

**Town and Country Planning Act 1990
Planning Appeal under section 78**

**The Aylesham Centre
Rye Lane
Peckham
London SE15 5EW**

**Proof of Evidence of
Mike Ibbott
MA MPhil MBA MRTPI**

Local Authority Ref: 24/AP/2074
Planning Inspectorate Ref: APP/E5900/W/23/3318344

tp bennett
On behalf of
London Borough of Southwark

30 September 2025

Contents

1	Introduction	page 2
2	The Appeal Site and Proposal	8
3	Planning policy framework	15
4	The Council's case: Peckham's key characteristics	22
5	The Council's case: affordable housing	29
6	The Council's case: retail floorspace	43
7	The Council's case: heritage and public benefits	53
8	Proposed mitigation	63
9	Summary and conclusions: the planning balance	66
	Appendices:	74
MI1:	Site location plan	75
MI2:	Five-year housing land supply calculation	76
MI3:	Area Character Study community goals	77
MI4:	Affordable housing schemes approved since adoption of Southwark Plan (February 2022)	79
MI5:	Council schemes approved since adoption of the Southwark Plan (February 2022)	81

1. Introduction

The Appeal

1.1 This proof of evidence relates to an appeal by Berkeley Homes (Capital) Ltd [the Applicant/Appellant] against the failure of the local planning authority [LPA], the London Borough of Southwark [the Council/LBS], to issue a decision in relation to an application for the redevelopment of the Aylesham Centre, Rye Lane, Peckham SE15 5EW [the Site]. The appeal application [the Application] was validated on 3 September 2024 (LBS ref: 24/AP/2074).

1.2 The description of development [the Development] is as follows:

Demolition of existing buildings and phased redevelopment to provide a replacement supermarket and associated service yard and car parking (Use Class E(a)), flexible retail, leisure (including drinking establishment), and commercial accommodation (Use Class E/Sui Generis), dwellings (Use Class C3), landscaping and associated works.

1.3 The Council's Planning Committee (Major Applications) B on 15 July 2025 considered the officers' report [OR] on the Application. It resolved that, had the Applicant not appealed against non-determination, it would have refused the Application on the following three grounds:

1. *The proposed development, owing to the low level of affordable housing and the failure to deliver any Community Land Trust homes, would fail to deliver sufficient public benefits to outweigh the heritage harm to the character and*

appearance of the Rye Lane Peckham Conservation Area owing to the height, scale and massing of proposed blocks A, B and C; the scheme would also result in harm to the townscape owing to the excessive height of proposed block L. As such the proposed development would be contrary to paragraphs 212, 213 and 215 of the NPPF (2024), policies D1 'Design, character and capacity for growth', D4 'Delivering good design' and HC1 'Heritage conservation and growth' of the London Plan 2021, policies P13 'Design of places', P20 'Conservation areas', P21 'Conservation of the historic environment and natural heritage' and site allocation NSP74 of the Southwark Plan 2022, and the Rye Lane Peckham Conservation Area Appraisal (2011).

2. *The proposed development, owing to the low level of affordable housing, would fail to meet the significant need for social rented and intermediate homes in the borough. As such the proposal would be contrary to policy P1 'Social rented and intermediate housing' of the Southwark Plan (2022) and the Affordable Housing SPD (2025).*
3. *The proposed development, owing to the loss of retail floorspace, would fail to meet the site allocation requirement in NSP74 to provide at least the existing amount of retail floorspace currently on the site and as such would cause harm to the vitality and viability of the town centre and would fail to diversify and complement the existing retail offer in the town centre. This would be contrary to policy SD6 'Town centres and high streets' and E9 'Retail, markets and hot food takeaways' of the London Plan 2021 and policy P35 'Town and Local Centres' [and] NSP74 of the Southwark Plan (2022).*

Qualifications and experience

- 1.4 I am Mike Ibbott, Director of the planning team at tp bennett. I hold masters degrees in geography, environmental planning and business administration. I am a Member of the Royal Town Planning Institute.
- 1.5 The evidence which I have prepared and provide for this appeal reference APP/E5900/W/23/3318344 in this proof is true and has been prepared and is given in accordance with the guidance of my professional institution, and I confirm that the opinions expressed are my true and professional opinions.
- 1.6 I have over 40 years' varied planning experience, principally in the London context. I have headed the planning team at tp bennett since 2004, latterly as a consultant. I was formerly Head of Strategic Planning at the LB Lambeth and, until 2003, a Principal Policy officer at LB Bromley.
- 1.7 I have extensive experience of policy issues at both local and strategic levels, having led the preparation of Unitary Development Plans at both LB Bromley and LB Lambeth. At Bromley I was responsible for the planning input to major Council projects, including retail development in Bromley Town Centre (The Glades), the High Street relief road (now Kentish Way), and housing schemes on Council-owned land. At Lambeth I managed major planning applications, planning policy, and the conservation and design section, oversaw major estate renewal at Clapham Park, and led the client team for the Waterloo Development Framework.
- 1.8 As Director at tp bennett, I have been responsible for the submission of major and minor planning applications across all sectors and in a wide variety of settings and contexts. I have acted for a number of

LPAs in processing and reporting on major planning applications, and have prepared and given evidence to many s78 appeals and development plan inquiries and examinations.

Scope of evidence

1.9 At the Case Management Conference held on 13 August 2025, it was agreed that the main issues in this case are as follows:

- Whether the height, scale and mass of the proposed development would result in any harm, and the level of any harm, to the local townscape having regard to the special character and appearance of the Rye Lane Peckham Conservation Area (ie RfR1 above)
- The adequacy of affordable housing provision relative to any social rented and intermediate home local needs (ie RfR2 above)
- The acceptability of retail floorspace loss in terms of the impact to the vitality and viability of the town centre (ie RfR3 above)
- The overall planning balance having regard to any related planning policy, any harm, or benefits

1.10 The Council's evidence on heritage matters (RfR1) is presented by Robert Bevan (Authentic Futures). I have had the benefit of reading his evidence, agree with his conclusions, and have taken these into account in preparing my planning evidence.

1.11 I have read the Statement of Case for Aylesham Community Action (Rule 6 Party) and note that there is overlap between their evidence (which I have not seen) and mine.

1.12 I am appointed to present planning evidence on behalf of the Council. I present evidence in relation to RfR2 and RfR3, and on the overall planning balance, taking account of Mr Bevan's conclusions in relation to heritage matters.

1.13 I have visited the Site on several occasions and, as a long-term resident of SE London, am familiar with Peckham and the wider area.

1.14 A draft Statement of Common Ground is in the process of being agreed between the Appellant and the Council. The dSoCG includes the following sections:

- 2: site and surrounding area
- 3: planning history
- 4: planning policy framework
- 5: the proposed development
- 6: planning application specification
- 7: common ground
- 8: the main issues (areas of disagreement)
- 9: planning obligations, CIL and conditions

1.15 My proof of evidence is structured as follows:

- Section 2, by way of background, provides a description of the site and surrounding area together with details of the planning history of the Site, and sets out details of the Appeal application
- Section 3 identifies the planning policy framework for the appeal, including national, regional and local guidance, and other material considerations

- Section 4 sets out some of the key characteristics of Peckham in physical, socio-economic and cultural terms, providing the context for the Council's reasons for refusal
- Section 5 outlines the Council's case for opposing the Development in relation to affordable housing (ie RfR2)
- Section 5 outlines the Council's case for opposing the Development in relation to retail floorspace (RfR3)
- Section 6 summarises the Council's case for opposing the Development in relation to heritage (drawing on Mr Bevan's evidence) and considers whether the public benefits of the Development are sufficient to overcome the heritage harm (RfR1)
- Section 7 considers whether proposed conditions and obligations are sufficient to overcome the Council's concerns
- Section 8 sets out a summary and conclusions and the planning balance

2. The Appeal Site and Proposal

Site identification and description

- 2.1 The Site comprises the Aylesham Centre, Rye Lane, Peckham SE15 5EW, including the Morrison's supermarket, a number of individual retail units, service yards and adjoining surface-level car park (353 spaces) and petrol filling station. The centre also accommodates stall holders and a market place with individual operators. The buildings are 2-3 storeys high. The Site has a PTAL rating of 6b.
- 2.2 A site location plan is attached at Appendix MI1.
- 2.3 The Site is broadly flat and its area is 2.7ha. It fronts Rye Lane to the west, Hanover Park to the south, McKerrell Road to the east, and Peckham bus station and the rear of properties fronting Peckham High Street to the north.
- 2.4 The following policy designations apply to the Site:
- Site allocation NSP74
 - Peckham and Nunhead Action Area
 - Peckham Action Area Core
 - Peckham Area Vision Boundary
 - Major Town Centre
 - Protected Shopping Frontage (Rye Lane and internal mall frontages)
 - Borough View – View 1: The London Panorama of St Paul's Cathedral from One Tree Hill

- Rye Lane Peckham Conservation Area (western part of the Site)
- Archaeological Priority Area
- Air Quality Management Area (AQMA)
- Area Vision: Peckham

2.5 The western part of the Site lies within the Rye Lane Peckham Conservation Area which encompasses the heart of the historic settlement of Peckham and its historic environment contains a number of both listed and locally-listed buildings – notably the former Jones and Higgins department store and former bank at 47-49 Rye Lane (both locally-listed) which, along with 43 and 45 Rye Lane which are not locally-listed, bookend the Aylesham Centre frontage. The Site also sits within the setting of the Peckham Hill Street Conservation Area.

2.6 There is a line of protected trees along Hanover Park on the southern boundary of the Site (TPO 509, dated 20 April 2017) with houses and flats opposite. To the east on McKerrell Road are largely residential uses, a large residential building for keyworker housing, and Purdon House to the north-east. The western boundary is directly onto Rye Lane at the core of the retail activities of Peckham Town Centre. To the north the Site abuts the rear of retail properties fronting Peckham High Street. Peckham Square and Library lie to the north.

2.7 In section 4 of my proof I provide some of the key characteristics of Peckham in physical, socio-economic and cultural terms, providing the context for the Council's reasons for refusal.

Planning history

- 2.8 The Site's planning history is summarised in section 3 of the dSoCG. The Aylesham Centre was originally permitted in 1985. Subsequent history relates to the management and operation of the Centre, including shopfronts, advertisements and changes of use of individual units, alongside extension of the supermarket and the petrol filling station.

Pre Application Consultation

- 2.9 The site was first allocated for redevelopment in 2014 in the Peckham and Nunhead Area Action Plan (PNAAP1). This was informed, inter alia, by the Peckham and Nunhead Characterisation Study (March 2012). The then landowner was involved in lengthy pre-application discussions between 2016 and 2021, though no planning application was ever submitted.
- 2.10 The Applicant met with Council and GLA officers for pre-application advice on many occasions between April 2022 and February 2024.
- 2.11 There was also a presentation to the Council's Design Review Panel on 12 March 2024.
- 2.12 The Council's detailed design comments at pre-application stage noted many positive elements of the design, but expressed concern with the scale and massing of Blocks A, B and C, and L, as referenced in RfR1, as follows:

Concern is raised regarding the articulation of the massing of blocks M and L, particularly with the height and massing of the east/west section of block L, facing the bus station. A reduction

in height of at least 2 storeys to bring the building closer to the height and massing of nearby Purdon House and leaving a corner tower is encouraged. This will align it more closely with the established approach to massing of Block K nearby. The reduction is also required to reduce the harsh impact the scale of the building would have on the experience of the bus station, soften this important outer edge of the development and could help improve the amenity and outlook of Purdon House.

Blocks A, B and C, the Rye Lane frontage block is within the conservation area and has been successfully articulated as a vertical framework with tall ground floor shopfronts facing the street, with a coherent style taking its cues from the historic shopfronts found in the Higgins and Jones department store. The locations of the alleys, a large double height cut through to the south, and a smaller more intimate alley to the north is welcomed; successful elements of these include glazing lining the passageways presenting opportunities for overlooking and activity. The overall height of this block – set at 7-storeys – rising sheer on the Rye Lane frontage with a limited set-back proposed is still considered a concern.

The TVIA includes local views View 9 and View 30 that have raised concerns about the height, massing and alignment Blocks A, B and C which will have a direct and enduring impact on the significance of heritage assets. View 9 is a strong linear view of the conservation area taking in both the bank building and the historic landmark of the Jones and Higgins clock tower. The views demonstrate that Blocks A, B and C block out views of the clock tower and how dominant the upper-most floors will appear in what is essentially a 4-5 storey historic townscape. View 30 is a not a protected view but is

nonetheless a characterful view of Peckham with the World City in the backdrop. From this elevated location the view takes in a clear view of St Paul's Cathedral. The proposed View 30 demonstrates that the upper-most floor off Blocks B and C blocks out this strategic landmark from the viewer. The harm arising as a consequence of A, B and C to the conservation area is considered to be medium to high Less than Substantial harm as defined by para 208 of the NPPF.

- 2.13 These comments were passed formally to the Applicant by email dated 20 November 2024, but the design team was familiar with the concerns being expressed.

The Appeal Application

- 2.14 The Application was submitted on 15 July 2024 and made valid on 3 September 2024 (LBS ref: 24/AP/2074). The delay related to the validation requirement to provide a VuCity model of the Development.
- 2.15 As originally submitted the planning application proposed 877 homes including 35% affordable housing by habitable room (270 homes, 185 social-rented, 85 intermediate tenure). The application was accompanied by a viability assessment that showed the provision of affordable housing was not viable, but the intention was to provide the minimum 35% required by policy.
- 2.16 In December 2024 the Appellant submitted amendments to the application, comprising minor changes to the commercial spaces, minor elevational changes, a reduction in the number of new homes to 867, and a reduction in affordable housing to just 12% (77 homes, 50 social-rented, 27 intermediate – shared ownership).

2.17 During the determination period, there were also some relatively minor amendments to the residential layouts, adjustment of balconies encroaching over the site boundary, and changes to the materials on the lower levels of Block L.

2.18 During the application process comments were received from the following statutory consultees:

- Mayor of London Stage 1 report (21 October 2024)
- Transport for London
- Historic England
- Environment Agency
- Natural England
- HSE
- London Fire Brigade
- Thames Water

2.19 During the Council's normal consultation processes, over 2,400 objections were received from local residents, businesses, and community groups, alongside over 50 comments of support.

2.20 The Appellant appealed against non-determination on 30 May 2025. PINS accepted the appeal with a start date of 23 June 2025.

2.21 The application was reported to the Council's Planning Committee (Major Applications) B on 15 July 2025 with a recommendation that the appeal be contested on one ground (RfR1). The Committee resolved to contest the appeal on three grounds, as set out in para

1.2 above. It also authorised officers to negotiate planning obligations in line with the heads of terms set out in the OR (para 726, see para 2.22 below) and, should any condition or obligation require submission and approval of a business relocation strategy, that approval of such strategy be determined by planning committee.

Mitigation

- 2.22 The Planning Committee agreed heads of terms (see OR para 726) and delegated authority to officers to negotiate completion of a legal agreement in the event the Appeal is allowed, to ensure the impacts of the Development are adequately addressed through relevant planning obligations. At the time of writing a draft agreement has been prepared with the intention that it is finalised for the Public Inquiry.
- 2.23 The development would also be liable for payment of the Community Infrastructure Levy of £14,141,885.86 (see OR para 730).
- 2.24 Draft planning conditions to be imposed should the Appeal be allowed are also being discussed with the Appellant. Some of these conditions relate to matters of evidence and have not yet been agreed.

3. Planning Policy Context

Introduction

- 3.1 This Appeal must be determined in accordance with the development plan unless material considerations indicate otherwise: s38(6) of the Planning and Compulsory Purchase Act 2004 [the 2004 Act].
- 3.2 Section 4 of the dSoCG sets out details of the relevant planning policy framework. This section of my proof summarises these details.

The Development Plan

- 3.3 The Development Plan comprises:
- the London Plan (March 2021) [LP]
 - the Southwark Plan (March 2022) [SP]
- 3.4 The LP was adopted on 2 March 2021 following an Examination in Public between January and May 2019 and some changes directed by the Secretary of State (principally in relation to housing delivery). The Mayor of London has initiated a review of the LP and published an initial high level discussion document for consultation between May and June 2025.
- 3.5 The SP was adopted on 23 February 2022 following an Examination in Public between February and April 2021. The Inspectors' Report (17 November 2021) concluded that the SP

provided an appropriate basis for the planning of the Borough subject to a number of main modifications. The Council prepared a sustainability appraisal of the modifications and undertook appropriate public consultation.

- 3.6 The SP accords therefore with the requirements of NPPF para 32 in relation to relevant and up-to-date evidence, and of para 33 in terms of sustainability appraisal. It provides a sound basis for planning decisions, including this appeal.

National Planning Policy Framework and Guidance

- 3.7 The National Planning Policy Framework (December 2024) is a material consideration in the determination of the Appeal. The following key provisions of the NPPF are most relevant in this case:

- Sustainable development – para 11
- Housing delivery – paras 61, 63, 66, 79
- Town centre vitality – para 90
- Making best use of land – paras 125, 126, 130
- Achieving good design – paras 131-135, 137
- Planning for climate change – paras 161-167
- Protecting and enhancing the historic environment – paras 207, 208, 210, 212, 213, 215, 216, 219 and 220

- 3.8 I refer as appropriate in my evidence to relevant sections of National Planning Practice Guidance [PPG], including:

- housing need, affordable housing

- housing supply and delivery
- town centres and retailing
- the historic environment: heritage significance, the importance of setting, harm to significance, public benefits, and conservation areas
- planning obligations and conditions

3.9 I also rely on national guidance issued by Historic England – insofar as Mr Bevan’s evidence and conclusions, with which I concur, draws on it:

- Conservation Principles, Policies and Guidance; For the Sustainable Management of the Historic Environment, (April 2008)
- Historic England Advice Note 1: Conservation Area Appraisal, Designation and Management (February 2019)
- The Setting of Heritage Assets, Historic Environment Good Practice Advice in Planning: 3 (December 2017)
- Managing Significance in Decision-Taking in the Historic Environment, Historic Environment Good Practice Advice in Planning: 2 (March 2015)
- The Historic Environment and Site Allocations in Local Plans, Historic England Advice Note 3 (October 2015)
- Local Heritage Listing: Identifying and Conserving Local Heritage, Historic England Advice Note 7 (January 2021)
- Historic England Advice Note 4: Tall Buildings (March 2022)

Heritage legislation

- 3.10 Section 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990 places a statutory duty on LPAs in exercising their planning functions that “with respect to any buildings or other land in a conservation area... special attention shall be paid to the desirability of preserving or enhancing the character or appearance of that area”.
- 3.11 Section 66 of the Planning (Listed Buildings and Conservation Areas) Act 1990 places a similar duty on LPAs in considering whether to grant planning permission for development which affects a listed building or its setting – to “have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses.”

Development Plan Policies

- 3.12 The dSoCG (para 4.12) sets out a comprehensive list of all relevant LP and SP policies.
- 3.13 The following LP policies are in my view the most important in the determination of this Appeal:
- D1: Design, character and capacity for growth
 - HC1: Heritage conservation and growth
 - D3: Optimising site capacity through the design-led approach
 - D4: Delivering good design
 - D9: Tall buildings
 - SD6: Town centres and high streets

- E9: Retail, markets and hot food takeaways

3.14 The following SP policies are in my view the most important in the determination of this Appeal:

- P1: Social rented and intermediate housing
- P13: Design of places
- P20: Conservation areas
- P21: Conservation of the historic environment and natural heritage
- P26: Local list
- P32: Small shops
- P33: Business relocation
- P35: Town and Local Centres
- NSP74: Aylesham Centre and Peckham Bus Station
- AV.14: Peckham Area Vision

3.15 The Area Vision and other characteristics of Peckham are set out in detail in section 4 below.

Other material considerations

3.16 The dSoCG (para 4.4) sets out a comprehensive list of supplementary planning documents that may be relevant to the determination of the appeal.

3.17 The following guidance is being particularly material in this case:

- Rye Lane Peckham Conservation Area Appraisal (October 2011)
- Rye Land Peckham Conservation Area Management Plan (April 2014)
- LBS Heritage SPD (September 2021)
- LBS Affordable Housing SPD (May 2025)
- LBS Section 106 obligations and Community Infrastructure Levy (CIL) SPD (July 2025)
- Peckham and Nunhead Characterisation Study (March 2012)
- Central Peckham, London Borough of Southwark, Historic Area Assessment (English Heritage, 2009)
- LBS Peckham Area Character Study (Draft) (December 2023)

3.18 The NPPF (para 78) states that:

... Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies...

3.19 The NPPF does not state that LPAs need to publish this as such. The council monitors housing delivery and produces an annual Authority Monitoring Report [AMR]. Following the changes to the NPPF (December 2024) and the ongoing London Plan review, the Council is currently undertaking a scoping review of the Southwark Plan, including a review of housing land supply.

- 3.20 Southwark has a requirement of 23,550 homes over the plan period (or 2,355 homes annually as set out in the London Plan 2021, Table 4.1). The council's 5- and 15-year housing land supply was confirmed during the examination of the Local Plan. This set out that the Plan had identified enough land to build the required 2,355 net additional homes per year, with an identified land supply to provide 5.4 years of housing and over 14 years for the following 10-year period to 2036 (source: Five and Fifteen Year Housing Land Supply Update: 2020-2036, July 2021).
- 3.21 The Planning Policy team has produced a Five-Year Housing Land Supply Update. Past and current delivery on each SP site allocation has been reviewed and compiled into a live land supply table. Real-time projections have been reviewed and adjusted to reflect current delivery timescales for unbuilt sites.
- 3.22 The current adjusted 5-year housing requirement to 2020-2024 is 16,780 homes, including an allowance for previous undersupply and with a 20% buffer. Against this, Southwark has identified a deliverable supply of 24,217 homes, resulting in a total supply equivalent to 7.21 years, above the minimum requirement. This position is summarised in the table at Appendix MI2, and has recently been published on the Council's website.
- 3.23 The most recent Housing Delivery Test (December 2024) showed that LBS scored 82% – ie requiring a buffer of 20% on its five-year housing supply and an action plan (NPPF paras 78 and 79), but not engaging the "tilted balance" (NPPF para 11 footnote 8). The buffer is accounted for in the five-year housing land supply figure above.

4. The Council's Case: Peckham's Key Characteristics

Introduction

Peckham is an area with a rich history and a diverse, vibrant and active local community. It has areas of development and areas with a strong heritage. It has many small and medium enterprises, include[ing] retailers specialised in West African goods and creative industries. The town centre plays an important role for both local residents and those who travel from further afield to visit the independent retail or creative businesses.

(Peckham Area Character Study, LBS draft December 2023 – Introduction, emphasis added)

- 4.1 The reasons for refusal reflect the Council's ambitions for Peckham, enshrined in the SP Area Vision, as well as the area's physical and demographic characteristics and its very substantial socio-economic needs. This section of my proof briefly sets out this background to provide the context for my specific evidence on each of the RfR.

Area Vision

- 4.2 SP AV.14 sets out the following characteristics of Peckham:

PECKHAM IS:

- A lively town centre providing a range of daytime and night time activities on Rye Lane including a library, a leisure centre,

cinema, market traders and many independent retailers which specialise in West African goods. Bellenden Road is a quieter alternative. Much of the town centre activity spills over to busy side streets and the area is further enlivened by active faith and other community groups;

- *An area with a burgeoning sector of small and medium enterprises, many of which are creative industries. Copeland Park and the Bussey Building, the railway arches, Peckham Rye Station and Peckham Levels have become a focus for these industries;*
- *An area of heritage value, particularly in the conservation areas with many interesting Victorian, Edwardian and inter-war buildings, including Peckham Rye Station, and the Baptist church with the former Jones and Higgins department store at the heart of Peckham town centre. Outside designated conservation areas the historic residential layout remains intact;*
- *A place for sports and activities with local parks which support leisure and cultural activities. Examples include Peckham Square, Peckham Rye Station Square, Peckham Rye Common and the Surrey Canal Walk connecting Peckham to Burgess Park and beyond;*
- *Accessible by rail from central London and wider London with stations at Peckham Rye and Queen's Road along with many bus routes. Peckham is very accessible for walking and cycling.*
(emphasis added)

- 4.3 The Area Vision goes on to set out how future development – including of the Aylesham Centre and Bus Station (NSP74) and the other site allocations – should complement these characteristics:

DEVELOPMENT IN PECKHAM SHOULD:

- *Complement and improve the town centre with more large and small shops, market stalls, and entertainment, cultural, community and leisure spaces alongside new employment space for small and medium enterprises including start-ups;*
- *Provide as many homes as possible of all tenures including social housing while respecting the local character. Residential development must not compromise the operation of existing commercial and night time uses, particularly in the town centre;*
- *Support new educational centres which will increase education and employment opportunities and bring new footfall to the town centre;*
- *Increase or improve the quality of local open spaces and squares, particularly Peckham Rye, Peckham Square and Peckham Rye Station Square to meet the needs of the growing population and provide new opportunities for recreation and leisure;*
- *Prioritise walking, cycling and improve public transport, including accessibility to Peckham Rye station from the new square, while improving servicing and waste management on the high street;*
- *Contribute towards the development of the Low Line and the Peckham Coal Line, new public realm corridors adjacent to historic railway arches, with lively accessible spaces for creativity, new jobs and retail;*
- *Reveal and enhance Peckham's underlying historic townscape.*

(emphasis added)

Demographics

4.4 The Aylesham Centre lies within Rye Lane ward, while Peckham ward is located just to the north.

4.5 Just over half (51%) of Southwark's population is white. In Peckham and Rye Lane wards, there are strong concentrations of other ethnic groups:

Ward	White	Black, Black British, Caribbean or African	Asian, Asian British	Mixed/multiple ethnic groups	Other
Southwark	51%	25%	10%	7%	6%
Peckham	28%	47%	10%	7%	8%
Rye Lane	52%	29%	6%	8%	5%

Source: 2023 Multi-ward area profiles – East Central (LBS, September 2023, slide 10)

Deprivation

4.6 The Indices of Multiple Deprivation 2019 are the most recent official measure of deprivation in England. The indices draw on 39 indicators grouped into seven domains to assess living conditions across the country. Southwark ranks as the 43rd most deprived local authority out of 326 in England. Around 21% of Southwark's population live in areas that are within the most deprived 20% nationally.

4.7 This area is one of the most deprived parts of the borough. Peckham ward is ranked as the second most deprived out of all 23

wards in the borough, while Rye Lane experiences deprivation levels that are roughly in line with the borough average:

Area	ID score	Ward rank
Southwark	25.3	
Peckham	33.9	2
Rye Lane	27.4	10

Source: 2023 Multi-ward area profiles – East Central (LBS, September 2023, slide 13)

4.8 These levels of deprivation are reflected in barriers to housing and the outdoor environment. Some 93% of households in Southwark have a household income that requires social or intermediate housing. The Peckham Area Character Study (December 2023) identifies higher areas of deprivation around Peckham town centre, with low access to housing across Peckham, and particularly in the town centre.

4.9 The following table summarises housing related indicators of deprivation:

Indicator	Peckham	Rye Lane
Homelessness applications made per 1,000 households.	24.8	18
Receipt of housing benefit or Universal Credit with housing entitlement	47.2%	34.7%
Overcrowded households	47%	15.9%

Source: Urban Health Index for Lambeth and Southwark 2025, Impact on Urban Health, 2021 data

Health

- 4.10 Health outcomes reflect these disparities. Life expectancy in Peckham ward is substantially below the borough average, while in Rye Lane, it is above average, highlighting the contrasts within a relatively small geographic area

Historic character

- 4.11 As Mr Bevan reports, such is Peckham's historic importance that the Council and English Heritage (as it then was) collaborated on an Historic Area Assessment of Central Peckham. This noted:

Central Peckham today has a complex multi-layered urban landscape, retaining buildings from many different stages of its historical development. The earliest settlement was focussed around Peckham High Street but no pre-17th-century buildings appear to have survived. However, the minor country lanes that evolved to link Peckham to its neighbouring settlements still form its principal road network.

(Central Peckham Historic Area Assessment, 2009 p24)

- 4.12 It went on to state:

A 1988 report 'Revitalising the Heart of Peckham' was commissioned to address the concerns about Rye Lane's future as a shopping centre. Two of potential specialisation routes identified by the report have proved successful in revitalising the area: that of ethnic shopping and bargain shopping. As a consequence, Rye Lane continues to be 'one of south-east London's busiest shopping streets with a thriving and very cosmopolitan market', its multicultural population served by a

variety of non-traditional churches often reusing the upper floors of older buildings.

(Central Peckham Historic Area Assessment, 2009 p30)

Community priorities and goals

- 4.13 In drawing up the draft Area Character Study, alongside the physical survey and analysis of socio-economic and other data, the Council engaged with the people who live, work in or visit Peckham better to understand the area and to guide priorities and decisions for any future changes in the area – including development decisions.
- 4.14 I include at Appendix MI3 the outcome of this engagement, a set of community priorities and goals summarised as follows:
- *Celebrating local identity, a vibrant and diverse community, protecting heritage buildings, and reflecting local identity*
 - *Protecting long-standing businesses in the town centre*
 - *Increasing greenery*
 - *Enhancing pedestrian and cycling routes*
 - *Improving public transport*
 - *Addressing health and well-being*
 - *Community support – including more affordable housing*
 - *Better facilities for young people*
 - *Better facilities for older people*
 - *Support for business – including protection of independent and affordable businesses reflecting local diversity*

5. The Council's Case: Affordable Housing

Introduction

5.1 RfR2 reads as follows:

The proposed development, owing to the low level of affordable housing, would fail to meet the significant need for social rented and intermediate homes in the borough. As such the proposal would be contrary to policy P1 'Social rented and intermediate housing' of the Southwark Plan (2022) and the Affordable Housing SPD (2025).

Proposed affordable housing

5.2 The Development proposes a total of 867 new homes, as follows:

Unit size	Private		Social rent		Intermediate (shared ownership)		Total	
	Units	Hab rooms	Units	Hab rooms	Units	Hab rooms	Units	Hab rooms
Studio	4	8	0	0	0	0	4	8
1B1P	86	132	0	0	0	0	86	132
1B2P	252	574	0	0	2	5	254	579
2B	308	1066	17	59	25	93	350	121
3B	140	702	15	75	0	0	155	777
4B	0	0	18	108	0	0	18	108
Total	790	2,482	50	242	77	98	867	2,822
%	91.1	88.0	5.8	8.6	3.1	3.5	100	100

5.3 Just 77 units (340 habitable rooms) are offered as affordable – defined in the SP Policy P1 and the Affordable Housing SPD as being

either social rented or intermediate affordable housing. This is 8.9% by unit and 12.0% by habitable room.

Local housing need

- 5.4 The London Strategic Housing Market Assessment 2017 (November 2017), which informed the LP preparation, identified significant levels of overall need for housing, and affordable housing in particular, across London. Of an overall net requirement of 65,900 additional homes per annum, some 31,000 (47%) would need to be at low cost (social) rent and a further 11,900 (18%) would need to be in intermediate tenure – ie a total of 65%.
- 5.5 Southwark has even higher levels of housing need. The Southwark Strategic Housing Market Assessment Update (September 2019) identifies a need for some 2,077 additional social rented and intermediate affordable homes per annum – equating to some 71% of total housing need (SSHMA para 23).

Local deprivation

- 5.6 This is a reflection of very high levels of local deprivation, as outlined in section 4 above, and there is a close correlation between deprivation and housing need in terms of homelessness, housing benefits and overcrowding. SP summarises this as follows:

There are high levels of deprivation relating to barriers to housing and services across Southwark, this measures the physical and financial accessibility of housing and local services. Over three quarters of residents live in communities ranked in the 20% most deprived in England. This covers a significant part of the borough. When looking at the sub-domain that focuses on housing affordability, overcrowding,

and homelessness, 97% of our residents live in the 20% most deprived communities in England. (SP Policy SP1 para 6)

- 5.7 Furthermore, according to CACI Paycheck data (which uses a range of data around earnings, benefits, savings and investments to provide gross household income estimates at a postcode level), 93% of households in Southwark have a household income indicating a need for either social rented or intermediate affordable housing (source: SP Policy P1 reasons para 2, illustrated in SP Figure 2).

Approvals and delivery of affordable homes

- 5.8 Between 2004/05 and 2021/22, 20,183 affordable homes were approved, equating to 35% of all homes (LBS online Table 3 “Housing Facts and Figures”, May 2025).
- 5.9 Between 2004/05 and 2021/22, 14,617 affordable homes were delivered, equivalent to 29% of total new homes generated from major developments (ie where AH policy applies) (source: LBS online Table 5 “Housing Facts and Figures”, May 2025).
- 5.10 Over the more recent past, affordable housing has represented on average 39.94% of all housing approvals per annum:

<i>Financial year</i>	<i>Market</i>	<i>Affordable</i>			<i>Total</i>
		<i>Social rent</i>	<i>Inter-mediate</i>	<i>Sub-total</i>	
2022/23	1,397	1,125	318	1,443	2,840
2023/24	1,969	432	270	702	2,671
2024/25	1,242	475	438	913	2,155

Total	4,608 (60.1%)	2,032 (66.4%)	1,026 (33.6%)	3,058 £39.9%)	7,666
-------	------------------	------------------	------------------	------------------	-------

Source: Authority Monitoring Report 2025/2025 Table 3.1.3 (2)

5.11 The tenure of those recently-approved affordable homes is split 66.4% social rent and 33.6% intermediate close to policy requirements.

5.12 Over the more recent past, affordable housing has represented on average 38% of all housing completions per annum:

Financial year	Total homes completed on major developments	Affordable homes completed on major developments	% affordable homes
2022/23	1,998	607	30%
2023/24	1,334	535	40%
2024/25	887	444	50%
Total	4,219	1,586	38%

Source: Housing Facts and Figures (online)

5.13 The tenure of those recently-completed affordable homes is split 71% social rent and 29% intermediate in line with policy requirements:

Financial year	Total affordable homes completed	Social rent homes completed	Intermediate homes completed
2022/23	634	412	222
2023/24	576	421	155

2024/25	458	358	100
Total	1,668	1,191 71.4%	477 28.6%

Source: Housing Facts and Figures (online)

- 5.14 The table at Appendix MI4 sets out the number of affordable homes approved through major applications since the adoption of the SP. No conventional residential scheme (use class C3) delivers less than the minimum policy requirement of 35% by habitable room; one co-living scheme also provides 35% affordable rooms. Another co-living scheme, a small C3 scheme, and three student residential developments have secured payments in lieu of on-site delivery of affordable housing.
- 5.15 In addition, the Council has also delivered some 895 affordable housing units through its own developments – largely in 100% affordable housing schemes (see table in Appendix MI5).
- 5.16 It would appear, therefore, that there is no fundamental impediment to delivering 35% affordable housing in the Southwark context.

Policy tests

- 5.17 After the 2024 Autumn Budget, the Government published its agenda for growth “Kickstarting Economic Growth” which included as part of its long-term mission, the following statement in relation to affordable housing needs:

Affordability of housing has fallen drastically as too few houses have been built, particularly in major cities. The government

will deliver housing of every tenure in the right places, supporting our towns and cities to grow, and providing the homes people want near to businesses and employment opportunities.

and

Increase supply and deliver the biggest boost to social and affordable housing in a generation, ensuring the benefits of housebuilding are felt by those on lower incomes. As set out at the Budget, we are injecting an additional £500 million in the Affordable Homes Programme, taking its annual budget to £3.1 billion next year.

(Kickstarting Economic Growth, emphasis added)

- 5.18 The latest version of the NPPF (December 2024) post-dates publication of the Government's growth strategy. It contains important policies in relation to the delivery of affordable housing.

- 5.19 NPPF para 125c states that:

Planning policies and decisions should ... give substantial weight to the value of using suitable brownfield land within settlements for homes and other identified needs, proposals for which should be approved unless substantial harm would be caused ... (emphasis added)

- 5.20 NPPF para 61 stresses the need to meet local housing needs:

To support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is

needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay. The overall aim should be to meet an area's identified housing need, including with an appropriate mix of housing types for the local community.
(emphasis added)

5.21 NPPF para 59 notes the following in relation to viability:

Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force.
(emphasis added)

5.22 NPPF para 66 makes clear that major housing development is expected to deliver a mix of affordable housing to meet identified local needs:

Where major development involving the provision of housing is proposed, planning policies and decisions should expect that the mix of affordable housing required meets identified local needs, across Social Rent, other affordable housing for rent and affordable home ownership tenures. (emphasis added)

- 5.23 Relevant development plan policies remain consistent with these stated priorities, even though they were adopted prior to the Government growth strategy and amendment of the NPPF.
- 5.24 LP (2021) Policy GG4B aims to create a housing market for all Londoners, sets out a strategic target of 50% of all new homes being genuinely affordable, and based on viability evidence (LP para 1.4.3).
- 5.25 SP (2022) Policy SP1 also sets out an overall target for LBS of 50% of all new homes being social rented or intermediate homes.
- 5.26 The SP 35% requirement was tested during the preparation of the new plan. The New Southwark Plan Evidence Base: Housing Policy Viability Update Study (BNP Paribas, November 2017) concluded that the:
- ... requirement of 35% affordable housing remains a reasonable requirement across all developments in the LBS.*
- (NSP Update Viability Study 2017)
- 5.27 The Inspectors' Report from the SP Examination in Public [EiP] noted the acute need for affordable housing in the Borough and in particular for social rented housing (para 69). The Inspectors concluded that the overall level of affordable housing viability would likely sit somewhere between 35 and 50%, based on the preferred tenure split (para 70).
- 5.28 LP Policy H5 requires major developments to provide a minimum 35% affordable housing to follow a fast-track route without viability

assessment. Such schemes must also meet the required tenure split (Policy H6: 30% low-cost rent, 30% intermediate, 40% locally for either) and demonstrate that they have sought grant to increase provision towards the strategic target.

- 5.29 By comparison, SP Policy P1 requires major developments to provide 40% affordable housing to follow the fast-track process without providing a viability assessment. This approach reflects the particularly acute local need for affordable housing in the Borough. The SP nevertheless also sets a 35% minimum provision (with a tenure split of a minimum 25% social rent and 10% intermediate), recognising that this level of provision would not meet assessed needs.
- 5.30 It is within this context that the Aylesham Centre and Peckham Bus Station site allocation has come forward for mixed-use development in Policy NSP74. The site requirements include the provision of new homes: there is no suggestion that a lower level than 35% affordable housing would be acceptable. Indeed, it is suggested, uniquely, that the intermediate element of this requirement be provided through a community land trust.
- 5.31 The requirement for the provision of a minimum 35% affordable housing arises from an up-to-date policy that accords with national and regional policy and reflects acute local housing needs. The SP was viability tested and there is no suggestion that redevelopment in line with the site allocation NSP74 would not have been able to deliver the minimum affordable housing requirement. As PPG puts it:

Where up-to-date policies have set out the contributions expected from development, planning applications that fully comply with them should be assumed to be viable.

(Should viability be assessed in decision taking? PPG para 007: Reference ID: 10-007-20190509)

- 5.32 Furthermore, as noted at para 5.15 above, all major schemes approved since the SP was adopted and have included delivery of the 35% minimum.
- 5.33 I note also that section 149 of the Equality Act 2010 requires the Council to have due regard to equality in the exercise of its planning powers. The submitted Equality Impact Statement identifies some of the likely impacts of the Development in general terms but does not focus on those most directly impacted.
- 5.34 For the reasons sets out in the OR at para166 and summarised in para 842, I agree that the shortfall in affordable housing will have a disproportionate impact on people with protected characteristics.

Viability

- 5.35 Within this strong policy context, the Development proposed 35% affordable housing on submission in July 2024, in line with the minimum requirement in SP Policy P1. Since the proposed proportion was less than 40%, the application was subject to viability testing to demonstrate that no more than the minimum could be provided.
- 5.36 Notwithstanding the 35% affordable housing proposed, the submitted financial viability assessment showed that the scheme

was not viable at current costs and values. Nevertheless, the submitted Planning Statement suggested that:

The affordable housing component comprises the maximum viable amount of Social Rent and intermediate homes. This is justified by the evidence set out in the Viability Appraisal (document ref. AC15) which is submitted with the Application. This meets the minimum requirement of 35% set by Local Plan Policy P1 and the relevant threshold level for the purposes of London Plan Policy H5.

(Planning Statement para 9.44)

- 5.37 In other words, the Appellant took a commercial decision at the time of submission to propose a scheme consistent with the London Plan fast-track approach to affordable housing provision. This is a common occurrence: many developers are content to promote schemes even though the full profit assumed to be available to them in the viability assessment process cannot be achieved. Developers may consider that they can deliver a higher profit, for example because the purchase price is lower than benchmark land value, economies of scale can reduce costs, and they are optimistic about future prices. Alternatively, developers are content to proceed with a lower percentage return.
- 5.38 The Appellant subsequently amended their proposals to propose just 12% affordable housing. This represents a considerable step-change from recent development experience in Southwark where 40% of approvals and 38% of completions over the last three financial years have been for affordable housing (see paras 5.11 and 5.13 above), and where no major scheme granted permission since the SP was adopted has achieved less than the 35% affordable housing (Appendix MI4).

- 5.39 While the minimum affordable housing requirement in Policy P1 is expressed as “subject to viability”, the NPPF at para 59 makes clear that the weight to be given to viability appraisals is a matter for the decision-maker (see para xx above). PPG states:

The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and viability evidence underpinning the plan is up to date, and site circumstances including any changes since the plan was brought into force, and the transparency of assumptions behind evidence submitted as part of the viability assessment.

(How should a viability assessment be treated in decision making? PPG para 008: reference ID: 10-008-20190509)

- 5.40 The Council does not dispute the overall outcome of the Appellant’s viability appraisal. But as noted in the OR (para 314), there are important differences between the Appellant, the Council and the GLA Viability Team on some of the key inputs to the appraisal. This is important because any early, mid- or late-stage review required by obligation will need to be on an agreed basis. At present the Council is suggesting an open book approach to reviews, but the Appellant wants a formula approach. In my view, the failure to deliver the minimum amount of affordable housing provision in this case outweighs the viability appraisal.
- 5.41 Indeed, the basis of the revised 12% affordable housing offer is that this remains unviable: the Appellant has continued to take a commercial decision based on the development’s risk profile and looking forward over an 8-year build programme. However, since

viability testing has to be on present day values, the basis of the 12% offer is not transparent.

- 5.42 The GLA viability team did suggest that scenario testing be undertaken to assess the impact of grant funding, but the Appellant dismissed this on the basis it was not eligible. LP Policy GG4 A2) specifically suggests that grant should be used to secure additional affordable housing beyond what would otherwise be provided. In practice this means providing grant for housing provision over the 35% minimum (SP Policy SP1 paras 4 and 5). It remains to be seen whether early or late-stage reviews of the scheme, if permitted, would bring forward additional affordable housing, for example through the government's new Affordable Homes Programme.

Viability review

- 5.43 LP para 4.5.14 requires early and late-stage reviews to ensure affordable housing delivery is maximised if there are any future changes in viability – for example in this case, if the government's Affordable Homes Programme made additional funds available to support affordable housing provision. A mid-stage review is also sought on longer, phased developments, as here.
- 5.44 Guidance on the use of review mechanisms is set out in the Mayor's Affordable Housing and Viability SPG (2017) and in the LBS Affordable Housing SPD.
- 5.45 The draft s106 includes provisions for early, mid- and late-stage reviews but the basis of these reviews remains in dispute, as noted in para 5.39 above.

Community Land Trust housing

- 5.46 The absence of proposals to meet the requirements of NSP74 in respect of Community Land Trust [CLT] homes means that the public benefits of the proposal do not accord with the requirements of policy.
- 5.47 CLT is a form of intermediate affordable tenure that would meet identified local need (Table 1, Affordable Housing SPD, July 2025). NSP74 is the only site allocation within the SP that requires an element of CLT homes. Its inclusion arose through the involvement of Peckham Citizens in the plan-making process. Based on London's first CLT site at St Clement's in Mile End, it was envisaged to be similar to shared ownership housing.
- 5.48 Initial discussions between the Appellant and London CLT indicated a sizeable gap in expectations of the price payable and negotiations did not progress.
- 5.49 The current draft s106 includes a mechanism "to use reasonable endeavours to work with a Community Land Trust to investigate opportunities to facilitate the Viable Delivery of a number of CLT Homes in Phase 2." Such homes would be the subject of related obligations in terms of delivery and phasing.
- 5.50 This provides no real binding commitment to provide CLT homes and officers are suggesting that "all reasonable endeavours" are used and setting out a more detailed stepped approach to delivery.
- 5.51 Such provision would not increase the current 12% affordable housing provision and there is no link in the draft s106 between early and mid-stage viability review processes to secure CLT.

6 The Council's Case: Loss of Retail Floorspace

Introduction

6.1 RfR3 reads as follows:

The proposed development, owing to the loss of retail floorspace, would fail to meet the site allocation requirement in NSP74 to provide at least the existing amount of retail floorspace currently on the site and as such would cause harm to the vitality and viability of the town centre and would fail to diversify and complement the existing retail offer in the town centre. This would be contrary to policy SD6 'Town centres and high streets' and E9 'Retail, markets and hot food takeaways' of the London Plan 2021 and policy P35 'Town and Local Centres' [and] NSP74 of the Southwark Plan (2022).

6.2 SP Site Allocation NSP74 requires the retention of the existing supermarket use and provision of at least the current amount of retail floorspace on the site. The following table (adapted from paras 29 and 80 of the OR) compares the existing and proposed non-residential floorspace on the Site:

Land use	Floorspace (GIA sqm)		
	Existing	Proposed	Difference
Supermarket	4,976	4,436	-540
Retail (Class E(a)-(c))	4,349	3,143/ 3,813	-536/ -1,206
Total retail	9,325	7,579/ 8,249	-1,076/ -1,746
Other commercial (Class Ed-g), sui generis (excluding PFS)	760	0/ 670 (see note below)	-90/ -760
Workspace	0	2,725	+2,725
Total other commercial (Class Ed-g), sui generis	760	2,725/ 3,395	1,515/ 2,635
Internal mall, atrium	1,392	0	-1,392
Petrol filling station (sui generis)	98	0	-98
TOTAL	11,575	10,304/ 10,974	-1,271/ -601
Supermarket car park, service yard, plant	-	6,276	+6,276
TOTAL	11,575	16,580/ 17,250	+5,005/ +5,675

Source: submitted schedule of accommodation and OR paras 29, 79-81

Note: the application proposes up to 670sqm of flexible retail space being in sui generis or class E(g) office use.

- 6.3 The service yard, parking and some plant for the proposed supermarket are internalised and, unlike the existing situation, are measured as GIA floorspace. Excluding these to make a clear comparison, and accounting for the range of flexible space that might be used for non-retail uses, there is an **overall loss of between 1,076 and 1,746sqm of retail floorspace.** This is

proposed to be off-set by 2,725sqm of workspace, a net gain of between 1,515 and 2,635 sqm commercial (Class Ed-g) and sui generis floorspace.

6.4 The submitted schedule of accommodation shows that there are currently 19 retail units in the Aylesham Centre (other than the supermarket and PFS), of which up to 6 are defined as “small shops” (SP Policy P32, 80sqm excluding storage). The Planning Statement (Appendix 2 p3) shows three units that might be small shops.

6.5 The submitted schedule of accommodation proposes the following retail floorspace:

Block	Retail floorspace sqm/units	Non-retail floorspace sqm /units
A	427	-
B	408	-
C	16 42 120 214	-
D	-	Workspace
E	167 (F&B)	159 (office)
F	123 (F&B) 59	-
G	199 (F&B)	59 (office)
H	149 78	-
J1	91	-
J2	-	-
K	101 175	356 (leisure) 464 (leisure) 57 (office)

L	16	-
M	-	-
N	96	-
P	-	-
Q	Supermarket	-
Totals	2,481sqm 17 units	823sqm leisure 275sqm office 5 units (plus workspace)

6.6 Of these, five are shown as small units, and a further three are earmarked for food and beverage.

6.7 A drawing on p73 of the submitted DAS shows six small units totalling 197sqm.

6.8 The effect of the net loss of retail floorspace is compounded by the change in the nature of the retail floorspace which will be provided, as described below. Further, in the absence of temporary accommodation for retailers, smaller retails which are likely to be more vulnerable to business interruption may be permanently lost. Whilst a business relocation strategy is proposed, this does not guarantee that the diverse existing retail provision will be secured in the future.

Retail characteristics of Peckham Town Centre

6.9 As set out in section 4 above, the vitality of Peckham Town Centre is a function of the many market traders and independent retailers, including in the Aylesham Centre and the Market Place, which specialise in West African goods (and increasingly from a wider range of geographical and ethnic backgrounds).

Policy tests

6.10 SP NSP74 sets out three specific requirements in relation to retail floorspace:

- retention of the supermarket
- providing at least the same amount of retail floorspace currently on-site
- diversifying and complementing the existing retail offer in the town centre, with a range of shop sizes, including space suitable for a variety of retailers

6.11 SP Policy ST1 para 1/6 sets out Borough-wide development targets, including some 7.000sqm of retail floorspace in Peckham Town Centre. SP Policy ST2 sets out more specific figures for the individual Vision Areas, including 7,139sqm retail and community uses in Peckham (Table A).

6.12 This is important because the Aylesham Centre is seen as the key opportunity in Peckham Town Centre with retention of retail floorspace as the first land use requirement. The other site allocations in Peckham by comparison do not have this emphasis:

- NSP76: Land between the railway arches (East of Rye Lane including railway arches) – mixed use development, small businesses, culture, leisure, retail elements
- NSP77: Copeland Industrial Park and 1-27 Bournemouth Road – homes, retail, employment, leisure etc
- NSP75: Blackpool Road Business Park – homes and business (just outside Peckham Town Centre)

6.13 The site-specific policy aligns with the requirements of a number of other LP and SP policies, as follows.

6.14 LP Policy SD6 Town centres and high streets states:

A: The vitality and viability of London's varied town centres should be promoted and enhanced by:

1) encouraging strong, resilient, accessible and inclusive hubs with a diverse range of uses that meet the needs of Londoners, including main town centre uses, night-time economy, civic, community, social and residential uses

2) identifying locations for mixed-use or housing-led intensification to optimise residential growth potential, securing a high-quality environment and complementing local character and heritage assets...

4) strengthening the role of town centres as a main focus for Londoners' sense of place and local identity in the capital ...

F. The management of vibrant daytime, evening and night-time activities should be promoted to enhance town centre vitality and viability, having regard to the role of individual centres in the night-time economy (see Figure 7.6 and Table A1.1) and supporting the development of cultural uses and activity.

(emphasis added)

6.15 Similarly, LP Policy E9 Retail, markets and hot food takeaways, stresses:

A. A successful, competitive and diverse retail sector, which promotes sustainable access to goods and services for all Londoners ...

B.3) boroughs should ... set out policies and site allocations to secure an appropriate mix of shops and other commercial units of different sizes, informed by local evidence and town centre strategies ... [and] where justified by evidence of local need, policies should secure affordable commercial and shop units.

C.2) ... secure inclusive neighbourhoods ...

C.5 support London's markets in their full variety... enhance their offer and contribute to local identity and the vitality of town centres ...

(emphasis added)

6.16 In addition, SP Policy P35 Town and local centres states that:

1. Development must ...

3. ... retain retail floorspace or replace retail floorspace with an alternative use that provides a service to the general public, and would not harm the vitality and viability of the centre ...

(emphasis added)

6.17 SP Policy P32 on small shops is also relevant:

1. Development must retain small shops where existing small shops are at risk of displacement from a development. There should be full consideration of the feasibility of providing affordable and suitable space for existing occupiers in the

completed development. Replacement shops should be like for like in terms of floorspace or bespoke to suit the requirements of the business, including provision of storage and servicing space.

2. Developments proposing 2,500sqm GIA or more of retail space shall provide at least 10% of this space as small shops.

- 6.18 The proposal retains the supermarket use as required by SP NSP74 but fails to provide at least the amount of retail floorspace currently on site. This can in part be attributed to the smaller supermarket (-540sqm), itself a reflection of a more efficient layout.
- 6.19 Putting this loss of space into context, 1,746sqm retail floorspace is equivalent to six shops that fall below the Sunday trading threshold (280sqm), or over 21 shops that fall below the “small shops” threshold of 80sqm in SP Policy P32. This is not insignificant.
- 6.20 SP Policy P32 requires 10% of new retail floorspace to be provided as small shops (defined in the SP as being less than 80sqm, excluding storage). The Development provides less than 200sqm of small shop floorspace; the requirement is between 314 and 381sqm.
- 6.21 SP Policy P32 also requires retention of small shops at risk of displacement from a development. There are up to 6 existing small shops in the Aylesham Centre, together with some 10 traders in the mall area and a further 11 in the Market Place (food court). Just 5 small units are proposed (schedule of accommodation) – or 6 according to the diagram on p73 of the DAS.

6.22 On this basis, the proposal does not therefore meet the relevant NSP74 requirement “to diversify and complement the existing retail offer in the town centre”. It fails to meet the policy requirements for an inclusive and diverse range of uses that complement local character and strengthened sense of place and local identity (LP Policies SD6 and E9) and would harm the town centre’s vitality (SP Policy P35).

Proposed mitigation for local traders

6.23 In this context, securing the future of local traders currently operating in the Aylesham Centre is critical.

6.24 SP Policy P33 Business relocation states:

1. Where existing small or independent businesses or small shops may be displaced by development a business relocation strategy, written in consultation with affected businesses, must be provided. The business relocation strategy must set out viable relocation options.

6.25 Para 2 of the policy sets out detailed requirements for the content of business relocation strategies. Para 3 sets out requirements where businesses are accommodated in new development.

6.26 Planning obligations are proposed that would seek to provide both retail space for independent traders operating on the site (including stallholders and market place traders) and temporary space at affordable rents during construction, alongside provision of professional property and legal support. These may go some way towards mitigating the adverse impacts on the vitality of the Town Centre but, given that the direct impacts on traders will be in the

second phase of construction, there is no current certainty as to the likely efficacy, deliverability or affordability of these measures.

- 6.27 Importantly, the acceptability of this depends in part on the provision of business support for displaced traders; the terms of a planning obligation are still being negotiated. Absent a temporary retail facility – which the Appellant is resisting in s106 negotiations – there is little likelihood that individual traders would be in a position to return after the long construction period.
- 6.28 The submitted EQIA provides some general comment about the local area but, as noted in the OR at para 136, there was insufficient detail about the owners and employees of existing independent businesses and further consultation was undertaken. Officers are of the view that a more detailed EQIA would be required by planning obligation to inform an updated business relocation strategy (OR para 138).

7 The Council's Case: Heritage Harm and Insufficient Public Benefits

Introduction

7.1 RfR2 reads as follows:

The proposed development, owing to the low level of affordable housing and the failure to deliver any Community Land Trust homes would fail to deliver sufficient public benefits to outweigh the heritage harm to the character and appearance of the Rye Lane Peckham Conservation Area owing to the height, scale and massing of proposed blocks A, B and C; the scheme would also result in harm to the townscape owing to the excessive height of proposed block L. As such the proposed development would be contrary to paragraphs 212, 213 and 215 of the NPPF (2024), policies D1 'Design, character and capacity for growth', D4 'Delivering good design' and HC1 'Heritage conservation and growth' of the London Plan 2021, policies P13 'Design of places', P20 'Conservation areas', P21 'Conservation of the historic environment and natural heritage' and site allocation NSP74 of the Southwark Plan 2022, and the Rye Lane Peckham Conservation Area Appraisal (2011).

7.2 This RfR subsumes two separate issues – heritage harm and townscape harm.

7.3 The Council's evidence on heritage and townscape matters is presented by Robert Bevan (Authentic Futures). I have read his evidence and agree with his conclusions. My purpose here is to

address the planning policy implications of his conclusions and to weigh these in the planning balance.

Summary of heritage context

7.4 It is noted that the Appellant did not submit a separate Heritage Impact Assessment for the scheme and instead relied on its Environmental Statement [ES] and related documents including its HTVIA. Assumptions in the Appellant's ES such as the sensitivity to change of the Rye Lane Peckham Conservation Area, the magnitude of change and the effect of change fell short of the necessary scrutiny given the statutory duties placed on LPAs under sections 66 and 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

7.5 In this context, Mr Bevan sets out his own assessment of heritage significance, noting the Historic Area Assessment carried out by English Heritage in 2009 and the subsequent designation of the Rye Lane Peckham Conservation Area in 2011. He summarises his findings as follows:

The first focus of my evidence is on the harm caused by Block ABC – which the Appellant accepts reads as one block – on the historic Rye Lane and Peckham High Street townscape (7.2.0 onwards). It then goes on to consider the impact of Block L on the wider townscape including the historic townscape and the approaches to, and setting of, the Rye Lane Peckham Conservation Area.

The impact from these blocks forms the basis of the LPA's second putative reason for refusal which with their bulk, scale and height cause harm to heritage significance in ways that is

not outweighed by public benefits. My evidence focuses on these blocks while acknowledging the wider context of the proposals.

The evidence takes us carefully through the current form of the Aylesham Centre (3.2.30 onwards) pointing out its positive and negatives and explaining why proposed Block ABC amplifies the negatives causing considerably more harm to the conservation area and the settings of its constituent assets than the existing shopping centre, so failing to preserve or enhance the character or appearance of the Rye Lane Peckham Conservation Area.

It looks at this impact on key assets such as the Jones & Higgins clocktower and the bank wing at the south-west corner of the Site (both locally listed). It takes us through the other components of the conservation area including statutorily listed buildings, locally listed buildings, and other previously unrecognised assets. ...

It finds that Block ABC, at 5 to 7 storeys, dominates the historic street scene, overshadowing key assets which are generally between two and four storeys (mostly three). It blocks important views of key landmarks such as the clocktower and diminishes the landmark role of other assets such as the bank wing. The impact on Rye Lane is considered as well as, in particular, the south side of Peckham High Street where there a number of semi-vernacular/pre-industrial assets from the 18th and 19th century that give a crucial sense of the village origins of Peckham and how it has evolved over the centuries. Such survivals are rare and valuable for an inner London town centre (7.2.0 to 7.4.0).

My assessment goes on to look at the harms to the wider townscape caused by the height of Block L and its prominent, cliff-like form which is deliberately conspicuous and fails to integrate itself into the townscape and so detracts from the setting of the assets set out including the setting of the Rye Lane Peckham Conservation Area (7.5.0 onwards).

This proof then demonstrates the ways in which the proposals thus fail to conform with policy and guidance at national, regional and local level. In respect of Block L especially, this includes a failure to comply with tall buildings policies.

My evidence concludes that the level of harm caused is 'less than substantial'. The harm within this scale varies with the assets concerned but, overall, is at the medium-to-high end of that scale."

7.6 As Mr Bevan notes (section 3.8), the Council has taken a consistent approach over the years to ensure that the significance, character, and appearance of the historic environment, notably scale, key views and landmarks have been safeguarded. This is evident in a sequence of policy documents including the Rye Lane Peckham Conservation Area Appraisal, Heritage SPD, AAP Townscape Characterisation Study, and Site Allocation.

7.7 In exercising its development management functions in the Conservation Area and its context, the Council has taken a consistent approach to applying these guidelines. It has sought to do so on the Appellant's scheme, especially in respect of the development edges, including scale, height, massing, bulk and apparent bulk, roofscape etc.

7.8 Mr Bevan's assessment includes designated and non-designated heritage assets as well as buildings and groups of buildings that have no formal heritage designation but which make a positive contribution to the character and appearance of the Conservation Area – reflected in the work locally of the Townscape Heritage Initiative.

7.9 I note and agree with his overall conclusion that the Development would cause less than substantial harm to heritage significance and that this is at the medium-to-high level.

Policy tests

7.10 Mr Bevan also considers the Development against a range of policy tests that I summarise here.

7.11 *Tall buildings:* LP Policy D9 sets out a range of policy tests relating to suitable locations for tall buildings and how visual, functional and environmental impacts should be assessed, including cumulatively. SP Policy P17 similarly considers location, strategic and local context, and detailed design, including in relation to heritage assets:

3. The design of tall buildings will be required to: ...

2. Conserve and enhance the significance of designated heritage assets and make a positive contribution to wider townscape character. Where proposals will affect the significance of a designated heritage asset (from its alteration or destruction, or from development within its setting) clear and convincing justification in the form of public benefits will be required;...

7.12 *Heritage*: there are also specific policies relating to heritage. LP Policy HC1 requires development proposals to conserve heritage significance. SP Policy P20 requires development to preserve or enhance the character or appearance of conservation areas and their settings. SP Policy SP21 requires development to conserve and enhance the significance of designated and non-designated heritage assets and their settings.

7.13 Similarly, SP Policy P13 requires development to:

... 2. better reveal local distinctiveness and architectural character; and conserve and enhance the significance of the local historic environment...

7.14 And the Area Vision for Peckham states that:

Development should ... reveal and enhance Peckham's underlying historic townscape.

7.15 *Character and capacity*: alongside these heritage concerns, there are more general design policies, notably LP Policy D1 which requires Boroughs to undertake area assessments to define the characteristics of an area and its capacity for growth – precisely as has happened in the case of Peckham through, inter alia, the local plan process. LP Policy D3 goes on to promote a design-led approach to development to optimise site capacity within these identified constraints.

7.16 Overall Mr Bevan concludes that the Development fails to preserve or enhance the character and appearance of Rye Lane Peckham Conservation Area. He recognises that the heritage harm does not

involve wholesale removal of assets and is largely indirect and affecting setting only. The harm is thereby “less than substantial”. But taken in aggregate and given the scale of the Development in relation to the established heights, scale and grain of the Conservation Area and its contributing assets, this harm is at the medium to high end of “less than substantial”.

7.17 Mr Beven’s assessment has taken due weight of the advice in the NPPF to give great weight to the conservation of heritage assets (para 212), noting that any harm would require strong justification (para 213), and taking account of impacts on non-designated heritage assets (para 216) – where a “balanced judgment” needs to be taken on the scale of harmful effects. His conclusions also sit alongside the statutory duties relating to conservation areas and listed buildings (sections 72 and 66 respectively of the Planning (Listed Buildings and Conservation Areas) Act 1990).

7.18 NPPF para 215 is the key test here:

Where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal

7.19 Clearly what constitutes “less than substantial harm”, and the level of harm within the range of less than substantial harm, is a matter of planning judgement (add ref).

7.20 PPG provides the following on what might be judged to be public benefits:

The National Planning Policy Framework [215] requires any harm to designated heritage assets to be weighed against the public benefits of the proposal.

Public benefits may follow from many developments and could be anything that delivers economic, social or environmental objectives as described in the National Planning Policy Framework (paragraph 8). Public benefits should flow from the proposed development. They should be of a nature or scale to be of benefit to the public at large and not just be a private benefit. However, benefits do not always have to be visible or accessible to the public in order to be genuine public benefits, for example, works to a listed private dwelling which secure its future as a designated heritage asset could be a public benefit.

Examples of heritage benefits may include:

- sustaining or enhancing the significance of a heritage asset and the contribution of its setting*
- reducing or removing risks to a heritage asset*
- securing the optimum viable use of a heritage asset in support of its long term conservation*

(What is meant by the term public benefits PPG para 020 reference ID: 18a-020-20190723)

7.21 Importantly, public benefits must by definition benefit the public at large; they cannot simply be a private benefit. A public benefit is not the same as a planning benefit (see section 7).

7.22 The main public benefit of the Development is the provision of affordable housing. For the reasons set out in RfR 2 and my

evidence above in section 5, that provision falls well below what is required to meet substantial local housing needs. The affordable provision also omits the community land trust housing required by SP Policy NSP74.

7.23 The original draft Statement of Common Ground prepared by the Appellant (May 2025) suggested that the following aspects of the Development were “public benefits”:

- reuse of brownfield land for new homes and other identified needs
- place-making – provision of new distinctive buildings that complement the character of Peckham, make efficient use of brownfield land, are carbon efficient, accessible and include significant greening
- provision of new homes, including affordable housing, meeting design standards and providing an appropriate mix of sizes and types
- boosting the vitality and viability of Peckham Town Centre with a new supermarket, a range of retail/leisure units and new workspaces

7.24 Other than the provision of some affordable homes, I do not consider any of these elements of the Development would amount to a “public benefit” for the purposes of the balancing exercise required by NPPF para 215. Each of these aspects of the scheme would be a requirement of any scheme, whether or not it caused “less than substantial harm” to the significance of heritage assets or their setting. Only having reached a conclusion on this can these other matters be weighed in the planning balance (section 9).

- 7.25 Even if the Appellant were correct that these aspects of the scheme could be considered “public benefits”, I remain of the view that these benefits do not outweigh the medium to high level of “less than substantial harm” that Mr Bevan has identified.
- 7.26 I acknowledge that the Development does deliver some minor heritage benefits – such as the provision of some lengths of York stone paving (by way of planning obligation). In my view, in agreement with Mr Bevan, this can only be regarded as a minimum design requirement rather than a benefit.
- 7.27 I conclude therefore that the public benefits of the Development do not outweigh the medium to high level of less than substantial harm identified.

8 Proposed Mitigation Measures

- 8.1 NPPF para 56 advises on the use of planning conditions and obligations that would make otherwise unacceptable development acceptable.
- 8.2 Planning conditions should be used only where necessary, relevant to planning and to the development to be permitted, enforceable, precise and reasonable in all other respects (NPPF para 57). The Council and Appellant are working on a list of draft conditions to be discussed at the Public Inquiry. The Council considers that these conditions are necessary and meet the relevant tests to mitigate adverse impacts of the Development in the event the Appeal were allowed.
- 8.3 NPPF para 58 advises that planning obligations must be “a) necessary to make the development acceptable in planning terms; b) directly related to the development; and c) fairly and reasonably related in scale and kind to the development.”
- 8.4 As noted in para 2.21 above, the Council’s Planning Committee resolved that a range of planning obligations should be secured in the event the Appeal were allowed, as set out in the OR para 726, as follows:
- phasing, including delivery of supermarket prior to existing supermarket demolished, delivery of retails space before occupation of proportion of private homes
 - demolition and construction management plans and monitoring fee

- affordable retail space for independent business, including access to agent and legal support, provision of temporary space and relocation fund
- affordable housing delivery, monitoring and monitoring fee, early, mid- and late-stage reviews
- delivery of wheelchair homes
- archaeology contribution (£14,391)
- biodiversity net gain – plan, metrics, monitoring, including £12,874 monitoring fee
- local employment during construction and within completed development
- local procurement
- affordable workspace – strategy, 10% provision
- play space contribution £113,100
- tree planting strategy/£4,000 per tree not planted
- bus station improvements works prior to occupation, TfL bus accessibility contribution (£80,000)
- pedestrian and cycle route to Clifton Estate, Rye Lane cycle route contribution (£226,000), cycle hire membership and expansion (or £270,00 contribution), on-site provision
- highway works, including pre-commencement condition survey, new street/wayfinding signage (£22,000)
- car club membership and bays
- EV charging points – 20% active provision, 80% passive provision
- parking permit exemption
- CCTV additional provision and mitigation (£193,182.93)

- carbon off-set payment (£911,525), future-proofing for district heating network, be-seen carbon monitoring and post-installation review
- travel plan monitoring fee (£2,790)
- estate management plan, including Public access through the site 24/7
- making good flank wall of Jones and Higgins building
- GLA mortgagee in possession clauses
- total financial contributions £2,054,622.93

8.5 At the time of writing a draft agreement has been prepared with the intention that it is finalised for the Public Inquiry in the event the Appeal is allowed, to ensure the impacts of the Development are adequately addressed through relevant planning obligations. However, there is some disagreement between the parties as to the need for and scope of some of these obligations. Some are a matter for evidence (eg business relocation strategies, provision of community land trust housing, and the terms of early and late-stage affordable housing review mechanisms); these matters may remain as “blue pencil” clauses in the draft s106 agreement.

8.6 The development would also be liable for payment of the Community Infrastructure Levy of £14,141,885.86 (see OR para 730).

8.7 The Council’s case is that these obligations are not sufficient to address the unacceptable impacts of the Development.

9 Summary and Conclusions: the Planning Balance

General matters

9.1 As agreed at the CMC on 13 August, the main issues in this case are as follows:

- Whether the height, scale and mass of the proposed development would result in any harm, and the level of any harm, to the local townscape having regard to the special character and appearance of the Rye Lane Peckham Conservation Area (RfR1)
- The adequacy of affordable housing provision relative to any social rented and intermediate home local needs (RfR2)
- The acceptability of retail floorspace loss in terms of the impact to the vitality and viability of the town centre (RfR3)
- The overall planning balance having regard to any related planning policy, any harm, or benefits

9.2 The Council's evidence on heritage matters (RfR1) is presented by Robert Bevan (Authentic Futures). I have read his evidence, agree with his conclusions, and have used those conclusions in coming to my view on the planning merits of the Development and the planning balance.

9.3 I have described the appeal site and proposal (section 2) and set out the relevant planning policy framework (section 3).

9.4 In section 4 I have outlined the Council's ambitions and planning objectives for Peckham as set out in the adopted SP Area Vision

AV.14. I have also referenced the draft Peckham Area Character Study (2023) which, while not adopted, includes a set of community priorities and goals which very much chime with the Area Vision. I have also included some key data and commentary on the demographic, socio-economic and heritage characteristics of the area. Importantly, these characteristics underpin all three reasons for refusal.

- 9.5 Within this context, sections 5, 6 and 7 of my proof set out my planning assessment of the Development in relation to the RfRs.

Lack of affordable housing (RfR2)

- 9.6 In section 5 I have summarised the very real levels of housing need in Peckham alongside strong indicators of multiple deprivation. This situation drives the affordable housing policies of the LP and SP, both of which have been tested for soundness through EiP processes. Both LP Policy GG4 and SP Policy SP1 set an overall affordable housing target of 50%, with LP Policy H5 and SP Policy P1 setting a minimum of 35%. SP Policy NSP74 is in no way exempt from this requirement.
- 9.7 The proposed 12% provision, therefore, falls substantially short of local housing needs and policy requirements. Policy does, however, allow for viability testing. As originally submitted a viability assessment showed that the Development could not support any affordable housing; 35% was still offered at that stage and was only subsequently reduced. In both cases, the Appellant is taking a commercial decision that some level of affordable housing will be deliverable.
- 9.8 PPG makes clear that the weight to be given to viability assessment is a matter for the decision maker. In my view, given the very high

levels of housing need, the scale of this development, and its location in Peckham Town Centre, the 12% provision is not acceptable.

9.9 There may be scope for additional affordable housing to be provided in the future, the construction period being some 8 years. Early, mid- and late-stage reviews will be secured by obligation should the appeal succeed. However, there remain some significant disagreements between the Appellant, the Council and the GLA viability team on some of the key inputs to the viability assessment and the Council is seeking an open book approach to these reviews, while the Appellant is proposing a formula approach.

9.10 Uniquely, the site allocation SP Policy NSP74 promotes provision of some affordable housing by way of a Community Land Trust. It was envisaged at the time the policy was drafted that this would be similar to a shared ownership tenure, as is proposed. A planning obligation is proposed that would bring forward an element of CLT homes but not in addition to the 12% offer; the Council does not consider the obligation to be sufficiently robust to ensure some CLT homes are delivered in line with policy.

9.11 The limited affordable housing proposed is contrary then to LP Policies GG4 and H5 and to SP Policies SP1, P1 and NSP74. It also runs counter to the Government's growth strategy and NPPF para 61 which seeks to meet local housing needs. In this context, the viability position is of lesser weight, and planning obligations for early, mid- and late-stage reviews which remain to be agreed, would not be capable of addressing the failure to meet local housing needs.

Loss of retail floorspace (RfR3)

9.12 SP Policy P35 requires development to retain retail floorspace; NSP74 applies this to the Site Allocation. SP Policy ST1 identifies

Peckham Town Centre as requiring an additional 7,000sqm retail floorspace over the plan period, and the Aylesham Centre/Bus Station site is the intended focus for this. Other site allocations in or adjoining the Town Centre are focussed more on employment or residential uses.

- 9.13 The Development involves a loss of up to 1,746sqm of retail floorspace. This shortfall is replaced by workspace (Class E(d)-E(g)), principally in Block D. There is no policy support for this departure: rather the proposal would dilute the employment potential of the other nearby site allocations. LP Policy E9 allows for a mix of uses where supported by evidence; no such evidence is provided here. Similarly, SP Policy P35 allows for alternative uses that provide a service to the general public, but the workspace in Block D is not intended to do so. The loss of retail floorspace undermines the centre's vitality.
- 9.14 The Development is therefore contrary to SP Policy ST1 para 1/6, ST2 (Table A), and to P35. It also runs counter to LP Policy SD6 which promotes the vitality of town centres, and to LP Policy E9.
- 9.15 SP Policy P32 requires 10% of new retail floorspace to be provided as small shops (defined in the SP as being less than 80sqm, excluding storage). The Development provides less than 200sqm of small shop floorspace; the requirement is between 314 and 381sqm.
- 9.16 SP Policy P32 also requires retention of small shops at risk of displacement from a development. There are up to 6 existing small shops in the Aylesham Centre, together with some 10 traders in the mall area and a further 11 in the Market Place (food court). Just 5 small units are proposed (schedule of accommodation) – or 6 according to the diagram on p73 of the DAS.

9.17 Importantly, the acceptability of this depends in part on the provision of business support for displaced traders; the terms of a planning obligation are still being negotiated.

9.18 Overall, this has the effect of undermining the vitality of Peckham Town Centre, which is characterised by a very large proportion of small independent traders serving the local Afro-Caribbean and West African communities. The loss of small shops, alongside actual loss of retail floorspace from the Aylesham Centre would weaken this role, contrary to LP Policy SD6 which promotes the vitality of town centres, and to LP Policy E9.

Less than substantial harm to heritage assets

9.19 Mr Bevan's evidence shows that there were methodological flaws with the heritage assessment that formed part of the Heritage and Townscape Visual Impact Assessment. His thorough exposition of the history of Peckham shows that it has a remarkably intact and legible Victorian character overlying the older street pattern. He shows that the significance of the Rye Lane Peckham Conservation Area arises both from designated and non-designated assets, and from buildings and groups of buildings without formal heritage designation but which a positive contribution. He also finds harm to the setting of the Grade 2 listed Baptist Chapel.

9.20 I agree with Mr Bevan's conclusion that the adverse impacts of the Development – notably from Blocks A, B and C, and from Block L, give rise to less than substantial harm to heritage significance, and that this harm is of a medium-to-high level. I also agree with his conclusions that the Development would be contrary to relevant heritage policies, including LP Policy HC1, SP Policies P13, P20 and

P21, and to the Area Vision AV.14. It also conflicts with LP design policies D1, D3 and D9.

9.21 In coming to this view, both Mr Bevan and I have followed the statutory duties set out in sections 66 and 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990 to have special regard for or pay special attention to the desirability of preserving or enhancing heritage significance.

9.22 The key test is NPPF para 215:

Where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal

9.23 In my view, noting what PPG advises constitutes a public benefit, the only real public benefit of the Development is the provision of affordable housing; and, for the reasons set out in section 5 of my proof (and RfR2) the significant under-provision against levels of need and policy requirements is not sufficient to overcome this level of heritage harm. Even if I were to accept that some of the planning benefits of the scheme were public benefits, as the Appellant suggests, this would still be insufficient to outweigh the medium-to-high levels of less than substantial harm to heritage significance.

9.24 Mr Bevan also identifies conflict with design policies in respect of townscape impact, including conflict with LP Policy D9 relating to tall buildings. I agree with his assessment on these issues too.

The planning balance

9.25 Turning to the planning balance, I note the following matters weigh in favour of allowing the appeal:

- Implementation of a SP site allocation proposal (significant weight)
- The development of brownfield land (significant weight)
- The provision of housing (moderate weight given that Southwark has a 7.21-year housing supply)
- Provision of some affordable housing (limited weight)
- Achievement of residential amenity standards, acceptable transport impacts, urban greening, BNG, air quality improvements, flood risk and contamination matters (all limited weight)

9.26 In my view, all these benefits of the Development are capable of being achieved in a scheme that were otherwise acceptable in terms of: the delivery of the minimum 35% affordable housing; adequate provision of retail floorspace in the Town Centre (including small shops), and reprovision and assistance for existing small traders in the Aylesham Centre, without undue impact on the Town Centre's vitality; and without unacceptable levels of less than substantial harm to heritage significance. These matters should be given significant weight in the planning balance.

9.27 Importantly, implementation of SP Policy NSP74 is a once-in-a-lifetime opportunity for Peckham that should deliver what the site allocation and other key LP and SP policies require. This is especially the case given the eight-year construction programme and the disruption and upheaval that will inevitably result. At the end of this period the Development should deliver what is right for

Peckham in terms of additional affordable housing to meet local needs, while retaining the area's character and vitality, and protecting heritage significance.

9.28 I am mindful too of the shortcomings of the EQIA summarised in para 842 of the OR: the disproportionate impacts on people with protected characteristics also weigh in the planning balance against the proposal.

9.29 The proposal therefore conflicts with the following policies in the development plan:

- SP Policy NSP74 (partial conflict in respect of affordable housing, CLT homes, design, heritage, tall buildings, and retention of retail)
- LP Policies GG4 and H5 and SP policies SP1 and P1 in respect of affordable housing
- LP Policies HC1, D1, D3 and D9, and SP Policies P13, P20 and P21 and Area Vision AV.14 in respect of heritage, design and townscape
- LP Policies SD6 and E9, and SP Policies ST1 para 1/6, ST2 (Table A), P32 and P35 in respect of retail and town centres.

9.30 Having considered the importance of these policies for the determination of this appeal, I conclude that there is conflict with the Development Plan as a whole, and that this conflict is not outweighed by other material considerations, including the benefits of the proposal.

9.31 Accordingly, I invite the Inspector to dismiss the Appeal.

Appendices

- MI1: Site location plan**
- MI2: Five-year housing land supply calculation**
- MI3: Area Character Study community goals**
- MI4: Affordable housing schemes approved since adoption of Southwark Plan (February 2022)**
- MI5: Council schemes approved since adoption of the Southwark Plan (February 2022)**

MI1: Site location plan



MI2: Five-year housing land supply calculation

Supply input		Total	Formulae
Annual target As set in the Southwark Plan	A	2,355	As set out in the Southwark Plan
Southwark plan requirement (for next 5 years) Housing requirement	B	11,775	The basic requirement for the next 5 years (A x 5)
Overall supply of deliverable sites As demonstrated through Appendix 1 of full list of sites deliverable which for Southwark is all site allocations in the Local Plan plus the brownfield register which covers windfall sites and all 'deliverable' sites This year financial year 2025 to 2030.	C	24,217	19,330 – total units on site allocations in the next five years 5-10 in the current 5 and 15 2,272– total windfall sites (sites outside allocations with planning permission) 523 x5– small sites
Deficit Under/Over supply	D	-2209	Under delivery against target since the adoption of the plan
5-year housing requirement Including any accrued deficit	E	13,984	(B + D)
Buffer applied As per the last HDT results	F	2,975	20% - based on the results of the housing delivery test
5-year housing requirement + accrued deficit + 20% buffer	G	16,780	E+F (+20%)
Adjusted annual housing requirement	H	3,356	G/5
Overall years supply (overall supply/annual target)	I	7.21	(C/H)

COMMUNITY PRIORITIES & GOALS

SUMMARY OF GOALS

The following community goals and priorities have been consolidated from the following engagement:

- Understanding Southwark Survey - Social Life (October 2021)
- Community Investment Plans - Southwark Council (March - November 2020)
- Peckham Business Forum - Tree Shepherd & Southwark (Ongoing)
- Peckham Area Character Study Initial Community Discussion (May 2023)
- Peckham Area Character Workshop (October 2023)



CELEBRATE LOCAL IDENTITY, DIVERSITY & HERITAGE

- Celebrating Peckham as a vibrant place, with a proudly diverse range of communities and rich cultural heritage.
- Keep Peckham as an important destination for shopping, culture and night-life. Yet ensure visitors needs are balanced against local residents.
- Protection and restoration of heritage buildings.
- All new developments to express the local identity of Peckham and respond to the needs of different groups.
- Protect the history of all the different groups who have strong links to Peckham.



TOWN CENTRE

- Protecting long-standing businesses to ensure they don't get priced out of the area.
- Better management of street clutter and improved accessibility.
- Improved lighting of the town centre to make spaces feel safer at night-time.



GREEN SPACES & BIODIVERSITY

- Increased landscaping and greenery, especially in the town centre.
- Improving biodiversity and air quality.
- Address issues like fly-tipping and graffiti.



ENHANCE PEDESTRIAN AND CYCLING ROUTES

- Better designed public realm with clearer separation of pedestrians, cyclists and vehicles.
- A more accessible public realm. One that accommodates wheelchairs, mobility scooters, pushchairs and wheeled trolleys.
- Safer road crossings for pedestrians and cyclists.



IMPROVE PUBLIC TRANSPORT AND ROAD CONGESTION

- Improvements in public transport infrastructure. For example, better connections between Peckham Rye station and the bus network.



HEALTH & WELLBEING

- Support people who are suffering from poor mental health or social isolation
- Address noise pollution caused by traffic
- Improving access to healthy food



COMMUNITY SUPPORT

- Greater provision of affordable housing and protection for existing residents.
- Ensure that existing residents are not negatively affected by any changes in the area.
- Invest in neglected areas in Peckham and make vacant or under-used premises available for community uses.
- Provision of social and community spaces in the area.



SUPPORT FOR YOUNG PEOPLE

- Better facilities for young people, such as youth centres or an apprenticeship hub.
- Include young people in the public realm and decision-making.



SUPPORT FOR OLDER PEOPLE

- More street furniture & public facilities, such as public toilets
- More community spaces for different groups of old people



SUPPORT FOR BUSINESS

- Protection for the independent and affordable businesses that reflect the diversity of the area.
- Better communication of what Peckham businesses have to offer.

**MI4: Affordable housing schemes approved since adoption of
Southwark Plan (February 2022)**

Site	Reference	Total homes Proposed	Total Affordable homes Proposed	Total AH % achieved (by unit)	Total habitable rooms Proposed	Affordable habitable rooms Proposed	Total AH % achieved (by hab room as per policy P1)
40-46 Solomons Passage	20/AP/3285	85	32	38%	295	118	40%
25-33 Parkhouse Street	20/AP/0858	109	33	30%	343	122	36%
Falmouth Road Group Practice, 78 Falmouth Road	20/AP/1407	39	16	41%	141	49	35%
12-38 Hatcham Road	21/AP/1121	49	17	35%	168	60	36%
Mapother House Maudsley Hospital De Crespigny Park	20/AP/2768	187	79	42%	585	294	50%
*2-10 Ossory Road	21/AP/3246	117	39	33%	234	78	33%
*Credon House, Verney Road	21/AP/3247	22	22	100%	99	99	100%
*Ossory Road and Credon House are two schemes being brought forward together under separate applications. The affordable housing provision has been assessed jointly across both schemes.							
Butterfly Walk Shopping Centre	19/AP/7057	145	51	35%	503	184	37%
Land At 1A Dog Kennel Hill	20/AP/0359	31	5	16%	99	35	35%
301-303 Ilderton Road	20/AP/3560	59	16	27%	184	66	36%
5-9 Rockingham Street And 2-4 Tiverton Street	22/AP/1068	231 student bedspaces (97 C3 equivalent) - PIL has been secured					
17-21 Rotherhithe Old Road	21/AP/4671	17	0	PIL secured to offset AH on-site provision			
Land At 19 21 And 23 Harper Road 325 Borough High Street	23/AP/0479	444 student bedspaces (177 C3 equivalent) - PIL has been secured					
747-759 And 765-775 Old Kent Road And Land At Devonshire Grove	23/AP/1862	200	200	100%	722	722	100%
Ilderton Wharf 1-7 Rollins Street	21/AP/4757	170	61	36%	506	204	40%

78-94 Ormside Street	23/AP/2226	49	18	37%	157	55	35%
79-161 Ilderton Road	23/AP/0387	725 co-living spaces (336 C3 equivalent) - 120 affordable homes on-site					
Old Southern Railway Stables St Jamess Road	24/AP/0012	32	12	38%	95	38	40%
Rear Of 254-272 Camberwell Road	20/AP/3482	43	16	37%	160	56	35%
Land At 18 Blackfriars Road	23/AP/1854	433	160	37%	1,441	583	40%
31 Amelia Street	22/AP/0850	146 student bedspaces (58 C3 equivalent) PIL has been secured					
Block C, Former Mulberry Business Park Quebec Way	23/AP/0543	135 co-living spaces (75 C3 equivalent) - PIL has been secured					
Friars Close Bear Lane	22/AP/4376	149	54	36%	496	211	43%
Horizon Industrial Estate 95 Haymerle Road	20/AP/3822	37	10	27%	104	37	36%
Valmar Trading Estate Valmar Road	21/AP/4714	43	14	33%	181	64	35%
Borough Triangle Land And Site At 18-54 Newington Causeway 69 Borough Road 82-83 Borough Road	24/AP/1958	892	230	26%	2,667	934	35%
Totals		291	1,085		9,180	4,009	
Average		Units	37.5%		Hab rooms	43.7%	

**MI5: Council schemes approved since adoption of the Southwark
Plan (February 2022)**

Council schemes							
Site	Reference	Total homes Proposed	Affordable homes Proposed	Total AH % achieved (by unit)	Total habitable rooms Proposed	Affordable habitable rooms Proposed	Total AH% achieved (by hab room as per P1)
Florian, Racine And Garage Site Sceaux Gardens	21/AP/1866	79	79	100%	243	243	100%
21-23 Parkhouse Street	19/AP/0469	33	16	48%	105	56	53%
Garages Cresey Estate Leroy Street	21/AP/3121	15	15	100%	15	15	100%
Pynfolds Estate Jamaica Road	21/AP/3118	8	8	100%	25	25	100%
Tustin Estate	22/AP/1221	690	470	68%	2,615	1,811	69%
153-159 Abbeyfield Road	21/AP/3577	13	13	100%	44	44	100%
The Ledbury Estate Commercial Way And Old Kent Road	22/AP/0554	340	275	81%	1,670	1,417	85%
Seavington House Champion Hill	22/AP/0174	24	24	100%	92	92	100%
1 Ann Moss Way	22/AP/1084	16	16	100%	51	51	100%
Good neighbours House 38 Mary Datchelor Close	22/AP/1002	13	13	100%	37	37	100%
Mason And Townsend House Strathnairn Street	22/AP/3683	18	18	100%	75	75	100%
Tayo Situ House 73 Commercial Way	23/AP/1584	8	8	100%	14	14	100%