the Owner shall pay the reasonable and proper legal and surveyor's fees and disbursements properly incurred by the Council for the purpose of or incidental to the successful enforcement of any right or power of the Council or of any obligation of the Owner arising hereunder PROVIDED THAT the Council shall have notified the Owner in writing of any alleged defaults under this Deed and given the Owner a reasonable period to rectify any alleged default.

12.3 Before the Council exercises its powers under Clause 12.2 hereof it shall give not less than twenty-one (21) days' written notice of its intention to do so to the Owner and shall afford the Owner the opportunity in that time to remedy the alleged breach.

13 Resolution of disputes

13.1 In the event of a dispute arising between the Parties the Parties will attempt to resolve that dispute amicably including holding a meeting attended by at least one representative from each Party if considered appropriate.

13.2 In the event that any the Parties are unable to resolve the dispute amicably after making reasonable endeavours in accordance with clause 13.1 either party may invite the other party to resolve the dispute by mediation in such manner as the Parties may agree.

13.3 In the event of a dispute between the Parties (other than a dispute relating to a matter of law or in relation to the interpretation of this Deed and after reasonable attempts have been made to resolve the dispute amicably in accordance with clause 13.1) the Parties agree that the matter in dispute will on the application of either of them be referred to a Surveyor acting as an expert (hereinafter referred to as the "Expert") (being a member of the Planning Division of the RICS) with not less than ten years recent experience in the field of town and country planning and development whose identity will be agreed between the Parties or in default of agreement appointed by or on behalf of the President for the time being of the RICS on the application of any party and it is further agreed that:

- (a) the determination of the Expert will be final and binding on the Parties save in the case of manifest error;
- (b) the Parties will be entitled to make representations and counter-representations in accordance with such timetable as the Expert shall direct; and
- (c) the Expert's costs will be borne in such proportions as he may direct failing which each party will bear its own costs of the reference and determination and one-half each of the Expert's costs.

13.4 The provisions of clauses 13.2 and 13.3 shall not affect the ability of the Council to apply for or be granted any of the following: declaratory relief, injunction, specific performance, payment of any sum, damages, any other means of enforcing this Deed and consequential and interim orders and relief.

14 Owner's actions on completion

14.1 The Owner will on completion of this Deed:-

- (a) pay the Council's legal costs in connection with the preparation and completion of this Deed; and
 - (b) pay the Monitoring Fee.
- 14.2 Following completion of this Deed, the Owner shall register a notice of the terms of this Deed on the Charges Register of Title Numbers referred to in Recital B and will inform the Council's solicitors in writing as soon as such registration has been noted by the Land Registry;

15 The Council's actions on completion

- 15.1 The Council hereby covenants with the Owner that the Monitoring Fee shall not be spent otherwise than upon the Council's costs of monitoring and implementing this Deed in order to ensure that any obligations herein are duly performed and observed and in the event that the provisions of clause 3.3 apply, the Council shall repay the Monitoring Fee to the Owner within 28 Working Days of written request less any sum expended or committed to be spent.
- 15.2 The Council will (so far as it is lawfully and reasonably able to so do) upon the written request of the Owner and payment of its reasonable administrative costs at any time after each or all of the obligations of the Owner under this Deed have been performed or otherwise discharged issue written confirmation of such performance or discharge and effect the cancellation of relevant entries in the Register of Local Land Charges or if such cancellation is for any reason impossible to secure thereon a note of such performance or discharge in respect of this Deed.
- 15.3 The Council covenants with the Owner that on written request by the Owner or the party that actually paid the sum it will repay to the Owner or the party that actually paid the sum such amount of any payment made to the Council under this Deed which has not been spent and that remains uncommitted after the period of 10 years commencing with the date of receipt by the Council of such payment together with any interest accrued on the amount that has not been spent.
- 15.4 For the avoidance of doubt the sums or any part of them shall be deemed to have been committed if the Council has entered into any contract or given any undertaking (whether enforceable at law or otherwise) the performance or fulfilment of which will require the Council to expend such sums in the future.

15.5 The Council shall on the written request of the Owner or the party that actually paid the sum provide to the relevant party with confirmation of the expenditure of the sums paid by the Owner under this Deed.

16 Service of notices

16.1 All notices requests and demands or other written communications to or upon the respective Parties hereto pursuant to this Deed shall be deemed to have been properly given or made if dispatched by first class letter or facsimile transmission (and the provisions of this clause 16.1 shall apply to the Council only in the case of facsimile transmission), to the party to which such notice request demand or other written communication is to be given or made under this Deed and addressed as follows:

(a) if to the Council: London Borough of Lambeth
Planning Division
PO Box 734
Winchester
SO23 5DG

Facsimile transmission: 020 7926 1171

Attention: Head of Planning

Reference: 20/03340/FUL

(b) if to the Owner: Grove Project One Limited
132-134 Lots Road
London
SW10 0RJ

Attention: Nick Snashall

Reference: 20/03340/FUL

17 Indexation

17.1 All sums of money payable to the Council referred to in this Deed shall be adjusted by a percentage equivalent to the percentage increase shown in the BCIS All in Tender Price Index over the relevant period calculated from the date hereof until payment of the same the amount of such increase to be calculated as follows:

$\frac{A \times B}{C}$

C

Where

A = the relevant payment specified in this Deed

B = the index figure most recently published prior to the date the relevant payment is paid

C = the index figure most recently published prior to the date of this Deed

For the avoidance of doubt, in case of any decrease in the Index the change in the Index shall be deemed to be nil.

18 Third parties

18.1 Without prejudice to the definitions of "the Council" and "Owner" given in Clause 1.1 hereof it is not intended that this Deed should give rights hereunder to a third party arising solely by virtue of the Contract (Rights of Third Parties) Act 1999.

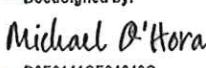
19 Deed governed by English Law

19.1 This Deed is subject to and will be construed in accordance with the provisions of English law.

20 Mortgagee's consent

20.1 The Mortgagee acknowledges and declares that this Deed has been entered into by the Owner with its consent and that the Site shall be bound by the obligations contained in this Deed and that the security of the mortgage over the Site shall take effect subject to this Deed PROVIDED THAT the Mortgagee shall otherwise have no liability under this Deed unless it takes possession of the Site in which case they too will be bound by the obligations as if they were a person deriving title from the Owner.

IN WITNESS whereof this Deed has been executed by the Parties hereto and is intended to be and is hereby delivered on the date first above written

Executed as a deed by affixing THE)	<small>DocuSigned by:</small>  <small>D8E0141CE94649C...</small> Michael O'Hora
COMMON SEAL of THE MAYOR)	
AND BURGESSES OF THE LONDON)	
BOROUGH OF LAMBETH in the)	
presence of)	



Sealed By: The Mayor and Burgesses of The London Borough of Lambeth
Sealed Time: 7/14/2021 10:43:02 AM BST

Authorised Officer

EXECUTED as a DEED by GROVE PROJECT ONE LIMITED acting by a director:

Director's signature: 

Director's name: NICK SWAINHALL

In the presence of:

Witness Signature: 

Witness Name: MICK PLUNKETT

Address: 63 CROMWELL ROAD
SW19 8LF

Occupation: COMPANY DIRECTOR

EXECUTED as a DEED by ROBIN ANDREW
WEMYSS


.....

in the presence of:

Witness

Signature:.....


Witness

Name:.....SAMANTHA WEMYSS

Address: AIRPORT HOUSE BUSINESS CENTRE
CROYDON
CR0 0XZ

Occupation: COMPANY DIRECTOR

SCHEDULE 1

The Permission

The draft planning permission attached hereto

Your Ref:
Our Ref: 20/03340/FUL



Grove Project One Limited
c/o Mr David Graham
2 Stamford Square
London
SW15 2BF

DRAFT DECISION NOTICE

Dear Grove Project One Limited

TOWN AND COUNTRY PLANNING ACT 1990.

PERMISSION FOR DEVELOPMENT

The London Borough of Lambeth hereby permits under the above mentioned Acts and associated orders the development referred to in the schedule set out below **subject to any conditions imposed therein** and in accordance with the plans submitted, save in so far as may otherwise be required by the said conditions.

In accordance with the statutory provisions your attention is drawn to the statement of Applicant's Rights and General Information attached.

Application Number: 20/03340/FUL **Date of Application:** 02.10.2020 **Date of Decision:**

Proposed Development At: 16 To 22 Greyhound Lane London SW16 5SD

For: Retention and restoration of facade fronting Greyhound Lane together with amalgamation of units 18 - 22 for retail (Use Class E) and unit 16 for a flexible retail/financial and professional services/restaurant (Use Class E) at ground floor together with 14 residential units above and associated works and loading bay.

Approved Plans

GA-SP-01; 3067_ACA-GA-E-EX-003 Rev P01;3067_ACA-GA-P-EX-002 Rev P01;3067_ACA-GA-P-EX-D-0002 Rev P01; 3067_ACA-GA-P-EX-001 Rev P01;3067_ACA-GA-P-EX-D-0001 Rev P01;3067_ACA-GA-E-00 Rev 4; 3067_ACA-GA-P-L00 Rev P7;3067_ACA-GA-P-Roof Rev P5; 3067_ACA-GA-E-01 Rev P4;3067_ACA-GA-P-L01 Rev P5; 3067_ACA-GA-P-L02 Rev P5;Balcony Screening Visual; Planning Statement;Design & Access Statement and Appendices;Transport Statement; Construction Logistics Plan;Air Quality Assessment; Daylight and Sunlight Report;Delivery and Servicing Plan; Energy Assessment;Flood Risk Assessment; MEP Servicing Strategy;Noise Assessment Report; Proposed MEP Outline Requirements;Statement of Community Involvement; SuDS Strategy;Sustainability Statement; Utility Connections; Fire Strategy

Lambeth Planning
PO Box 734
Winchester
SO23 5DG

Telephone 020 7926 1180
Facsimile 020 7926 1171
www.lambeth.gov.uk
planning@lambeth.gov.uk

1 The development to which this permission relates must be begun not later than the expiration of three years beginning from the date of this decision notice.

Reason: To comply with the provisions of Section 91(1)(a) of the Town and Country Planning Act 1990 and Section 51 of the Planning and Compulsory Purchase Act 2004.

2 The development hereby permitted shall be carried out in accordance with the approved plans listed in this notice, other than where those details are altered pursuant to the conditions of this planning permission.

Reason: For the avoidance of doubt and in the interests of proper planning.

3 All new external work and finishes and work of making good shall match the existing adjacent original work in respect of the materials, colour, texture, profile, and finished appearance, except where indicated otherwise on the drawings hereby approved, or unless otherwise required by condition.

Reason: To ensure that the external appearance of the building is satisfactory (Policies Q2, Q5 and Q11 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020)).

4 No demolition or development shall commence until all necessary pre-commencement measures described in the Air Quality and Dust Management Plan (AQDMP) have been put in place and set out on site. The demolition and development shall thereafter be carried out and monitored in accordance with the details and measures approved in the AQDMP.

Reason: To manage and mitigate the impact of the development on the air quality and dust emissions in the area and London as a whole, and to avoid irreversible and unacceptable damage to the environment (Policy SI 1 of the London Plan (2021), and the London Plan SPGs for Sustainable Design and Construction and Control of Dust and Emissions during Construction and Demolition).

5 The demolition and development shall be carried out in accordance with the details and measures approved in the Construction Logistics Plan.

Reason: To avoid hazard and obstruction being caused to users of the public highway and to safeguard residential amenity from the start of the construction process (Policy SI 1 of the London Plan (2021); Policies T6 and T8 of the Lambeth Local Plan (2015) and Policy T8 of the Draft Revised Lambeth Local Plan (2020)).

6 The use of Non-Road Mobile Machinery (NRMM) of net power of 37kW and up to and including 560kW (if required) on site during the course of demolition, site preparation and construction phases, must comply with the emission standards set out in chapter 7 of the GLA's supplementary planning guidance "Control of Dust and Emissions During Construction and Demolition" dated July 2014 (SPG), or subsequent guidance. Unless it complies with the standards set out in the SPG, no NRMM shall be on site, at any time, whether in use or not, without the prior written consent of the local planning authority. The developer must register all NRMM at <https://nrmm.london/user-nrmm/register> prior to bringing it on to site and shall keep the register up to date by listing all NRMM used during the demolition, site preparation and construction phases of the development.

Reason: To ensure that air quality is not adversely affected by the development (Policy SI 1 of the London Plan (2021)).

7 During development, if contamination not previously identified is found to be present at the site then no further development shall be carried out until the developer has submitted, and obtained written approval from the Local Planning Authority a remediation strategy detailing how this unsuspected contamination will be dealt with. The remediation strategy shall be implemented as approved, verified and reported to the satisfaction of the Local Planning Authority.

Reason: To safeguard future users or occupiers of this site and the wider environment from irreversible risks associated with the contaminants which are present by ensuring that the contaminated land is properly treated and made safe before development (Section 15 of the NPPF (2019), Policies EN4, EN5 and EN6 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020), and Policies SI 12 and SI 13 of the London Plan (2021)).

8 Piling or other foundation designs using penetrative methods shall not be permitted other than with the express written consent of the Local Planning Authority, which may be given for those parts of the site where it has been demonstrated that there is no resultant unacceptable risk to groundwater. The development shall be carried out in accordance with the approved details.

Reason: To ensure the protection of underlying ground waters from contamination (Section 15 of the NPPF (2019), Policies EN4, EN5 and EN6 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020), and Policies SI 12 and SI 13 of the London Plan (2021)).

9 No drainage systems for the infiltration of surface water drainage in to the ground are permitted other than with the express written consent of the Local Planning Authority, which may be given for those parts of the site where it has been demonstrated that there is no resultant unacceptable risk to controlled waters. The development shall be carried out in accordance with the approval details.

Reason: Infiltrating water has the potential to cause remobilisation of contaminants present in shallow soil or made ground which could ultimately cause pollution of groundwater (Section 15 of the NPPF (2019), Policies EN4, EN5 and EN6 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020), and Policies SI 12 and SI 13 of the London Plan (2021)).

10 Prior to the commencement of above ground works (excluding enabling and demolition works), a specification of all proposed hard and soft landscaping and tree planting shall be submitted to and approved in writing by the Local Planning Authority. The scheme of hard and soft landscaping shall include detailed drawings at a scale of 1:10 and details of the hard surfaces, and the quantity, size, species, position and the proposed time of planting of all trees and shrubs to be planted, together with an indication of how they integrate with the proposal in the long term with regard to their mature size and anticipated routine maintenance and protection. In addition, all shrubs and hedges to be planted that are intended to achieve a significant size and presence in the landscape shall be similarly specified. All tree, shrub and hedge planting included within the above specification shall accord with BS3936:1992, BS4043:1989 and BS8545:2014 and current arboricultural best practice. All street trees should be implemented prior to the occupation of the development.

Reason: In order to ensure high quality soft landscaping, and increase biodiversity and urban greening in and around the site in the interests of the ecological value of the site and in the interests of visual amenity (Policies EN4, Q2, Q9 and Q10 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020) and Policy G5 of the London Plan (2021)).

11 All planting, seeding or turfing comprised in the approved details of landscaping shall be carried out in the first planting and seeding season following the occupation of the development hereby permitted or the substantial completion of the development, whichever is the sooner. Any trees, hedgerows or shrubs forming part of the approved landscaping scheme which within a period of five years from the occupation or substantial completion of the development die, are removed or become seriously damaged or diseased shall be replaced in the next planting season with others of similar size and species, unless the Local Planning Authority gives written consent to any variation.

Reason: To ensure a satisfactory and appropriate landscape scheme relative to the (Policy Q9 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020)).

12 Prior to first occupation of the development, As Built SBEM calculations as an output of the National Calculation Method should be submitted to and approved in writing by the Local Planning Authority demonstrating that the non-domestic development has achieved a minimum of 35% reduction in carbon emissions over existing baseline and Part L of the Building Regulations 2013, in line with the approved Energy Statement (Eight Associates, September 2020). Existing Baseline to be assumed as per Appendix 4 of GLA's Energy Assessment Guidance.

Reason: To ensure that the development has an acceptable level of sustainability (Policy EN4 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020), and Policies SI 2 and SI 3 of the London Plan (2021)).

13 Prior to first occupation of the development As Built SAP calculations with a Block Compliance worksheet as an output of the National Calculation Method should be submitted to and approved in writing by the Local Planning Authority demonstrating that the refurbished dwellings have achieved a minimum of 35% reduction in carbon emissions over existing baseline and Part L of the Building Regulations 2013, in line with the approved Energy Statement (Eight Associates, September 2020). Site-wide calculations should also be provided to confirm the reduction in carbon emissions is compliant with the approved Energy Statement. Existing baseline to be assumed as per Appendix 4 of GLA's Energy Assessment Guidance.

Prior to first occupation of the development As Built SAP calculations with a Block Compliance worksheet as an output of the National Calculation Method should be submitted to and approved in writing by the Local Planning Authority demonstrating that the new dwellings have achieved a minimum of 35% reduction in carbon emissions over that required by Part L of the Building Regulations 2013, in line with the approved Energy Statement (Eight Associates, September 2020). Site-wide calculations should also be provided to confirm the reduction in carbon emissions is compliant with the approved Energy Statement.

Reason: To ensure that the development has an acceptable level of sustainability (Policy EN4 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020), and Policies SI 2 and SI 3 of the London Plan (2021)).

14 Prior to the commencement (excluding enabling and demolition works) of the proposed development, the applicant should submit an Overheating Assessment showing that the risk of overheating and the reliance on air conditioning has been reduced in line with the Mayor's cooling hierarchy and demonstrating compliance with CIBSE TM52/TM59/TM49.

Reason: To ensure that the development has an acceptable level of sustainability and the development is designed to mitigate overheating risk (Policy EN4 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020), and Policy SI 4 of the London Plan (2021)).

15 Prior to the occupation of the development, calculations (and manufacturer's datasheets) should be submitted to and approved in writing by the Local Planning Authority which shows how the development responds to guidance contained within the Mayor's Sustainable Design and Construction SPG across its lifecycle, including how water consumption rates of less than 105 litres per person per day have been achieved.

Reason: To reduce the consumption of potable water in the home from all sources, including borehole well water, through the use of water efficient fittings, appliances and water recycling systems in accordance with (Policy EN4 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020), and Policy SI 5 of the London Plan (2021)).

16 Prior to commencement (excluding enabling and demolition works) of the development, the calculation of the Urban Greening Factor shall be submitted to and approved in writing by the local planning authority, confirming that the proposed development achieved a score of 0.4. Should this not be achievable, justification should be provided to accompany the calculation. Prior to the first occupation of the dwellings hereby permitted, evidence shall be submitted to and approved in writing by the local planning authority to validate the measures at the as built stage to demonstrate that an urban greening factor of 0.4 or more has been achieved (unless previously agreed that this cannot be achieved).

Reason: To ensure that the urban greening factor has been achieved on site (Policy G5 of the London Plan (2021) and Policy EN1 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020)).

17 Prior to occupation of the development hereby permitted, a satisfactory Secured by Design inspection must take place and the resulting Secured by Design certificate shall be submitted to and approved by the local planning authority in writing.

Reason: To ensure that the development maintains and enhances community safety (Policy Q3 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020) and Policy D10 of the London Plan (2021)).

18 Prior to the commencement of the relevant works and notwithstanding the details shown on the drawings hereby approved, detailed construction drawings of all external elevations (at scale 1:10) including the following items shall be submitted to and approved in writing by the Local Planning Authority. The development shall not be carried out other than in accordance with the approved details unless otherwise agreed in writing by the Local Planning Authority:

- (a) Detailed drawings at a scale of 1:10 (including section plans) of all external construction detailing including soffits, balustrades, brick bonding, cills, reveals, canopies, parapets, vents, extracts, rain water goods, screens, steps, ramps, lighting, letter boxes, means of enclosure etc., windows and doors;
- (b) Details of the property number shall be permanently displayed at the entrance to the block, the commercial units and each residential unit;
- (c) Details to include sample panels of the external materials (including mortar mix and pointing) to be erected on site for the approval;
- (d) Detailed drawings to show all soft (evergreen) landscaping and screening to the communal and private amenity space. The privacy screening to the private and communal amenity space shall be installed in full prior to the first occupation of the residential dwellings and retained in accordance with the approved details for the duration of the development;
- (e) Detailed drawings of the proposed shopfronts, including any security measures;
- (f) Details of the proposed PV panels to the roof.

Reason: To ensure that the external appearance of the building is satisfactory and to safeguard the amenity of neighbouring occupiers (Policies Q2, Q6, Q7 and Q8 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020)).

19 Prior to the occupation of the development hereby permitted, further details of the provision to be made for cycle parking shall be submitted to and approved in writing by the local planning authority. The cycle parking shall thereafter be implemented in full in accordance with the approved details before the occupation of the development hereby permitted commences and shall thereafter be retained solely for its designated use.

Reason: To ensure adequate cycle parking is available on site and to promote sustainable modes of transport (Policies T1, T3, T6 and Q13 of the Lambeth Local Plan (2015) and Policies T1, T3 and Q13 of the Draft Revised Lambeth Local Plan (2020)).

20 No vents, extracts, plumbing or pipes, other than rainwater pipes, shall be fixed to the external faces of the building unless otherwise approved in writing by the Local Planning Authority.

Reason: To ensure that the external appearance of the building is satisfactory (Policies Q2, Q7 and Q8 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020)).

21 The use of the premises hereby permitted at Ground Floor 16 Greyhound Lane shall not be open to members of the public other than within the following times:

09:00 Hours to 23:00 Hours - Monday to Friday
09:00 Hours to 23:00 Hours - Saturdays
09:00 Hours to 23:00 Hours - Sundays, Bank Holidays or Public Holidays.

Reason: To ensure that no nuisance or disturbance is caused to the detriment of the amenities of adjoining occupiers or users of the area generally (Policies Q2, T6 and ED7 of the Lambeth Local Plan (2015) and Policies Q2 and ED8 of the Draft Revised Lambeth Local Plan (2020)).

22 The use of the premises hereby permitted at Ground Floor 18-22 Greyhound Lane shall not be open to members of the public other than within the following times:

07:00 Hours to 23:00 Hours - Monday to Friday
07:00 Hours to 23:00 Hours - Saturdays
07:00 Hours to 23:00 Hours - Sundays, Bank Holidays or Public Holidays.

Reason: To ensure that no nuisance or disturbance is caused to the detriment of the amenities of adjoining occupiers or users of the area generally (Policies Q2 and T6 of the Lambeth Local Plan (2015) and Policy Q2 of the Draft Revised Lambeth Local Plan (2020)).

23 There shall be no deliveries to or from the commercial development hereby permitted other than between 07:00 to 23:00 hours daily.

Reason: To ensure that no nuisance or disturbance is caused to the detriment of the amenities of adjoining occupiers or users of the area generally (Policies Q2 and T6 of the Lambeth Local Plan (2015) and Policy Q2 of the Draft Revised Lambeth Local Plan (2020)).

24 Notwithstanding the provisions of the Town and Country Planning (Use Classes) Order 1987 or the Town and Country Planning (General Permitted Development) Order 2015 (or any orders revoking and re-enacting those orders with or without modification) the Ground Floor of 18-22 Greyhound Lane shall only be used for uses falling within Use Class E a) and for no other purposes within Use Class E.

Reason: To ensure that the proportion of retail units within Streatham Common Local Centre will not fall below 40 per cent and to ensure to the vitality and viability of the centre in accordance with Policy ED10 of the Lambeth Local Plan (2015) and Policy ED11 of the Draft Revised Lambeth Local Plan (2020).

25 Notwithstanding the provisions of the Town and Country Planning (Use Classes) Order 1987 or the Town and Country Planning (General Permitted Development) Order 2015 (or any orders revoking and re-enacting those orders with or without modification) the Ground Floor of 16 Greyhound Lane shall only be used for uses falling within Use Class E a), b) and c) and for no other purposes within Use Class E.

Reason: To ensure the vitality and viability of Streatham Common Local Centre in accordance with Policy ED10 of the Lambeth Local Plan (2015) and Policy ED11 of the Draft Revised Lambeth Local Plan (2020).

26 At least ten per cent of the residential units hereby permitted shall be constructed to comply with Part M4(3) of the Building Regulations. Any communal areas and accesses serving the M4(3) compliant Wheelchair User Dwellings should also comply with Part M4(3). All other residential units, communal areas and accesses hereby permitted shall be constructed to comply with Part M4(2) of the Building Regulations.

Reason: To secure appropriate access for disabled people, older people and others with mobility constraints (Policy Q1 of Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020) and the guidance in the London Plan Housing SPG (2016)) and Policy D7 of the London Plan (2021)).

27 Deliveries and servicing of the development shall be carried out in accordance with the details and measures approved in the Delivery and Servicing Plan and the conditions attached to this permission.

Reason: To ensure that the development maintains and enhances community safety and to promote sustainable modes of transport and to ensure that the servicing arrangements to the building as a whole are appropriate and to limit the effects of the increase in travel movements (Policy T8 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020) and Policy T4 of the London Plan (2021)).

28 Prior to the occupation of the development hereby permitted, a Waste Management Strategy including further details of waste and recycling storage for the development, shall be submitted to and approved in writing by the local planning authority. The waste and recycling storage shall be provided in accordance with the approved details prior to the occupation of the development hereby permitted and shall thereafter be retained solely for its designated use. The waste and recycling storage areas/facilities shall be mechanically ventilated in a manner which extracts the foul air away from habitable rooms and should comply with the Lambeth's Refuse & Recycling Storage Design Guide (2013), unless it is demonstrated in the submissions that such provision is inappropriate for this specific development.

Reason: To ensure suitable provision for the occupiers of the development, to encourage the sustainable management of waste and to safeguard the visual amenities of the area (Policies Q2 and Q12 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020)).

29 Noise from any mechanical equipment or building services plant, as measured in accordance with BS4142: 2014, shall not exceed the background noise level L90B(A) 15 minutes, when measured outside the window of the nearest noise sensitive or residential premises.

Reason: To protect the amenities of adjoining occupiers and the surrounding area (Policy Q2 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020)).

30 The noise mitigation measures outlined in the submitted Noise Assessment Report dated September 2020 shall be implemented in strict accordance with these approved details prior to the occupation of the development. The noise mitigation measures shall only be removed or altered following written authorisation from the Local Planning Authority.

Reason: To protect the amenities of future residential occupiers (Policy Q2 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020)).

31 The flood mitigation measures outlined in the submitted Flood Risk Assessment dated September 2020 shall be implemented in strict accordance with these approved details prior to the occupation of the development. The flood mitigation measures shall only be removed or altered following written authorisation from the Local Planning Authority.

Reason: To protect the amenities of future occupiers (Policies Q2 and EN5 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020)).

32 The air quality mitigation measures outlined in the submitted Air Quality Assessment dated September 2020 shall be implemented in strict accordance with these approved details prior to the occupation of the development. The air quality mitigation measures shall only be removed or altered following written authorisation from the Local Planning Authority.

Reason: To protect the amenities of future residential occupiers (Policy SI 1 of the London Plan (2021)).

33 No development above ground level (excluding enabling and demolition works) shall commence until details have been submitted to and approved in writing by the local planning authority of a scheme of open access ducting for fibre optic cable to serve a range of Next Generation Access compatible telecommunication services to multi point destinations and each relevant building including residential and commercial across the development hereby approved. This shall provide sufficient capacity, including duct sizing to cater for the development with sufficient flexibility to meet the needs of existing and future residents. Units or premises being served by this infrastructure shall not be occupied until the infrastructure has been laid out in accordance with the approved details.

Reason: To make adequate provision for the information technology requirements of home and businesses in the interests of local amenity (Section 10 of the National Planning Policy Framework (2019) and Policy SI 6 of the London Plan (2021)).

34 Prior to the commencement (excluding enabling and demolition works) of the development hereby approved, details of net biodiversity gain shall be submitted to and approved in writing by the Local Planning Authority. Prior to the first occupation of the dwellings hereby permitted, evidence shall be submitted to and approved in writing by the local planning authority to demonstrate that net biodiversity has been achieved.

Reason: To ensure that a net biodiversity gain has been achieved in the interests of the ecological value of the site (Policy EN1 of the Lambeth Local Plan (2015) and Draft Revised Lambeth Local Plan (2020) and Policy G6 of the London Plan (2021)).

Notes to Applicants:

In dealing with this application the Council has implemented the requirement in the National Planning Policy Framework (2019) to work with the applicant in a positive and proactive manner. The council has made available on its website the policies and guidance provided by Lambeth Local Plan (2015) and its supplementary planning documents. We also offer a full pre-application advice service in order to ensure that the applicant has every opportunity to submit an application that's likely to be considered acceptable.

1. This decision letter does not convey an approval or consent which may be required under any enactment, by-law, order or regulation, other than Section 57 of the Town and Country Planning Act 1990.
2. Your attention is drawn to the provisions of the Building Regulations, and related legislation which must be complied with to the satisfaction of the Council's Building Control Officer.
3. Your attention is drawn to the provisions of The Party Wall Act 1996 in relation to the rights of adjoining owners regarding party walls etc. These rights are a matter for civil enforcement and you may wish to consult a surveyor or architect.
4. Your attention is drawn to the need to comply with the requirements of the Control of Pollution Act 1974 concerning construction site noise and in this respect you are advised to contact the Council's Environmental Health Division.
5. You are advised of the necessity to consult the Council's Highways team prior to the commencement of construction on 020 7926 9000 in order to obtain necessary approvals and licences prior to undertaking any works within the Public Highway including Scaffolding, Temporary/Permanent Crossovers, Oversailing/Undersailing of the Highway, Drainage/Sewer Connections, Hoarding, Excavations (including adjacent to the highway such as basements, etc), Temporary Full/Part Road Closures, Craneage Licences etc.
6. You are advised of the necessity to consult the Council's Streetcare team within the Public Protection Division with regard to the provision of refuse storage and collection facilities.

Street Naming & Numbering at:

<https://www.lambeth.gov.uk/planning-and-building-control/planning-applications-andpolicies/apply-for-street-or-building-naming>

As soon as building work starts on the approved development, you must contact the Street Naming and Numbering team if you need to do any of the following:

- name a new street
- name a new or existing building
- apply new street numbers to a new or existing building
- apply new numbers to internal flats or units

This will ensure that any changes are agreed with Lambeth Council before use, in accordance with the London Buildings Acts (Amendment) Act 1939 and the Local Government Act 1985. Contact details for the Street Naming and Numbering Officer are listed below:

Street Naming and Numbering Officer, London Borough of Lambeth, PO BOX 734, Winchester, SO23 5DG. email : StreetNN@lambeth.gov.uk telephone : 020 7926 2283

7. All vehicles associated with the construction works must only park/ stop at permitted locations and within the time periods permitted by existing on-street restrictions.

8. For information on the NRMM Low Emission Zone requirements and to register NRMM, please visit <http://nrmm.london/>.
9. The Refuse & Recycling Storage Design Guide (2013) can be viewed on the planning policy pages of the council's website.
10. The Draft Design Code SPD can be viewed on the planning policy pages of the council's website.
11. Advertisement Consent is required for the proposed shopfront signage.
12. The intention to provide a roof terrace serving plot 10 at 2nd floor is noted, being accessed via an access stair off of the kitchen dining area. This is a particular item of note to be justified under the Building Regulations application (unless already agreed in principle with a preferred Building Control body), albeit there are perhaps a few options that could be explored, for example (but not necessarily limited to):
 - o Amending the internal layout so the terrace stair-rise from the protected hallway;
 - o Providing sprinkler protection to the kitchen/ diner if the access room to the terrace stairs.

Yours sincerely

Rob Bristow
Assistant Director Planning, Transport & Development
Growth, Planning and Employment Directorate

Date printed:

INFORMATION FOR APPLICANTS GRANTED PLANNING PERMISSION SUBJECT TO CONDITIONS, OR WHERE PERMISSION HAS BEEN REFUSED.

General Information

This permission is subject to due compliance with any local Acts, regulations, building by-laws and general statutory provisions in force in the area and nothing herein shall be regarded as dispensing with such compliance or be deemed to be a consent by the Council thereunder.

Your attention is drawn to the provisions of the Building Regulations 1985 and related legislation which must be complied with to the satisfaction of the Council's Building Control Officer, PO Box 734, Winchester SO23 5DG.

The Council's permission does not modify or affect any personal or restrictive covenants, easements, etc., applying to or affecting the land or the rights of any person entitled to the benefits thereof.

STATEMENT OF APPLICANT'S RIGHTS ARISING FROM THE REFUSAL OF PLANNING PERMISSION OR FROM THE GRANT OF PERMISSION SUBJECT TO CONDITIONS.

Appeals to the Secretary of State

If the applicant is aggrieved by the decision of the local planning authority to refuse permission or approval for the proposed development or to grant permission or approval subject to conditions, he may appeal to the Secretary of State in accordance with Section 78 of the Town and Country Planning Act 1990 within six months from the date of this notice. Appeals must be made on a form which is obtainable from The Planning Inspectorate, Room 3/13 Temple Quay House, 2 The Square, Temple Quay, Bristol BS1 6PN. Alternatively an Appeal form can be downloaded from their website at www.gov.uk/government/organisations/planning-inspectorate. The Secretary of State has power to allow longer period for the giving of a notice of appeal but he will not normally be prepared to exercise this power unless there are special circumstances which excuse the delay in giving notice of appeal. The Secretary of State is not required to entertain an appeal if it appears to him that permission for the proposed development could not have been granted by the local planning authority, or could not have been so granted otherwise than subject to the conditions imposed by them, having regard to the statutory requirements, to the provisions of the development order, and to any directions given under the order.

Purchase Notice

If permission to develop land is refused or granted subject to conditions, whether by the local planning authority or by the Secretary of State for the Environment, and the owner of the land claims that the land has become incapable of reasonably beneficial use in its existing state and cannot be rendered capable of reasonable beneficial use by the carrying out of any development which has been or would be permitted, he may serve on the London Borough of Lambeth a purchase notice requiring that Council to purchase his interest in the land in accordance with the provisions of Section 137 of the Town and Country Planning Act 1990.

Compensation

In certain circumstances, a claim may be made against the local planning authority for compensation, where permission is refused or granted subject to conditions by the Secretary of State for the Environment on appeal or on a reference of the application to him. The circumstances in which such compensation is payable are set out in Section 120 and related provision of the Town and Country Planning Act 1990.

SCHEDULE 2

The Site

16-22 Greyhound Lane, London, SW16 5SD
as is shown edged red on the plan attached hereto



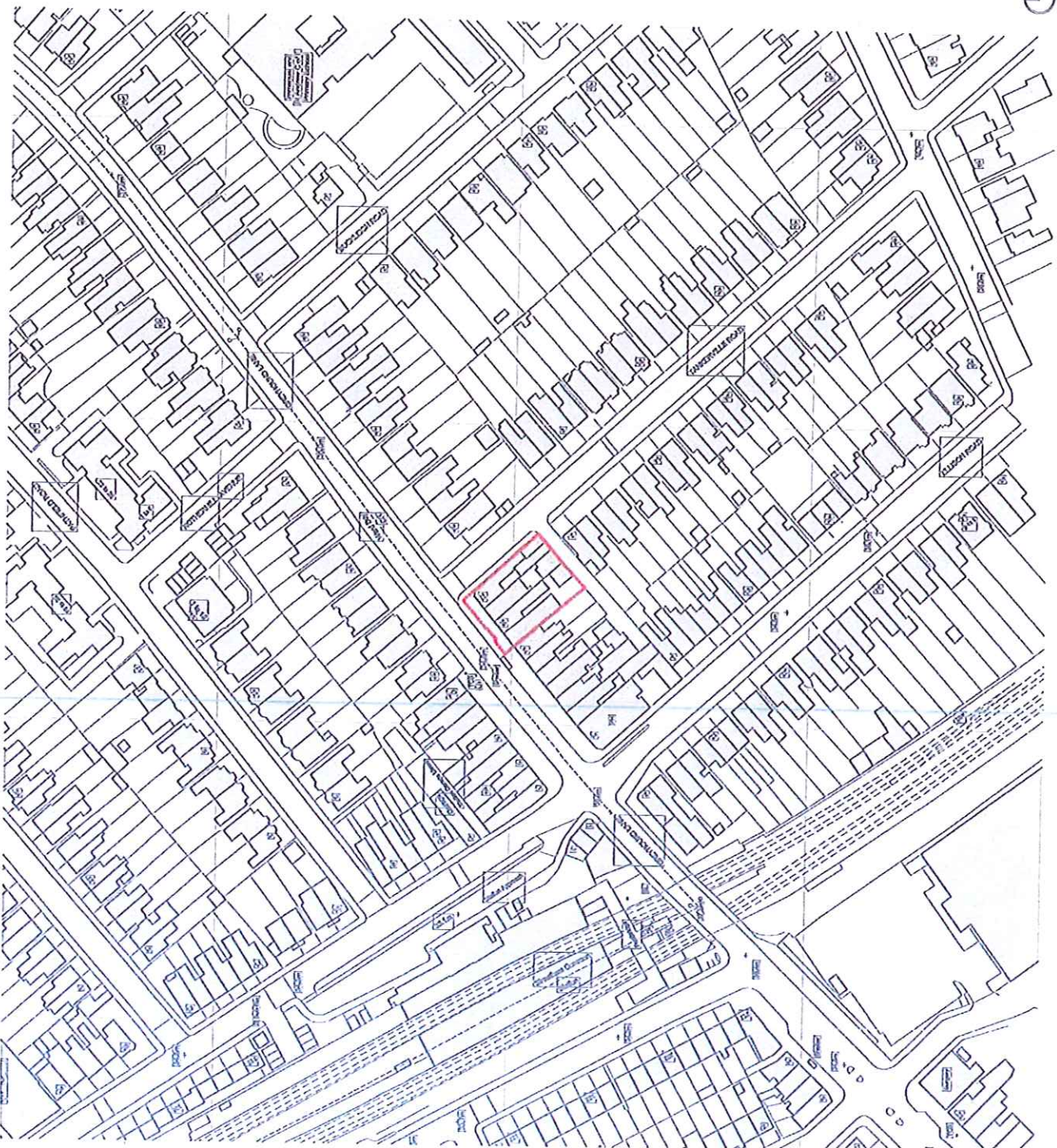
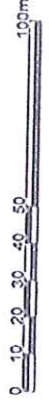
ALAN CAMP ARCHITECTS 1000 CHRYSLER DRIVE LONDON SW1E 2JD 020 7593 1000. BY VOIC 2200 1001. www.alancamp.com	
DATE	01/03/2007
DRAWN BY	MD
CHECKED BY	CC
PROJECT NO.	11222004S
DRAWING NO.	007
CAD/3D/2D	2D

REV.	DATE	DESCRIPTION	ISSUED BY	CHECKED BY
1	01/03/07	REVISION 1	MD	CC
2	01/03/07	REVISION 2	MD	CC

DS
MD

NICK S WASTHAM

ROBIN WEMYSS



SCHEDULE 3

Contributions

1. Affordable Housing Contribution

- 1.1. The Owner shall pay to the Council the Affordable Housing Contribution prior to Occupation.
- 1.2. There shall be no Occupation unless and until the Affordable Housing Contribution has been paid to the Council as specified in paragraph 1.1 of this Schedule.

2. Carbon Offset Contribution

- 2.1. The Owner shall pay to the Council the Carbon Offset Contribution prior to Occupation.
- 2.2. There shall be no Occupation unless and until the Carbon Offset Contribution has been paid to the Council as specified in paragraph 2.1 of this Schedule.

3. Children's Playspace Contribution

- 3.1. The Owner shall pay to the Council the Children's Playspace Contribution prior to Implementation.
- 3.2. There shall be no Implementation unless and until the Children's Playspace Contribution has been paid to the Council as specified in paragraph 3.1 of this Schedule.

4. CPZ Contribution

- 4.1. The Owner shall pay to the Council the CPZ Contribution 6 (six) months prior to Practical Completion.
- 4.2. There shall be no Occupation unless and until the CPZ Contribution has been paid to the Council as specified in paragraph 4.1 of this Schedule.

5. Disabled Person's Parking Contribution

- 5.1. The Owner shall pay to the Council the Disabled Person's Parking Contribution 6 (six) months prior to Practical Completion.
- 5.2. There shall be no Occupation unless and until the Disabled Person's Parking Contribution has been paid to the Council as specified in paragraph 5.1 of this Schedule.

6. Electric Vehicle Charging Point Contribution

- 6.1. The Owner shall pay to the Council the Electric Vehicle Charging Point Contribution 6 (six) months prior to Practical Completion.
- 6.2. There shall be no Occupation unless and until the Electric Vehicle Charging Point Contribution has been paid to the Council as specified in paragraph 6.1 of this Schedule.

7. Employment and Skills Contribution

- 7.1. The Owner shall pay to the Council the Employment and Skills Contribution prior to Implementation.
- 7.2. There shall be no Implementation unless and until the Employment and Skills Contribution has been paid to the Council as specified in paragraph 7.1 of this Schedule.

8. Healthy Routes Network Contribution

- 8.1. The Owner shall pay to the Council the Healthy Routes Network Contribution prior to Implementation.
- 8.2. There shall be no Implementation unless and until the Healthy Routes Network Contribution has been paid to the Council as specified in paragraph 8.1 of this Schedule.

SCHEDULE 4

Restriction on Parking Permits

Part 1 - Residential Parking Permits

1. The Owner covenants with the Council as follows:
 - 1.1 To ensure that prior to Occupying the Residential Units each new Occupier of the Residential Unit is informed by the Owner of the Council's policy that they shall not be entitled (unless the Occupier is a holder of a Disabled Persons Badge issued pursuant to Section 21 of the Chronically Sick and Disabled Persons Act 1970) to:
 - (i) be granted a Resident's Parking Permit to park a vehicle in a Resident's Parking Bay in the CPZ where the Site is located; and
 - (ii) buy a contract to park within any car park owned, controlled or licensed by the Council in the CPZ where the Site is located.
 - 1.2 Not to Occupy or use (or permit the Occupation or use of) a Residential Unit at any time during which the Occupier of that Residential Unit holds a Resident's Parking Permit to park a vehicle in a Resident's Parking Bay in the CPZ where the Site is located or a contractual permit to park a vehicle in any car park owned, controlled or licensed by the Council in the CPZ where the Site is located (unless the Occupier is the holder of a disabled person's badge issued pursuant to Section 21 of the Chronically Sick and Disabled Persons Act 1970).
 - 1.3 In Disposing of or letting any Residential Unit to procure that:
 - (i) all prospective purchasers, lessees or tenants of any Residential Unit are informed of the restrictions relating to car parking permits under this Deed; and
 - (ii) covenants dealing with the matters referred to in paragraph 1 of this Schedule are included in all transfers, tenancies and leases of any such Residential Unit.

2. The Owner for itself and its successors in title to the Site hereby acknowledges that the provisions in paragraph 1 in this Schedule shall continue to have effect in perpetuity.
3. The Owner shall provide to the Head of Planning written notification of any internal numbering or naming given to any Residential Unit and the street address thereof, as soon as the same is allocated and prior to Occupation.

Part 2 - Business Parking Permits

1. The Owner covenants with the Council as follows:
 - 1.1 To ensure that prior to Occupying the Business Units each new Occupier of a Business Unit is informed by the Owner of the Council's policy that they shall not be entitled (unless they are the holder of a Disabled Person's Badge issued pursuant to Section 21 of the Chronically Sick and Disabled Persons Act 1970) to:
 - (i) be granted a business parking permit to park a vehicle in a Business Parking Bay in the CPZ where the Site is located; and
 - (ii) a contract to park within any car park owned, controlled or licensed by the Council in the CPZ where the Site is located.
 - 1.2 Not to Occupy or use (or permit the Occupation or use of) a Business Unit at any time during which the Occupier of that Business Unit holds a business parking permit to park a vehicle in a Business Parking Bay in the CPZ where the Site is located or a contractual permit to park a vehicle in any car park owned, controlled or licensed by the Council in the CPZ where the Site is located (unless the Occupier is the holder of a disabled person's badge issued pursuant to Section 21 of the Chronically Sick and Disabled Persons Act 1970).
 - 1.3 In Disposing of or letting any Business Unit to procure that:
 - (i) all prospective purchasers, lessees or tenants of any Business Unit are informed of the restrictions relating to car parking permits under this Deed; and
 - (ii) covenants dealing with the matters referred to in paragraph 1 of this Schedule are included in all transfers, tenancies and leases of any such Business Unit.

2. The Owner for itself and its successors in title to the Site hereby acknowledges that the provisions in paragraph 1 in this Schedule shall continue to have effect in perpetuity.
3. The Owner shall provide to the Head of Planning written notification of any internal numbering or naming given to any Business Unit and the street address thereof, as soon as the same is allocated and prior to Occupation.

SCHEDULE 5

Provision of a Car Club Membership

1. Prior to Occupation the Owner shall:
 - 1.1 enter into a contract with a Car Club Operator to provide the Car Club Membership; and
 - 1.2 supply to the Council a copy of the contract or other satisfactory evidence of a binding agreement having been entered into by the Owner with the chosen Car Club Operator as required by paragraph 1.1 of this Schedule.
2. There shall be no Occupation unless and until a copy of the contract or other satisfactory evidence of a binding agreement having been entered into by the Owner with the chosen Car Club Operator has been supplied to the Council as required by paragraph 1 of this Schedule.
3. The Owner shall provide one free Car Club Membership for the benefit of Occupiers of each Residential Unit upon the First Occupation of that Residential Unit by an Occupier of the Residential Unit who is eligible for membership under the rules of the applicable Car Club.
4. The Owner shall ensure that:
 - 4.1. all materials published by the Owner or its agents for the purpose of selling or letting a Residential Unit notifies potential purchasers or other occupants of the Car Club Membership arrangements; and
 - 4.2. estate agents and lettings agents are instructed in relation to the marketing of the Residential Units to draw the Car Club Membership arrangements to the attention of all Occupiers or prospective Occupiers.
5. In the event that a contract with a Car Club Operator is entered into pursuant to paragraph 1 above but the relevant Car Club Operator subsequently ceases to operate the Owner shall use reasonable endeavours to secure an alternative

Car Club Operator to provide the Car Club Membership for the balance of the originally contracted term and paragraphs 2 to 4 inclusive above shall apply to the appointment of such alternative Car Club Operator *mutatis mutandis* PROVIDED THAT this paragraph 5 shall cease to apply and have no effect where there is six months or less left to run of any three-year period within which Occupiers are entitled to Car Club Membership.

SCHEDULE 6

Cycle Hire

1. The Owner shall provide one free Cycle Hire Membership to all Occupiers of each Residential Unit upon the First Occupation of that Residential Unit by an Occupier of the Residential Unit.
2. The Owner shall ensure that:
 - 2.1 all materials published by the Owner or its agents for the purpose of selling or letting a Residential Unit notifies potential purchasers or other occupants of the Cycle Hire Membership arrangements; and
 - 2.2 estate agents and lettings agents are instructed in relation to the marketing of the Residential Units to draw the Cycle Hire Membership arrangements to the attention of all Occupiers or prospective Occupiers.
3. The Owner shall not Occupy or permit Occupation of any Residential Unit other than in accordance with paragraphs 1 and 2 above and in the event of non-compliance with this sub-paragraph the Owner shall forthwith take any steps reasonably and properly required by the Council to remedy such non-compliance.

Schedule 7
Employment and Skills

1. GENERAL PROVISIONS

1.1 The Owner covenants with the Council:

- (a) to prepare and submit to the Council (or procure the preparation and submission to the Council of) the Employment and Skills Plan and to operate (or procure the operation of) Employment and Skills Plan on the terms more particularly set out in Section 2 of this Schedule 7;
- (b) to deliver (or procure the delivery of) Employment and Skills Obligations; and
- (c) to adhere (or procure adherence) to the arrangements for monitoring of and compliance with Employment and Skills Obligations on the terms more particularly set out in Section 4 of this Schedule 7.

1.2 The Council covenants with the Owner to adhere to the obligations on the part of the Council more particularly set out in Section 4 of this Schedule 7.

1.3 In this Schedule 7 the following words and phrases have the following meanings (and the singular includes the plural and vice versa):

“**Apprenticeship**” means a Level 2 apprenticeship or above that is for under 25 year olds and “**Apprentice**” shall be construed accordingly

“**Communications Channel**” means an electronic and/or printed means of dissemination of information which may include one or more of the following: website; social media platform; newsletter; flyer

“**Construction Phase**” means the period of the building out of the Development from Implementation to a state that is immediately ready for Occupation

“**Employability Support**” means a bespoke pre-employment and training programme that is intended to enable Lambeth Residents to access Jobs being created including arrangements for guaranteed interviews for suitably qualified candidates in relation to planned vacancies

“Employment Opportunity” means (together or such of the following as the context requires) Job, Apprenticeship or Employability Support (and a reference to a type of Employment Opportunity is a reference to any one of those categories)

“Employment and Skills Obligations” means those obligations set out in Section 3 of this Schedule

“Employment Skills Construction Plan” or **“ESCP”** means the document relating to skills training and employment during the Construction Phase as required by this Schedule

“ES Compliance Payment” means a payment in lieu of the Owner’s obligations contained in this Schedule arising in the circumstances specified in this Schedule and calculated in accordance with this Schedule

“ES Discharge Letter” means the written confirmation required by this Schedule to be issued by the Council on satisfaction of the Owner’s obligations contained in this Schedule

“ES Final Report” means the document required by this Schedule to be submitted by the Owner to the Council for the purposes of setting out final performance against targets and any other matters as specified by this Schedule

“ES Financial Obligation” means the financial contribution set out in Schedule 3

“ES Non-financial Obligations” means the obligations set out in Clause 3.2 of this Schedule

“ES Progress Report” means the document required by this Schedule to be submitted by the Owner to the Council for the purposes of setting out interim performance against targets and any other matters as specified by this Schedule

“ES Remedial Plan” means the document to be submitted by the Owner to the Council (if requested by the Council) in the event that the Council (acting reasonably) determines that there has been or is likely to be material non-attainment of Target Number(s) of Employment Opportunities for Lambeth Residents and that sets out strategies for achieving the relevant Target Number(s)

“**Job**” means a paid employment or engagement that is not an Apprenticeship

“**Lambeth Resident**” means a person of working age who is resident within the London Borough of Lambeth at the time when an Employment Opportunity for that person commences or (as the context requires) would commence and the term “Lambeth Residents” shall be construed accordingly

“**Level 2**” means that level as specified nationally in relation to apprenticeships and having the equivalent educational level of GCSE

“**Reasonable Endeavours**” includes but is not limited to (i) designing and delivering in consultation with the Council recruitment strategies for Employment Opportunities to target Lambeth Residents, for example including but not limited to advertising vacancies in local job centres, in appropriate press outlets, with housing associations, local employment and training providers, through recruitment agencies and by organising recruitment days; (ii) providing in advance of wider publication a minimum of 10 Working Days’ notice to the Council’s Economy, Culture and Skills Department (Sustainable Growth and Opportunity Directorate) of planned major recruitment activity (for example when multiple Employment Opportunities arise together); (iii) participating in activity as recommended by the Council where Employment Opportunities for Lambeth Residents can be promoted, including but not limited to attending and participating in employability and careers programmes delivered by the Council or other organisations recommended by the Council AND PROVIDED ALWAYS that in determining whether Reasonable Endeavours have been used the Council shall have regard to the supply from time to time of individuals willing and able to be engaged in relation to the particular nature of Employment Opportunities in question

“**Target Number**” means in relation to a type of Employment Opportunity the number thereof that is agreed in the Employment and Skills Plans or in default of agreement that is deemed by the Council pursuant to this Schedule

“**Young People Careers Inspiration Activities**” means work with schools, colleges and other training providers to deliver careers inspiration for young people aged 11 to 19 years including but not limited to careers talks, mentoring, job preparation activity, curriculum support, work-based learning

2. APPROVAL OF THE EMPLOYMENT AND SKILLS CONSTRUCTION AND OCCUPATION PLANS

- 2.1 The Owner shall submit a draft ESCP to the Council for its written approval at least 3 months prior to Implementation.
- 2.2 The draft ESCP shall relate to the Construction Phase of the Development.
- 2.3 The draft ESCP shall include the following matters:
- (a) Planned Implementation date;
 - (b) Estimated construction completion date;
 - (c) Projected floorspace (gross internal area in square meters) and number(s) of units (of any type) within the Development;
 - (d) Projected total number of construction Jobs during the Construction Phase based on a construction labour forecast and broken down quarterly, identifying occupation(s) (where known);
 - (e) Projected total number of construction Apprenticeship opportunities with numbers of starts quarterly including level, trade/occupation area, course name(s) and training provider(s) (where known);
 - (f) Target Number of construction Jobs for Lambeth Residents during the Construction Phase (also expressed as a percentage of the projected total number of construction Jobs as identified at (d) above) and strategies for delivering that Target Number;
 - (g) Target Number(s) of Employment Opportunities (by type(s) other than Jobs) for Lambeth Residents during the Construction Phase;
 - (h) Arrangements for managing delivery during the Construction Phase of Apprenticeship programmes, including strategies to engage and recruit Lambeth Residents who are under 25 years of age;
 - (i) Arrangements for managing delivery during the Construction Phase of Employability Support including details of how the programme(s) will be delivered, by whom, target number of beneficiaries and target groups;
 - (j) Projected number of Young People Career Inspiration Activities relevant to the construction industry and details of how the activities will be delivered during the Construction Phase;
 - (k) Data to be provided to the Council for the purposes of monitoring compliance with the ESCP.
- 2.4 The Development shall not be Implemented prior to approval of the ESCP in accordance with paragraph 2.1 above.

- 2.5 The Owner shall ensure in relation to the Construction Phase that its prospective and actual contractors and sub-contractors are made aware of the Employment and Skills Plans (where such Plans have come into being) and of the Owner's Employment and Skills Obligations.
- 2.6 The Development shall be constructed materially in accordance with the ESCP as approved by the Council including any variations to the ESCP as are agreed in writing between the Owner and the Council.

3. DELIVERY OF EMPLOYMENT AND SKILLS OBLIGATIONS

- 3.1 For the avoidance of doubt the ES Financial Obligations on the part of the Owner are provided for at Schedule 3 of this Deed.
- 3.2 The Owner covenants with the Council to provide (or to procure the provision of) the following ES Non-financial Obligations:

(a) **Employment Opportunities:** (subject to the use of Reasonable Endeavours) delivery of:

- (i) the Target Number as specified in the ESCP of Jobs for Lambeth Residents in the Construction Phase (and for the avoidance of doubt that Target Number (unless agreed otherwise) shall be calculated as 25% of the total Jobs forecast in the ESCP less any allowance from that figure arising by virtue of agreement in the ESCP to one or more Target Numbers of Employment Opportunities for Lambeth Residents in the Construction Phase other than Jobs);
- (ii) the Target Number(s) (if any) as specified in the ESCP of Employment Opportunities for Lambeth Residents in the Construction Phase other than Jobs;

PROVIDED THAT in default of agreement in the Employment and Skills Plan to the Target Number(s) of Employment Opportunities for Lambeth Residents the Council shall (for the purposes of this Schedule and having regard to matters including the current state of the local labour market, prevailing trends in

the construction industry and in the labour market generally and the nature of the Development) deem such Target Number(s) of Employment Opportunities for Lambeth Residents as it considers reasonable (and taking as the starting point the figures corresponding to 25% of the total Jobs that the Council estimates to be generated by the Development in the Construction Phase and making any adjustment to those figures as the Council considers reasonable in respect of the scope for the Development to generate Employment Opportunities other than Jobs); and

- (b) **Young People Careers Inspiration Activities:** (subject to the use of Reasonable Endeavours) delivery of Young People Careers Inspiration Activities as agreed in the Employment and Skills Plans.

3.3 The Owner shall during the Construction Phase:

- (a) Advertise upcoming Job vacancies relating to the Development through the Council's Communications Channels (either by means of uploading vacancy details directly to the Council's electronic Communications Channels in the manner advised by the Council or (if agreed with the Council) by providing one or more links to an external electronic Communications Channel and/or providing printed promotional material for distribution by the Council) with in all cases minimum deadlines of 5 Working Days for applications for Construction Phase Jobs; and
- (b) Advertise details of any other types of unfilled Employment Opportunity relating to the Development through the Council's Communications Channels (either by means of uploading application details directly to the Council's electronic Communications Channels in the manner advised by the Council or (if agreed with the Council) by providing one or more links to an external electronic Communications Channel and/or providing printed promotional material for distribution by the Council).

3.4 The Owner shall make available to the Council at all times during the Construction Phase a minimum of one named contact with knowledge of and responsibility for delivery of the Employment and Skills Obligations.

- 3.5 The Owner covenants that it (and its contractors and sub-contractors) will as a minimum pay all Apprentices engaged during the Construction Phase the National Minimum Wage for the relevant age group (if aged under 25 years) or the London Living Wage (if aged 25 years or over).

4. MONITORING AND COMPLIANCE

- 4.1 The Owner shall provide to the Council within 10 Working Days of approval of the ESCP one or more dates for a face to face meeting with the Council (and such meeting is to take place within 28 Working Days of the relevant approval or within such other period as is agreed) for the purposes of discussing the performance of the Owner's obligations required by this Schedule and the arrangements for monitoring the delivery of those obligations.
- 4.2 The Owner shall participate (if so requested by the Council) in a minimum of 2 meetings per year during the Construction Phase and agrees that any such meeting may take place on site if the Council so requests (acting reasonably and proportionately).
- 4.3 The Owner shall provide to the Council (or procure the provision of) through such systems as the Council reasonably requires (which may include the use of an electronic portal) quarterly monitoring data about progress against the Target Number(s) of Employment Opportunities for Lambeth Residents.
- 4.4 The Owner shall submit to the Council (or procure the submission of) during the Construction Phase at intervals of 12 months commencing with Implementation (or at such other intervals as are agreed) one or more ES Progress Reports, to include a description of activities undertaken, any variation to any forecast Target Number(s) of Employment Opportunities for Lambeth Residents and/or projected activities and (if requested by the Council in writing) an ES Remedial Plan.
- 4.5 The Owner shall submit to the Council (or procure the submission of) an ES Final Report relating to the Construction Phase no later than 3 months after the respective end of that phases, to include a narrative description of activities undertaken (including performance against the Target Number(s) of Employment Opportunities for Lambeth Residents and any variation to any forecast number thereof and/or projected activities) and a description of outputs

and benefits achieved for Lambeth Residents arising from performance of the Employment and Skills Obligations.

4.6 The Owner covenants with the Council that:

- (a) Where the Council acting reasonably (and after having given the Owner written notice of its provisional assessment in respect of the application of this clause) considers that any ES Final Report(s) submitted to it and/or such other information as is available to the Council demonstrate that there has been a shortfall in delivery against any of the Target Number(s) of Employment Opportunities for Lambeth Residents (as set out in the Employment and Skills Plan or in default of specification therein as set out in this Schedule), and where the Owner cannot demonstrate to the satisfaction of the Council that Reasonable Endeavours have been used, the Council shall serve written notice on the Owner seeking an ES Compliance Payment;
- (b) Where the Owner receives written notice from the Council seeking an ES Compliance Payment, payment will be made by the Owner to the Council within the timescale stipulated in that written notice (which will be not less than 28 Working Days);
- (c) The amount of any ES Compliance Payment will be calculated by the Council in accordance with Appendix One of the Council's Employment and Skills Supplementary Planning Document (February 2018) ('Appendix One') or any document superseding Appendix One applying to the identified shortfall in delivery of Employment Opportunities for Lambeth Residents the average cost figure per Employment Opportunity as follows:
 - (i) per Job shortfall: the average cost figure at (a)(iii)/(iv) of Appendix One;
 - (ii) per Apprenticeship shortfall: the average cost figure at (a)(i) of Appendix One; and
 - (iii) per Employability Support shortfall: the average cost figure at (a)(iii)/(iv) of Appendix One.
- (d) For the avoidance of doubt the dispute resolution procedures set out in this Deed apply to the ES Compliance Payment provisions and any ES Compliance Payment that is due will be indexed from the date such

payment falls due in accordance with the indexation provisions set out in this Deed.

- 4.7 The Council covenants with the Owner that any ES Compliance Payment received by it shall be applied by the Council to employment and skills initiatives operating in the London Borough of Lambeth and that the Owner shall be given (on request) written notice of the manner of application by the Council of any ES Compliance Payment.
- 4.8 The Council shall provide the Owner with an ES Discharge Letter in respect of the Owner's Employment and Skills Obligations (including for these purposes any ES Compliance Payment that is due) once the Council (acting reasonably) is satisfied that those obligations have been complied with.
- 4.9 The Owner shall retain (pending provision by the Council of an ES Discharge Letter) and shall provide to the Council on request the following information about any Lambeth Resident(s) assisted or supported by the measures contemplated in this Schedule (subject always to the requirements of data protection legislation amounting to an absolute barrier to so doing):
- (a) Name;
 - (b) Full post code;
 - (c) Age;
 - (d) Gender;
 - (e) Ethnicity;
 - (f) Disability;
 - (g) Employment status;
 - (h) Outcomes achieved such as qualifications gained, certificates awarded, job title and duration, training hours; and
 - (i) From the date of receipt of written notification thereof, any other category of information as notified by the Council to the Owner.
- 4.10 The Owner shall co-operate with any reasonable request on the part of the Council that is designed to facilitate the preparation by the Council (at the Council's expense unless agreed otherwise) of marketing and other communication information about the Council's employment and skills initiatives generally.

Schedule 8

Affordable Housing Review

The Owner covenants that it will undertake the Affordable Housing Review as follows:

1. To give a minimum of 5 (five) Working Days' written notice to the Council of Substantial Implementation of the Development.
2. If there has not been Substantial Implementation of the Development by the Substantial Implementation Date to:
 - 2.1 undertake the First Affordable Housing Review at its own cost prior to Substantial Implementation being achieved and a serve a copy on the Council; and
 - 2.2 not to Substantially Implement the Development until the First Affordable Housing Review has been undertaken and a copy served on the Council.
3. To give written notice to the Council specifying that it has Sold 75% (seventy five percent) or the nearest equivalent of Residential Units within 10 (five) Working Days thereof.
4. Not to Sell more than 75% (seventy five percent) or the nearest equivalent of Residential Units until it has undertaken and completed the Second Affordable Housing Review at its own cost and served a copy on the Council.
5. Within ten (10) Working Days of the receipt of the Affordable Housing Review, the Council shall use reasonable endeavours to inform the Owner that it has either:
 - 45.1 approved the Affordable Housing Review; or
 - 45.2 submitted the Affordable Housing Review to its independent professional assessor.
6. The Owner shall pay to the Council within 10 (ten) Working Days of written demand the proper and reasonable costs incurred by the Council (which for the avoidance of doubt shall include reasonable and proper legal and other reasonable and proper professional fees) in obtaining an independent professional assessment of the First Affordable Housing Review and the Second

Affordable Housing Review submitted by the Owner pursuant to paragraph 2 and 4 above by an external consultant.

7. In the event that the Council and/or an external consultant requires further Development viability information or supporting evidence of the same then the Owner shall provide any reasonably and properly required information to the Council or the external consultant (as applicable and with copies to the other parties) within ten (10) Working Days of receiving the relevant written request and this process may be repeated until the Council and/or the external consultant (as applicable) has all the information it reasonably and properly requires to assess the First Affordable Housing Review and the Second Affordable Housing Review.
8. If the Council disputes the First Affordable Housing Review and the Second Affordable Housing Review submitted by the Owner pursuant to paragraph 2 or 4 or further information submitted pursuant to paragraph 7 above the Council shall notify the Owner in writing of such dispute within 10 (ten) Working Days of receipt of the independent professional assessment of the First Affordable Housing Review and the Second Affordable Housing Review and thereafter the Council and the Owner shall:
 - 8.1 endeavour to agree the First Affordable Housing Review and the Second Affordable Housing Review within a further 20 (twenty) Working Days; and
 - 8.2 failing agreement pursuant to paragraph 8.1 above the Council and the Owner hereby agree that any dispute in connection with the First Affordable Housing Review and the Second Affordable Housing Review shall be referred to the Expert pursuant to Clause 13 of this Deed and the determination of the Expert will be final and binding on the Council and the Owner save in the case of manifest error.
9. If the First Affordable Housing Review submitted pursuant to paragraph 2 above is either agreed by the Council or determined by an Expert pursuant to clause 13 of this Deed and demonstrates a First Surplus, the Owner shall pay the First Affordable Housing Review Contribution prior to the Occupation of the any Residential Units.
10. If the Second Affordable Housing Review submitted pursuant to paragraph 4 above is either agreed by the Council or determined by an Expert pursuant to clause 13 of this Deed and demonstrates a Second Surplus, the Owner shall pay

the Second Affordable Housing Review Contribution prior to the Sale and Occupation of 90% of the Residential Units.

11. The Owner shall not Occupy or permit Occupation any of the Residential Units unless and until the Owner has paid to the Council the First Affordable Housing Review Contribution and shall not Sell or Occupy or permit Occupation of more than 90% of the Residential Units unless and until the Owner has paid to the Council the Second Affordable Housing Review Contribution.

SCHEDULE 9**Affordable Housing Review Methodology**

Review Mechanism Methodology	This would be a full open book review of the revenues and costs incurred throughout the Development to assess the Residual Land Value at the time of the Affordable Housing Review taking into account all construction costs professional fees and incomes. The Residual Land Value shall be measured against the agreed Benchmark Land Value. Any unsold elements will be benchmarked against actual achieved data and relevant market data.
Balance calculation	$= \text{£A} - (\text{B} + \text{C} + \text{D})$ <p>Where A is the Development Value</p> <p>Where B is the Land Value</p> <p>Where C is the Development Costs</p> <p>Where D is the Developer's Profit</p>
Surplus/ Affordable Housing Contribution	80% of the balance
What will any review take into account	<u>Development Value</u> <ul style="list-style-type: none"> • Actual sales values of any sold/let Residential Units • Estimated sales values of any un-sold/un-let Residential Units at the point of review • Actual capitalised value of any sold or let Business Unit • Estimated capitalised value of any unsold/

	<p>un-let Business Unit</p> <ul style="list-style-type: none">• Actual or estimated capitalised value of the ground rent investment <p><u>Development Costs</u></p> <ul style="list-style-type: none">• All costs are actual costs necessarily and reasonably incurred or forecast to be incurred in undertaking and delivering the development to the intent that no costs which are so necessarily and reasonably incurred should be excluded from the development costs and such costs shall be evidenced by inter alia appointment documents; invoices; fee arrangements; construction contracts; insurance policies; brokerage fee agreements; sales agreements; land registry transfer forms; planning agreements; deeds of release; bank statements; financial statements; annual accounts; tax computations; loan agreements and any other reasonably evidenced expenditure required in delivering and undertaking the Development.• Costs of preparing and securing planning permission (and any subsequent s.73 applications)• Site investigation, survey and remediation costs• Construction costs• Third party costs including but not limited to party walls; licences for scaffolds and oversail.• Professional fees to include architects, PM, development manager, QS, M&E,
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	<p>structural etc.</p> <ul style="list-style-type: none">• Finance costs including but not limited to senior debt; equity funding costs, shareholder loans and bridging loans etc.• Cost of Disposing of the freehold reversionary interest of the Site• Administration costs including but not limited to accountancy; VAT and legal costs• Post-Practical Completion costs including but not limited to rectification costs and void costs for the period until the sale of the freehold reversionary interest in the Site or 24 months after legal completion of the sale of the final Residential Unit• Building regulation fees• Rights of Light compensation• Insurances• NHBC costs• Residential sales & marketing costs• Commercial sales & marketing costs• Non-recoverable VAT• The cost of complying with all obligations (including financial obligations)• Mayoral CIL and Borough CIL• all costs necessarily and reasonably incurred in undertaking and delivering the development to the intent that no costs which are so necessarily and reasonably incurred should be excluded from the development costs. <p><u>Developer's Profit</u></p> <ul style="list-style-type: none">• 17.5% return on GDV of all residential elements of Development
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	<ul style="list-style-type: none">• 15% return on GDV for the commercial element <p><u>Land Value</u></p> <ul style="list-style-type: none">• As agreed at £2,330,000 (two million three hundred and thirty thousand pounds)
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APPENDIX 2



Our Ref: JB27

1 February 2021

Rebecca Marshall
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3rd Floor,
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SW2 1EG

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London
EC2V 7NQ

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Dear Rebecca,

16-22 Greyhound Lane, London, SW16 5SD

We are writing to you in response to the applicant's latest rebuttal (dated 22/01/2021), which was in response to our most recent addendum (dated 13/01/2021) in relation to their submitted Financial Viability Assessment for the subject scheme. The current areas of discussion are as follows:

1. S106 and CIL Calculations;
2. Benchmark Land Value – Investment Yield and Landowner Premium;
3. Private Residential Sales Values;
4. Inclusion of Ground Rents;
5. Development Programme; and
6. Revised Appraisal.

Within this addendum we will review each of these areas.

Avison Young is the trading name of GVA Grimley Limited registered in England and Wales number 6382509. Registered office, 3 Brindleyplace, Birmingham B1 2JB

Regulated by RICS

1. S106 and CIL Calculations;

Our previous appraisal included an S106 cost of £89,900. LBL has now advised us that this cost should equate to £111,427 and to also now include a CIL cost of £117,608. Consequently, we have now included these figures in our revised appraisal.

2. Benchmark Land Value – Investment Yield and Landowner Premium

The applicant has maintained that their yield profile of 7% is appropriate. Their position was based on a comparable at 47A Streatham Hill, which achieved a yield of 5%. Our previous analysis highlighted that this property was superior to the subject site and contained an occupier superior to the existing tenancy arrangements for the subject site. However, the applicant has commented that they have made appropriate adjustments to consider this. The applicant has stated that they see no need to alter their yield as we have not provided evidence to demonstrate that our position of 8% is more appropriate. We have now sourced additional transactional information (please refer to Appendix 1). We note a nearby retail property at 114 Greyhound Lane, which achieved a yield of 7% in November 2020. Accordingly, we have now reconsidered our previous position. It is important to note that 114 Greyhound Lane was let until 2028 with no break clauses and is in a superior location and condition to the subject site. The subject property is in a poor condition with two out of its three units currently vacant. As a result, we consider the subject property to be an inferior investment opportunity.

Consequently, we have applied a yield adjustment to 7.50% in our assessment. Our revised Land Value Benchmark now equates to £2,330,000.

The applicant has maintained their application of a 10% landowner premium to their existing use value. We disagree and would again highlight that the site's existing use is the same as its proposed use. As previously highlighted, we are of the view that a premium should only be used to consider the opportunity for the landowner to secure consent for a higher value alternative use. This is also captured adequately within relevant guidance.

3. Private Residential Sales Values

The applicant has maintained their average private tenure unit value of £600 per sq ft compared to our proposed figure of £734 per sq ft. They have commented that our assessment is mainly based off quoting values and that in the absence of any additional transactional evidence that they see no need to alter their position. We would highlight that our previous residential analysis considered both transactional and quoting sales evidence. We have also now sourced further evidence to support our position, which is attached in Appendix 2. We note that properties at the nearby 'Efra Apartments' scheme have achieved average values of circa £750 per sq ft. '124A Dalberg Road' has also recently achieved average values of circa £782 per sq ft. Furthermore, we would also highlight that the nearby 'Buchanan Lodge' development has recently been quoting at an average value of circa £780 per sq ft. Consequently, we see no need to alter our position and we have maintained our average private sales value of £734 per sq ft.

4. Inclusion of Ground Rents

The applicant has accepted LBL's position that the inclusion of ground rents should be reviewed as part of any later stage viability review.

5. Development Programme

The applicant has maintained that their pre-construction period of 3-months and 15-month construction period are appropriate compared to our total period of 12-months. They have recommended that LBL's and the applicant's cost consultants liaise and agree on an appropriate pre-construction period for the subject scheme. We accept this point and would recommend that respective consultants are put in contact.

6. Finance rate

The applicant has maintained that their finance rate of 7% is appropriate compared to our figure of 6.5%. They have cited that their finance rate is based on discussions they have had with several lenders regarding the subject development. We would comment that these discussions will have been specific to the applicant's circumstances. A development appraisal

should be undertaken using market-based assumptions and in our opinion the appropriate market finance rate for the subject scheme is 6.5%.

7. Revised Appraisal

Appraisal of Proposed Scheme-100% Private Tenure

Our appraisal is attached in Appendix 3.

In undertaking our appraisal, we have adopted our Land Value Benchmark of £2,330,000. Based on the costs set out above, our total development costs including finance are circa £5,870,000. When deducted from our GDV of circa £7,380,000, this option produces a profit of circa £1,400,000, which equates to 18.94% on GDV (23.80% on cost). After allowing for our combined profit of 17.5% of the GDV for the private units, and 15% of the GDV for commercial properties, we have calculated a surplus of circa £145,000.

Appraisal of Alternative Scheme-7% Affordable Housing

As a result of our initial appraisal we have now sought to produce an appraisal using the same inputs which produces a developer's profit equating to a combination of 17.50% of the GDV for the private units, 15% of the GDV for commercial properties, and 6% of the GDV of the affordable units. We have assessed the viability of a scheme that provides circa 7% affordable housing on a unit basis. The scheme now includes a single London affordable rent unit and the residential unit breakdown is as follows:

No	Tenure	Type	NIA (Sq Ft)	GIA (Sq Ft)
1	London Affordable Rent	Studio	423	483
1	Private	Studio	423	483
1	Private	Studio	423	483
1	Private	Studio	423	483
1	Private	Studio	423	483
1	Private	Studio	423	483
1	Private	1B2P	544	620
1	Private	1B2P	544	620

No	Tenure	Type	NIA (Sq Ft)	GIA (Sq Ft)
1	Private	2B3P	689	786
1	Private	2B3P	689	786
1	Private	2B3P	689	786
1	Private	2B3P	689	786
1	Private	2B4P	748	853
1	Private	2B4P	748	853
Total	-	-	7,879	8,988

The relevant appraisal is attached in Appendix 4 and incorporates the same inputs and assumptions as within our base appraisal. However due to a variation in the tenure mix the average private tenure value now equates £729 per sq ft. We have calculated the values of the London affordable rented units with reference to the London Affordable Rents 2019/20, which broadly equates to a value of £168 per sq ft.

The scheme shows a development cost inclusive of finance and land of circa £5,865,000. When deducted from the GDV of circa £7,090,000, this option produces a profit of circa £1,120,000 that equates to 15.81% on GDV and 19.12% on costs. This profit indicates that the scheme can afford to provide a circa 7% affordable housing on a unit basis with a tenure split of 100% London affordable rent on a unit basis.

In conclusion, we are of the opinion that the scheme can provide either a payment in lieu financial contribution of circa £145,000, or an on-site affordable housing contribution of 7%.

Yours sincerely



Jonathan Bernstein MRICS
Director
020 7911 2403

London Borough of Lambeth
Page 6

jonathan.bernstein@avisonyoung.com
For and on behalf of Avison Young

DRAFT

Appendix 1- Commercial Comparables

114 Greyhound Ln

Auction Sale



Storefront Retail - Lambeth
Submarket
London, SW16 5RN

3 Nov 2020
Sale Date

£175K
Sale Price

£180.23
Price/SF

7%
NI Yield

11 days
On Market

971
SF NIA

1926
Built

100%
Leased at Sale

Buyer

Buyer information not available

Transaction Details

Sale Date	3 Nov 2020	On Market	11 Days
Sale Price	£175,000		
Price/SF	£180.23		
Price Status	Confirmed		
Asking Price	£175,000		
NI Yield	7.00%		
Leased at Sale	100%		
Hold Period	20+ Years		
Tenure	Long Leasehold		
Sale Type	Investment		
Sale Condition	Auction Sale		
Comp Status	Research Complete		

Building

Type	3 Star Retail Storefront		
Location	Urban		
NIA	971 SF	Year Built	1926
Floors	4	Tenancy	Single
Typical Floor	503 SF	Owner Occup	No
Class	B	Lifts	None
Docks	None		
Construction	Masonry		
CoStar Est. Rent	£17 - 21/SF (Retail)		
Frontage	Greyhound Lane		

Land

Land Acres	0.03 AC	Land SF	1,307 SF
Plot Ratio	0.74		

Market at Sale

Vacancy Rates	2020 Q4	YOY Change
Subject Property	0.0%	↔ 0.0%
Market Overall	2.1%	↑ 0.9%

Market Rent Per Area

Market Overall	£43.18/SF	↓ -3.0%
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Tenants at Sale

Name	Exp Date	
Amiq Financial Services Ltd	Oct 2028	971

Source: CoStar Research



Appendix 2- Residential Comparables

Scheme	Unit	Beds	Sq ft	Date Sold	Asking Price	Price Paid	Price PSF	Comments
Efra Apartments, Upper Tulse Hill, SW2 2RR	Apartment 2	1	569	2019	-	£430,000	£756	The site lies 3 miles to the North of the subject property and is a Development by Newbourne Homes, all units sold in 2019. The average sales rate across all units is £751 psf.
	Apartment 3	2	703	2019	-	£525,000	£747	
	Apartment 4	1	538	2019	-	£430,000	£799	
	Apartment 5	2	736	2019	-	£525,000	£713	
	Apartment 6	1	579	2019	-	£430,000	£743	
	Apartment 7	1	574	2019	-	£430,000	£749	
	Apartment 8	2	748	2019	-	£525,000	£702	
	Penthouse	2	748	2019	-	£599,950	£802	
124A Dalberg Road, SW2 1AP	FLAT 1	2	829	20/12/2019	-	£565,000	£682	The site lies 3 miles North of the subject property and is a Development by Mesari Group consisting of 7 high spec apartments. The last unit sold in December 2019. The average sales rate across all units is £782 psf.
	FLAT 2	2	807	06/06/2019	-	£599,999	£743	
	FLAT 3	1	560	03/06/2019	-	£469,000	£838	
	FLAT 4	2	764	22/05/2019	-	£600,000	£785	
	FLAT 5	2	797	19/11/2019	-	£595,000	£747	
	FLAT 6	2	797	09/05/2019	-	£600,000	£753	
	FLAT 7	Studio	398	02/05/2019	-	£370,000	£929	
Buchanan Lodge, Lewin Road, SW16		2	735	OTM Jan-21	£625,000	-	£850	This scheme lies approximately 0.5 miles to the North East of subject site. It comprises of a collection of 8x one to three-bedroom apartments over 5 storeys. These scheme is currently being marketed and we understand some units are available on Help to Buy. The average asking price PSF across the 6 units below is £781 psf.
		2	673	OTM Jan-21	£520,000	-	£773	
		2	673	OTM Jan-21	£520,000	-	£773	
		1	577	OTM Jan-21	£435,000	-	£754	
		1	577	OTM Jan-21	£435,000	-	£754	
		1	538	OTM Jan-21	£420,000	-	£781	

£770

Appendix 3- Appraisal of Applicant Scheme

1. Greyhound Lane Base

Development Appraisal
Avison Young
01 February 2021

APPRAISAL SUMMARY**AVISON YOUNG****1. Greyhound Lane Base****Summary Appraisal for Phase 1**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Private	1	7,879	734.00	5,783,186	5,783,186

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Unit 16	1	988	9.74	9,623	9,623	9,623
Unit 18-22	1	3,773	20.00	75,460	75,460	75,460
Ground Rent	<u>14</u>	<u>14</u>	400.00	400	<u>5,600</u>	<u>5,600</u>
Totals	16	4,775			90,683	90,683

Investment Valuation

Unit 16					
Market Rent (6mths Rent Free)	9,623	YP @	6.0000%	16.6667	
		PV 6mths @	6.0000%	0.9713	155,780
Unit 18-22					
Market Rent (6mths Rent Free)	75,460	YP @	5.5000%	18.1818	
		PV 6mths @	5.5000%	0.9736	1,335,758
Ground Rent					
Current Rent	5,600	YP @	5.5000%	18.1818	101,818
					1,693,356

GROSS DEVELOPMENT VALUE 7,376,542

Purchaser's Costs (108,348)

Effective Purchaser's Costs Rate 6.80% (108,348)

NET DEVELOPMENT VALUE 7,268,194**NET REALISATION** 7,268,194**OUTLAY**

APPRAISAL SUMMARY

AVISON YOUNG

1. Greyhound Lane Base**ACQUISITION COSTS**

Fixed Price		2,330,000	
			2,330,000
Stamp Duty	5.00%	116,500	
Agent Fee	1.00%	23,300	
Legal Fee	0.80%	18,640	
			158,440

CONSTRUCTION COSTS

Construction	ft ²	Build Rate	ft ²	Cost	
Unit 16	1,358	162.86		221,164	
Unit 18-22	5,189	162.86		845,081	
Private	8,988	162.86		1,463,786	
Totals	15,549			2,530,030	2,530,030

S106		111,427	
CIL		117,608	
			229,035

PROFESSIONAL FEES

Professional Fees	10.00%	253,003	
			253,003

MARKETING & LETTING

Letting Agent Fee	10.00%	9,068	
Letting Legal Fee	5.00%	4,534	
			13,602

DISPOSAL FEES

Sales Agent Fee Residential	1.50%	86,748	
Sales Agent Fee Commercial	1.00%	14,915	
Sales Legal Fee Residential	0.50%	28,916	
Sales Legal Fee Commercial	0.25%	3,729	
			134,308

FINANCE

Debit Rate 6.50%, Credit Rate 0.00% (Nominal)			
Land		147,048	
Construction		71,057	
Other		4,562	
Total Finance Cost			222,667

APPRAISAL SUMMARY**AVISON YOUNG****1. Greyhound Lane Base**

TOTAL COSTS 5,871,085

PROFIT 1,397,109

Performance Measures

Profit on Cost%	23.80%
Profit on GDV%	18.94%
Profit on NDV%	19.22%
Development Yield% (on Rent)	1.54%
Equivalent Yield% (Nominal)	5.55%
Equivalent Yield% (True)	5.75%

IRR 41.01%

Rent Cover 15 yrs 5 mths

Profit Erosion (finance rate 6.500) 3 yrs 4 mths

Appendix 4- Appraisal of Alternative Scheme

2. Greyhound Lane Alternative

Development Appraisal
Avison Young
01 February 2021

APPRAISAL SUMMARY

AVISON YOUNG

2. Greyhound Lane Alternative

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Private	1	7,456	729.00	5,435,424	5,435,424
London Affordable Rent	1	423	168.00	71,132	71,132
Totals	2	7,879			5,506,556

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Unit 16	1	988	9.74	9,623	9,623	9,623
Unit 18-22	1	3,773	20.00	75,460	75,460	75,460
Ground Rent	13	13	400.00	400	5,200	5,200
Totals	15	4,774			90,283	90,283

Investment Valuation

Unit 16					
Market Rent	9,623	YP @	6.0000%	16.6667	
(6mths Rent Free)		PV 6mths @	6.0000%	0.9713	155,780
Unit 18-22					
Market Rent	75,460	YP @	5.5000%	18.1818	
(6mths Rent Free)		PV 6mths @	5.5000%	0.9736	1,335,758
Ground Rent					
Current Rent	5,200	YP @	5.5000%	18.1818	94,545
					1,586,084

GROSS DEVELOPMENT VALUE 7,092,640

Purchaser's Costs (107,854)
 Effective Purchaser's Costs Rate 6.80% (107,854)

NET DEVELOPMENT VALUE 6,984,786

NET REALISATION 6,984,786

APPRAISAL SUMMARY

AVISON YOUNG

**2. Greyhound Lane Alternative
OUTLAY****ACQUISITION COSTS**

Fixed Price		2,330,000	
			2,330,000
Stamp Duty	5.00%	116,500	
Agent Fee	1.00%	23,300	
Legal Fee	0.80%	18,640	

158,440

CONSTRUCTION COSTS

Construction	ft ²	Build Rate	ft ²	Cost
Unit 16	1,358	162.86		221,164
Unit 18-22	5,189	162.86		845,081
Private	8,505	162.86		1,385,199
London Affordable Rent	483	162.86		78,661
Totals	15,548			2,530,105

2,530,105

S106		111,427	
Statutory/LA		117,608	

229,035

PROFESSIONAL FEES

Professional Fees	10.00%	253,011	
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253,011

MARKETING & LETTING

Letting Agent Fee	10.00%	9,028	
Letting Legal Fee	5.00%	4,514	

13,542

DISPOSAL FEES

Sales Agent Fee Residential	1.50%	81,531	
Sales Agent Fee Commercial	1.00%	14,915	
Sales Legal Fee Residential	0.50%	27,177	
Sales Legal Fee Commercial	0.25%	3,729	

127,353

FINANCE

Debit Rate 6.50%, Credit Rate 0.00% (Nominal)			
Land		147,438	
Construction		69,320	

APPRAISAL SUMMARY**AVISON YOUNG****2. Greyhound Lane Alternative**

Other	5,321	
Total Finance Cost		222,079
TOTAL COSTS		5,863,565
PROFIT		1,121,221

Performance Measures

Profit on Cost%	19.12%
Profit on GDV%	15.81%
Profit on NDV%	16.05%
Development Yield% (on Rent)	1.54%
Equivalent Yield% (Nominal)	5.55%
Equivalent Yield% (True)	5.75%
IRR	34.22%
Rent Cover	12 yrs 5 mths
Profit Erosion (finance rate 6.500)	2 yrs 9 mths

APPENDIX 3

Sales GDV - Asking vs Actual & Forecast

Current Funds to W1				
Unit	Type	Asking Price	Agreed Price	Status
Unit 1	Studio	£325,000	£300,000	U/O
Unit 2	Studio	£360,000	£360,000	U/O
Unit 3	2 bed	£475,000	£470,000	Completed
Unit 4	1 bed	£395,000	£386,000	Completed
Unit 5	Studio	£325,000	£300,000	U/O
Unit 6	2 bed	£475,000	£450,000	U/O
Unit 7	2 Bed	£495,000	£490,000	Completed
Unit 8	Studio	£340,000	£330,000	U/O
Unit 9	Studio	£340,000	£330,000	U/O
Unit 10	2 bed	£600,000	£550,000	Available
Unit 11	1 bed	£410,000	£410,000	Completed
Unit 12	Studio	£325,000	£310,000	Completed
Unit 13	2 bed	£485,000	£474,000	Completed
Unit 14	2 bed	£500,000	£511,000	Completed
Total		£5,850,000	5,671,000	