

Planning Policy Team
London Borough of Lambeth
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By email
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11 March 2020

Dear Sir or Madam

REPRESENTATIONS TO LAMBETH'S COMMUNITY INFRASTRUCTURE LEVY DRAFT CHARGING SCHEDULE 2020

We write on behalf of Espalier Ventures working in association with MELT Property, in respect of the current consultation on the revised Community Infrastructure Levy (CIL) Draft Charging Schedule.

We have reviewed the Draft Charging Schedule and accompanying documents, and we object to the rates proposed for hotel development in Zone B, based on the lack of justification for this rate.

Espalier Ventures' Interest

Espalier Ventures are currently working in association with MELT Property for a potential mixed-use apart-hotel development proposal at 68-86 Clapham Road on a site that is currently significantly under-utilised and detracts from the character and appearance of the adjacent Conservation Area. The mixed-use development will create new jobs in the local area and bring vitality to Clapham Road (Oval) local centre, in an "edge-of-centre" location.

Given this, our client has a keen interest in the Council's emerging) Draft Charging Schedule and the implications it may have on development aspirations in Zone B (Kennington, Oval and Clapham).

Draft Charging Schedule 2020

We object to the proposed CIL rate for hotel development in Zone B, as we believe it will threaten the viability and vitality of centres within this Zone.

The proposed CIL rate for hotels within Zone B has risen from £0 to £200 per sq m, which is an unjustifiably large increase. Topic Paper 5 ('Hotels and Visitor Accommodation') which forms part of the evidence base for the Draft Revised Lambeth Local Plan, states that Lambeth is projected to require a net increase of 3,051 rooms between 2015 and 2041, which equates to 5.2% of all serviced accommodation growth across London. This highlights the huge demand for serviced accommodation within London and the vital role Lambeth has to play.

The introduction of a levy on new hotel development in Zone B will prevent development and investment being driven towards those locations in the borough where main town centre uses could make a valuable contribution to the vitality of centres, such as the Oval (Clapham Road) centre, in accordance with the aim of national policy.

Topic Paper 5 states that: *“In accordance with the strategic approach in the Draft London Plan, the policy seeks to ensure these benefits are distributed across the borough and seeks to avoid the intensification of the provision of serviced accommodation by focussing new visitor accommodation in major and district centres.”* Topic Paper 5 notes that the distribution of serviced visitor accommodation is not evenly distributed across the Borough, with the biggest concentration of visitor accommodation currently found within Waterloo Central Activities Zone and Vauxhall Opportunity Area, which fall within CIL charging Zone A. Keeping the levy at a £0 rate for areas outside of Zone A, will achieve the Council's aim of encouraging new hotel development and investment outside of these overconcentrated areas. This will also result in a spread of economic benefits from tourism to local businesses and services in the wider borough.

NPPF Paragraph 121 states that *“local planning authorities should take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose in plans, where this would help to meet identified development needs.”* Sites which are capable of facilitating regeneration at a local level by delivering uses which will improve the vitality of the area, responding to identified need by making more efficient use of land should be recognised separately in the context of the levy and should not be subject to the proposed charges, given that they represent an opportunity to secure local economic benefit.

Sites which are within Conservation Areas, and particularly where a Conservation Area or other heritage asset is currently blighted by a site's existing use, should be prioritised for redevelopment by the Council and any development coming forward on these sites, such as 68-86 Clapham Road, should not be burdened by the payment of the CIL to ensure that the site does not continue to harm the local environment and streetscape.

2019 Viability Study

The Council has published a 2019 Viability Study, which does not provide adequate justification for introducing a levy on hotels in charging Zone B when one hasn't been imposed previously, and as such, this is an untested and unjustified approach.

The adopted CIL Charging Schedule presently imposes a £100 per sq m levy on hotel development in Zone A and a £0 rate on all other Zones, which is reflective of the fact that land values will be higher here than elsewhere. The introduction of a levy on hotel development in Zone B will also impact upon the ability of the Council to secure planning obligations through Section 106 Agreements for contributions towards essential infrastructure, for example, affordable workspace. The ability of new hotel developments in Lambeth to deliver contributions from 1 April 2019 is

also likely to be affected by the increase in the Mayoral CIL from £35 to £60 per sq m. In light of this, the Council would be better served by not adopting a CIL charge for hotel development in Zone B and continuing to use S106 payments to deliver infrastructure required to support development.

Conclusion

Paragraph 80 of the NPPF 2019 states that planning policies should help create conditions in which businesses can invest, expand and adapt. The introduction of a levy on hotel development in Zone B is inconsistent with the NPPF and with the need identified within the Council's emerging evidence base (Topic Paper 5).

In light of this, we request that the Council amend the Draft Charging Schedule to carry forward the £0 per sq m rate for new hotel development in Zone B.

As a regeneration site, which is within a Conservation Area, the redevelopment of 68-86 Clapham Road should be the Council's priority and, therefore, development coming forward on the site should not be burdened by the levy.

We wish to be kept informed of any further consultations on the Local Plan and when the emerging Local Plan will be submitted to the Inspector. In the meantime, if you require any further information please do not hesitate to get in touch.

Yours faithfully

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