

Examination of the Newham Local Plan - Hearing Session

Hearing Statement – Matter 4 (9th December 2025)

Prepared on behalf of the Forward Group Trustees (FGT) and
THESET Ltd



Matter 4 – Spatial Strategy

Forward Group Trustees (FGT) and THESET Ltd set out below their responses to the questions raised by the Inspector. The responses are set out in the order they appear in the Inspectors' MIQs. The Inspectors should assume that no comment is made by FGT and THESET Ltd in respect of the questions that have are not included below.

N8 Stratford and Maryland

Question 4.10:

Are policies N8, and N8.SA1 to N8.SA10 justified, consistent with the London Plan, and will they be effective in helping to encourage significant levels of growth and achieve sustainable development in the Stratford and Maryland neighbourhood? In particular:

n) The assumption that around 210 homes will be built on N8.SA10 between 2028 and 2033.

Response:

Our clients own the site referred to as N8.SA4 (Stratford High Street Bingo Hall).

Background context

Hotel proposals that are in 'opportunity areas', even if they are located outside of a town centre, are supported by Policy E10 (Visitor Infrastructure) of the London Plan (2021) which is the most up-to-date policy document in the context of Section 38(3B)(5) of the Planning and Compulsory Purchase Act 2004. LBN's emerging policy should, therefore, be consistent with London Plan policy.

An extract from Part G of Policy E10 is set out below:

"In outer London and those parts of inner London outside the CAZ, serviced accommodation should be promoted in town centres and within Opportunity Areas (in accordance with the sequential test as set out in Policy SD7 Town centres: development principles and Development Plan Documents) where they are well-connected by public transport, particularly to central London" [our emphasis].

In terms of applying Policy E10 of the London Plan, it supports hotel proposals in opportunity areas and therefore negates the need for a sequential test. This matter was specifically discussed with the Inspector responsible for testing the soundness of the London Plan on 20th March 2019 (as explained in the recording link below¹). At 5.11.15 on the recording the Inspector says, in terms of Policy E10, it gives 'equal weight to town centres and opportunity areas'. The expert witness then agrees with the Inspector, bearing in mind it was the Inspector's point. When the Greater London Authority's (GLA) barrister responds, he doesn't discuss this matter any further. This was explained to LBN in a planning advice note issued to them on 4th June 2024.

¹ <https://www.dropbox.com/scl/fi/9487ej2w0e6hxr8yxe8o/EIP-20-March-2019-4.wav?rlkey=juc983cqb6eleh5m96d4e4k4i&dl=0>

Our clients have undertaken discussions with the GLA in relation to the abovementioned proposals hotel-led, mixed-use proposals for their Site N8.SA4 (Stratford High Street Bingo Hall). The GLA's formal pre-application response (see **Appendix 1**) confirms that a hotel use on the Site is supported by Policy E10 of the London Plan. An extract of this response is set out below:

"London Plan policy E10 supports the provision of hotel uses in town centres and opportunity areas, where they are well-connected by public transport, particularly to central London. This site is just outside of the Metropolitan town centre boundary but is highly accessible to public transport, and is within an Opportunity Area with close access to visitor attractions within the Queen Elizabeth Park. The hotel use in this location is appropriately located and would not raise strategic objections, therefore"

Our client followed up the GLA's response with email to the GLA containing a clarification query. The GLA confirmed by reply email (see **Appendix 2**) that a hotel-led proposal on a site located within an Opportunity Area, but outside a town centre boundary, would not need to be supported by a 'sequential test' to accord with the objectives of Policy E10 of the London Plan.

The London Plan, adopted March 2021, is the 'most up-to-date' development plan document. Section 38(3B)(5) of the Planning and Compulsory Purchase Act 2004 explains that where there is a 'conflict' between different documents in the development plan, the latest plan prevails. In this case, the London Plan E10 policy prevails over other visitor-related spatial policies previously adopted by the London Legacy Development Corporation (LLDC).

Attached is a legal opinion (see **Appendix 3**) prepared by Victoria Hutton of 39 Essex Chambers which concludes:

- I consider that it is of note that the GLA (whose policy E10 is) agrees with FGT's interpretation of applying Policy E10. I have also been provided with an audio recording of the examination into the London Plan. It is equally of note that the Inspector examining the plan agreed that policy E10G placed Opportunity Areas and Town Centres on an equal footing;
- The London Plan, adopted March 2021, is the most recent development plan document. In this case, conflict between policy E10G of the London Plan and policy B2 of the LLDC Local Plan should be resolved in favour of policy E10G;
- It is incorrect to treat a draft allocation as having the same force, in law, as an allocation within an adopted development plan. Section 38(6) Planning and Compulsory Purchase Act 2004 ('PCPA 2004') states that decisions should be taken in accordance with the development plan unless material considerations indicate otherwise;
- It is therefore clear to me that LBN cannot ignore evidence that the site allocation is not viably deliverable. This is an issue which goes to soundness and viability and deliverability is an issue which the Planning Inspectorate's (PINS) guidance explicitly states should be paid careful attention to; and
- I would expect that LBN will want to consider the potential impact of continuing to pursue a local plan which significantly over-provides for housing when considered against the Government's latest housing need figures. This is likely to include the viability of delivering so much housing and whether, in practice, it will be difficult to defend many of the housing allocations if they are, in fact, not required to meet housing needs.

The 'responses' set out below should be considered under the above context.

Response No.1

Considering the context, our clients note that draft 'Vision' for the Stratford and Maryland area, as set out on pages 490 to 492 of the Draft Submission Local Plan (Regulation 22) includes reference (parts 4b) to delivering 'visitor accommodation uses' in Stratford Town Centre, but does not acknowledge that there are other locations (i.e. Opportunity Areas) that are appropriate for this type of accommodation.

As such, the Vision:

- Does not accord with Policy E10 of the London Plan; nor
- Does not meet the 'positively prepared' test set out in paragraph 35 of the NPPF.

Our clients seek the Inspector's agreement to revise draft Vision by adding a new bullet point, as follows, to ensure it is consistent with Policy E10 of the London Plan:

"The vision for Stratford and Maryland will be achieved by:

17. supporting hotel development within centres in Stratford and Maryland Neighbourhood as a key tourist destination and parts of Opportunity Areas where they are well-connected by public transport.

Response No.2

Our client seeks the Inspector's agreement to amend two components of draft site allocation N8.SA4, as discussed below.

a) Land Use

In terms of the proposed uses for the Buzz Bingo site fronting the High Street in Stratford, draft Site Allocation N8.SA4 seeks:

*"Residential development with employment floorspace. The employment floorspace should be consistent with Local Plan Policy J1 and should provide space for light industrial uses and business workspaces and complement the offer at Stratford Workshops on Burford Road".
(the "draft Site Allocation")*

LBN is aware that the landowners of the Site (our clients) have undertaken pre-application discussions with LBN in relation to a hotel-led, mixed-use proposals for the Site, which was supported by a hotel demand report (see **Appendix 4**). As the Site is in an 'opportunity area', this type of hotel-led proposal is supported by Policy E10 (Visitor Infrastructure) of the London Plan (2021). As such, LBN's emerging policy should be consistent with London Plan policy.

As a result of undertaking pre-application discussions with the landowners, LBN will also be aware a residential-led scheme for the Site is *unviable*. Attached is the viability note (see **Appendix 5**) previously submitted to LBN on 21st February 2024, which explains that:

"The residential scheme is wholly unviable, generating a negative land value even with zero affordable housing. When assessed against the BLV the level of deficit demonstrates that this scheme is undeliverable".

Our clients advised LBN during pre-application discussion that it should focus on delivering the only viable scheme for the Site – a hotel-led mixed-use proposal (see **Appendix 6**) which includes affordable homes, as proposed by our clients. This was also highlighted to LBN at the Regulation 18 and Regulation 19 stages of the local plan process.

Our clients conclude that draft Site Allocation N8.SA4 of the Draft Submission Local Plan (Regulation 22):

- Is not effective in helping to encourage significant levels of growth and achieve sustainable development in the Stratford and Maryland neighbourhood;
- Does not meet the 'effectiveness' test set out in paragraph 35 of the NPPF on the basis that the site allocation proposal is not deliverable; and

- Does not meet the 'justified' test set out in paragraph 35 of the NPPF on the basis that LBN has failed to take account the reasonable alternatives, based on proportionate evidence.

LBN will now also be aware that the annual housing target for LBN is to be reduced from 4,188 new homes per annum (p/a) to 2,358 new homes p/a. This is the equivalent of delivering 35,370 new homes over the 15-year plan period, a reduction of 43% of the overall delivery target. Considering this reduction in its housing delivery target, should focus on delivering the hotel-led mixed-use proposals put forward by the landowner (see **Appendix 6**) to LBN during pre-application discussions to meet the demand for hotel use in this opportunity area location.

Our client also highlighted to LBN during pre-application discussions that the proposed hotel-led, mixed-use proposals will also deliver more planning benefits than the current residential-led allocation, as demonstrated on Table 1 below.

Table 1:			
Benefits	Clients' Proposals: Hotel, Co-living and employment uses	LBN's Site allocation Proposal: Residential and employment uses	Difference (in favour of FTG's Proposal)
Affordable housing	26 units(100% s/r)	0 units (unviable)	+ 26 units(100% s/r)
Jobs	200 Construction jobs	200 Construction jobs	N/A
	206 Permanent jobs	66 Permanent jobs	+140 Permanent Jobs
Community Floorspace	190sqm	0sqm	+190 sqm
CIL ² (estimate)	£2.8m (LBN)	£2.0m (LBN)	+£0.8m
	£0.65 (GLA)	£0.65 (GLA)	N/A

The hotel-led, mixed-use proposals will result in trickle-down benefits into the local economy and will also help to support the other town centre use and attract more visitors to London and the adjacent Stratford Metropolitan Town Centre, in accordance with Policy E10 of the London Plan.

In the context of Response 1 above and to overcome the issues around the sites allocation's effectiveness, our clients seek the Inspector's agreement to revise the draft Site Allocation (ref: N8.SA4) to be more flexible by amending the Development Principles section and adding a new paragraph, as follows:

“Hotel and residential development with employment floorspace. The employment floorspace should be consistent with Local Plan Policy J1 and should provide space for light industrial uses and business workspaces and complement the offer at Stratford Workshops on Burford Road.

² Estimated and excluding a discount for the existing occupied building. £120 per sqm (GIA) for hotel use and £80 per sqm for C3 in LBN + £25 per GIA for GLA CIL (the C3 floorspace is affordable floorspace, so has been discounted)

Hotel floorspace would be acceptable on this site on the basis that it falls into the Olympic Legacy Opportunity Area and the Elizabeth Line East growth area. However it must form part of a mixed-use scheme that includes employment and industrial floorspace and delivers other planning related benefits that help meet to primary objectives of Local Plan, such as the delivery of affordable homes and local employment opportunities”.

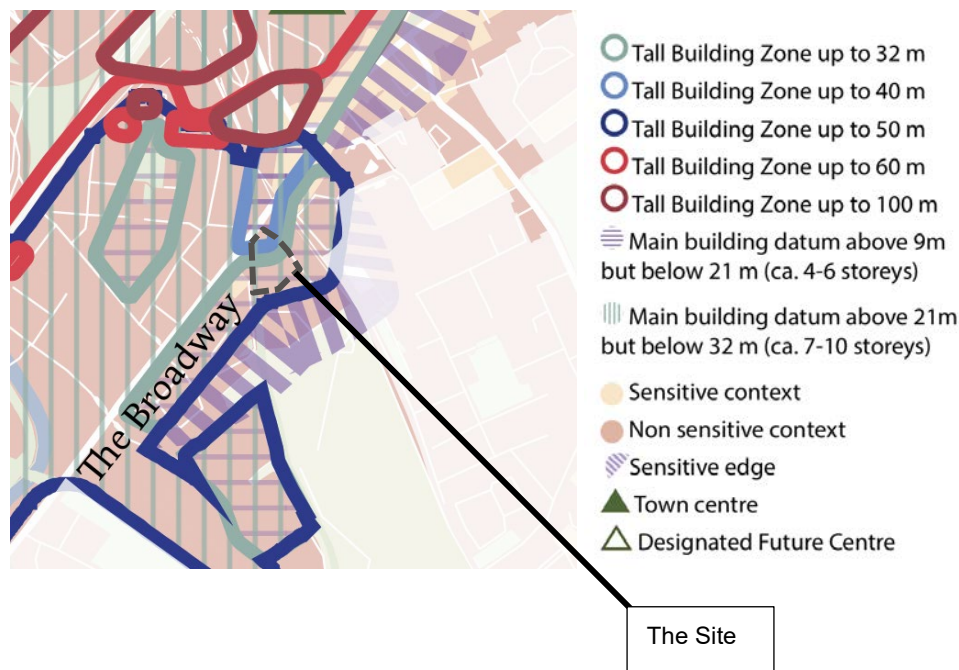
b) Height

The morphology of development in this location is described in Chapter 4 of Newham’s Characterisation Study 2024, which is described in the Olympic Legacy section of the study (page 63) as :

“Secondary typology:

- Tall buildings and high rise residential towers with some buildings being set above a plinth.
- Buildings are either set directly interfacing the street with windows but no active frontages or are set back behind a taller brick wall.
- The road is wide, approximately 40m between building façades and produces a poor pedestrian environment.
- Identified in part as a high street by the London Plan”.

Our clients are aware that page 220 of Newham’s Characterisation Study 2024 identifies the Buzz Bingo site within three tall building zones (up to 50m, up to 40m, up to 32m). These are identified in the extract below:



However, under the heading of Design Principles within Site Allocation N8.SA4 building heights on the Site should range between 9 and 21m (3-7 storeys) with taller buildings up to 40m (circa. 13-storeys) in the north of the site and 32m (circa. 10-storeys on the rest of the site).

Our clients agree with the principle of stepping down in height on the Site but disagree that the maximum height fronting the High Street should be limited to 13-storeys. Our clients conclude that draft Site Allocation N8.SA4 of the Draft Submission Local Plan (Regulation 22):

- Is not effective in helping to encourage significant levels of growth and achieve sustainable development in the Stratford and Maryland neighbourhood; and

- Does not meet the 'justified' test set out in paragraph 35 of the NPPF on the basis that LBN has failed to take account of proportionate evidence.

Pages 8 and 9 of the Design Statement found in **Appendix 6** explain that:

- The Site is located within the centre of a cluster of taller buildings located on the north side of the High Street (25 and 32-storeys) and to the south (21-storeys);
- The Site is located adjacent to a DLR station; and
- The character of this area comprises taller buildings located at junctions where roads join the High Street.

This is illustrated in the image, right.



Our client consider that the site allocation should allow buildings taller than 13-storeys on Site Allocation ref: N8.SA4 where there is clear evidence that a cluster of tall buildings are emerging in this location, around the adjacent DLR station, and the Site is in a highly-accessible location.

In the context of Response 2 above and to overcome the issues around the sites allocation's ability to encourage significant levels of growth and achieving sustainable development, our clients seek the Inspector's agreement to revise the draft Site Allocation (ref: N8.SA4) by amending the Design Principles section, as follows:

"Building heights should ranges between 9 and 21m (3-7 storeys) with taller buildings up to 40 60m (circa. ~~13-storeys~~ up to 20-storeys) in the north of the site and 32m (ca. 10-storeys) in the rest of the site"

Appendix 1

Buzz Bingo Hall, Stratford in the London Borough of Newham

The proposal

Redevelopment of existing site to deliver a mixed-use development comprising hotel, co-living, market sale and affordable homes, workspace, community space and associated landscape and car parking/servicing arrangements.

The applicant

The applicant is **Forward Trustees Limited** and the agent is **Stantec**

On 23 July 2024 a pre-application “in principle” meeting was held online to discuss the above proposals with the following attendees:

Meeting attendees

GLA

- John Finlayson, Head of Development Management
- Katherine Wood, Team Leader (East) – Development Management

Applicant team

- Adam Fothergill - Assael
- Felicie Krikler – Assael
- Richard Quelch – QSquared
- Mohsin Kothia – Applicant
- Jack Savin Taylor – DS2
- Justin Kenworthy - Stantec

Summary of meeting discussions

1 The advice given by officers does not constitute a formal response or decision by the Mayor with regard to future planning applications. Any views or opinions expressed are without prejudice to the Mayor’s formal consideration of the application.

Scheme overview:

2 The application site comprises a two storey building in use as a bingo hall, with associated car park, on the southern side of Stratford High Street between Cam Road and Burford Road. Stratford High Street DLR station is adjacent to the north. The site is currently within the administrative boundaries of the London Legacy Development

Corporation (LLDC), which will soon transfer responsibility back to the London Borough of Newham.

3 The site is within the Olympic Legacy Opportunity Area, and lies just outside the boundary of Stratford town centre (a metropolitan town centre), which is approximately 75m to the north east. This also marks the boundary of the Stratford St Johns Conservation Area which runs along the high street to the north. Due to the highly accessible nature of the site which is served by several frequent bus routes and access to the DLR, with underground and national rail services at Stratford, the site records the highest PTAL of 6b.

4 No strategic planning history exists on the site. It is not currently allocated, although the draft Newham Local Plan (Regulation 19) allocates it for residential led mixed-use development with light industrial employment use, in buildings up to 13 storeys.

5 The current proposals are to redevelop the site to provide hotel and serviced apartments (Class C1), co-living (sui generis) and market and affordable housing (Class C3), and workspace/light industrial space, within buildings up to 16 storeys.

Key comments and considerations

Land use principles

6 The site is in use as a bingo hall and car park. The redevelopment of a low-density brownfield site within an Opportunity Area to make optimal use of land is supported in principle by Good Growth Objective 2 and Policy SD1 of the London Plan. The principle of redevelopment is also supported by Newham Council's draft site allocation N8.SA4, although the draft site allocation envisages redevelopment for residential and employment use, rather than being led by hotel use.

Hotel use

7 London Plan policy E10 supports the provision of hotel uses in town centres and opportunity areas, where they are well-connected by public transport, particularly to central London. This site is just outside of the Metropolitan town centre boundary but is highly accessible to public transport, and is within an Opportunity Area with close access to visitor attractions within the Queen Elizabeth Park. The hotel use in this location is appropriately located and would not raise strategic objections, therefore. However, noting the Council's draft site allocation requirements and desire for this site to provide a contribution to much-needed housing and affordable housing, it should be demonstrated why this site could not provide a greater amount of Class C3 residential accommodation. The applicant explained viability constraints including the high existing use value of the bingo hall, which should be further explained and quantified. It is noted that the submitted documentation explains that the existing bingo hall is underused and no longer viable given the rise of online bingo, so this would need to be factored in to any assessment of the existing use value.

8 A mixture of hotel rooms and serviced apartments would be provided. It should be demonstrated how the Class C1 accommodation, especially the serviced apartment use, is distinct in nature and operation from the proposed co-living accommodation, as

the two uses have different requirements in terms of the size and space standards, and the need for an affordable housing contribution. Maximum stay lengths of up to 90 days would be expected to be secured, for instance, to confirm the use as a hotel.

Workspace

9 The provision of workspace is supported as a means of providing activity at ground level. There is no strategic requirement for this site to provide light industrial uses, but Newham's draft site allocation specifies this. The provision of light industrial uses would be supported in line with these requirements, and to provide employment opportunities for small businesses. The workspace should be designed and fitted to occupier requirements to ensure that fit-for-purpose and lettable space is provided.

Co-living

10 London Plan Policy H16 states that proposals for large scale purpose built shared living (LSPBSL/co-living) must be located within areas that are well connected to local services by active travel means. This site is highly accessible and can therefore be supported as a location for co-living development under Policy H16. Any proposals should respond to the requirements of the policy and the benchmarks and guidance set out in the LSPBSL LPG, particularly in terms of its design, management arrangements, size and amenities of private rooms, and the quantum and convenience of shared amenity spaces.

11 Whilst Policy H16 expects a payment in lieu contribution towards affordable housing, the principle of providing the required affordable housing contribution on-site, as Class C3 affordable housing, is accepted and supported. It is strongly encouraged that the threshold level of affordable housing is provided, which is 35% in this case. As set out within the draft Affordable Housing LPG, the percentage of affordable housing from co-living is calculated on a floorspace basis (rather than counting co-living units as one habitable room).

Housing and affordable housing

12 A mixture of market and affordable homes are currently proposed within the Class C3 element of the proposals (52 units). As such, the level of affordable housing is currently unlikely to meet the threshold level of affordable housing required from the combination of the c.200 unit co-living element and the market housing element, and the overall percentage contribution is likely to be very small. The applicant is strongly encouraged to engage early with a Registered Provider to gauge interest in the accommodation, their requirements in terms of quantum and tenure, and their access to grant funding to increase the affordable housing level. Consideration should be given to providing all of the C3 accommodation as affordable, which can have a positive impact on viability by de-risking this element of the scheme.

13 The tenure of the C3 affordable housing is expected to comply with Newham Council's strategic tenure split target (noting the Council's emerging strategic target of 60% affordable housing including 50% social rent and 10% affordable ownership).

14 If the scheme cannot follow the threshold approach, then early engagement with the GLA's viability team is strongly advised in a further pre-application meeting, to discuss the inputs and assumptions for the viability assessment.

Design considerations

15 Whilst detailed design matters were not discussed at this pre-application in principle meeting, key initial points are set out below.

Tall buildings

16 The site is not identified as suitable for tall buildings in an adopted development plan document. Proposals for tall buildings on this site would not therefore currently comply with the locational requirements of London Plan Policy D9 (Part B). Newham Council's draft site allocation N8.SA4 identifies the site as suitable for taller buildings up to a maximum height of 13 storeys, which the current proposal would exceed.

17 The acceptability of the building height and design would also depend on assessment against the qualitative criteria outlined in London Plan Policy D9, Part C (including its visual, functional, environmental and cumulative impacts), and local policy. In this respect, it is noted that this part of Stratford High Street contains a number of tall and very tall buildings, and in terms of its visual and cumulative impact, a building of the proposed height could sit comfortably within its context. The stepping down of massing to address sensitive heritage context is supported, although the localised impact of the 10 and 13 storey buildings fronting on to Burford Road would need to be tested further.

Layout and public realm

18 The replacement of the existing poorly activated building and surface level car park with a building which fully addresses each street frontage is supported in principle. The location of building services beneath a podium level creates greater opportunity for active frontages, which is supported. The opportunity to make improvements to the public realm outside of the red line boundary (e.g. resurfacing, improved crossings, planting, wayfinding etc) should be fully explored.

19 The proposed residential entrance is set into the site rather than being accessed from a street frontage, and is accessed through a parking and vehicle servicing area. It should be ensured that the residential entrance is safe and legible, and that a segregated route is provided so that pedestrians do not come into conflict with vehicles.

20 Regarding internal building layouts, the co-living elements and Class C3 residential accommodation would need to take into account relevant policy and guidance regarding internal layouts, space standards and access to external amenity space. The C3 housing will also produce a requirement for child playspace, with at least doorstep play for under 5s required onsite. If any required playspace is proposed to be located off-site, it must be shown that the playspace exists at a suitable walking distance (with safe travel routes), and should make financial contributions towards improvements to the playspace and/or the travel routes as required.

Other considerations

21 As a referable scheme, the application must be accompanied by a Circular Economy statement and a Whole Life Carbon assessment, and should respond to the energy and sustainability policies within the London Plan, including the minimising and reporting of carbon emissions, connecting to district heat networks where available, or connection to communal heat networks serving the whole development in line with the GLA's hierarchy, and incorporation of low carbon and renewable energy technology.

22 A car free development (with blue badge parking) is strongly supported. Detailed transport discussions with TfL will be required, particularly around Healthy Streets/ active travel, improvements to local connectivity including potential connections to Channelsea Path, vehicle access and servicing, any public transport mitigation, and cycling. Given the proximity to DLR line and Jubilee line applicant may also need to seek advice from TfL Infrastructure Protection for any significant construction works.

23 TfL also advises that it is working in partnership with Newham Council to develop and model numerous bus priority interventions along Stratford High Street. The A118 Stratford High Street Future Bus corridor runs from the junction of Stratford High Street / A12 Blackwall Tunnel Northern Approach to the junction of Stratford High Street / Great Eastern Road. The corridor forms part of the Strategic Road Network (SRN) within the London Borough of Newham and is approximately 1.5km in length. As the site is adjacent to this corridor, the proposed development should be aligned with emerging corridor work to improve the public realm and opportunities for any works in kind or contributions to further feasibility work and delivery.

Conclusion

24 The principle of redevelopment to optimise the use of this well-connected brownfield site is supported. While there would be no strategic objections to the location of a hotel in this location, in view of the draft site allocation requirements for residential use, and the pressing need for homes, it should be demonstrated why this site could not viably provide more housing. The provision of co-living accommodation and an element of market and affordable housing is supported in principle, but the proposals should make its fullest contribution towards affordable housing, with the threshold level being the target. Proposals that do not meet this level will be rigorously tested by GLA officers. The proposed 16 storey building would not comply with the locational requirements for tall buildings as set out in the London Plan, however initial indications are that the tallest building proposed could have acceptable visual and cumulative impacts. Further consideration may need to be given to greater stepping down to address the lower rise and heritage context towards the rear of the site.

24 The applicant is advised that this is in-principle advice only. A full pre-application meeting with the GLA will be necessary to fully discuss land use, viability, design (scale, massing, layout, public realm and playspace), heritage, energy and sustainability matters, and transport.

for further information, contact GLA Planning Team:

John Finlayson, Head of Development Management

email john.finlayson@london.gov.uk

Katherine Wood, Team Leader – Development Management

email katherine.wood@london.gov.uk

Appendix 2

From: [Katherine Wood](#)
To: [Kenworthy, Justin](#)
Cc: [John Finlayson](#); richard.quelch@qsquare.co.uk; [Mohsin Kothia](#)
Subject: RE: Buzz Bingo, Stratford - Comments on the GLA's Pre-App Response Letter
Date: 16 August 2024 15:15:43

Hi Justin,

Sorry for the delay in response whilst I was on leave.

Policy E10 states that outside of CAZ, hotels will be supported in town centres and in opportunity areas, where well connected by public transport. The policy references Policy SD7, which requires a town-centre-first approach for town centre uses, and seeks to apply a sequential test for proposals outside of town centres. In this case, the site is just outside the boundary of the town centre. Whilst it is not technically within the town centre, given the very close proximity to a Metropolitan town centre, and the fact that the site complies with the locational requirements of Policy E10 by being within an Opportunity Area, with the highest level of public transport accessibility, and also given that the proposal is for a hotel use rather than (for instance) a large scale edge-of-centre retail use, it is not considered that a sequential test would be required under the London Plan.

Local Plan policy requirements are also relevant, of course. The potential conflict between the proposed land uses and the draft site allocation has been highlighted, and would need to be resolved using suitable evidence, and as advised by the borough.

I hope this is of assistance.

Kind regards,

Katherine

Katherine Wood

Team Leader (East), Development Management

GREATER LONDON AUTHORITY

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From: Kenworthy, Justin <justin.kenworthy@stantec.com>

Sent: Wednesday, August 14, 2024 3:00 PM

To: Katherine Wood <Katherine.Wood@london.gov.uk>

Cc: John Finlayson <John.Finlayson@london.gov.uk>; richard.quelch@qsquare.co.uk; Mohsin Kothia <mohsin@thesetltd.co.uk>

Subject: RE: Buzz Bingo, Stratford - Comments on the GLA's Pre-App Response Letter

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Hi Katherine,

Further to my email of 2nd August in relation to the above site and in respect of the GLA's Pre-Application Response Letter.

We about to undertake further pre-application discussions with LB Newham and think it would be helpful if you could kindly confirm, via return email, that a sequential test is not required by Policy E10 of the London Plan to support our client's hotel proposals, as the principle of a hotel is considered to be acceptable in this location?

We look forward to hearing from you and undertaking continuing pre-application discussions with the GLA team in due course.

Kind regards,

Justin Kenworthy

Planning Director

Direct: +44 2074466851

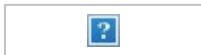
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From: Kenworthy, Justin

Sent: Friday, August 2, 2024 2:49 PM

To: Katherine Wood <Katherine.Wood@london.gov.uk>

Cc: john.finlayson@london.gov.uk; richard.quelch@qsquare.co.uk; Mohsin Kothia <mohsin@thesetltd.co.uk>

Subject: Buzz Bingo, Stratford - Comments on the GLA's Pre-App Response Letter

Hi Katherine,

We are now in receipt of the GLA's Pre-Application Response Letter in relation to the above site. Thank you so much for preparing this positive response.

It is great to see that the GLA recognises the benefits of our client's hotel, residential (including affordable homes), co-living, workspace and community use proposals in this opportunity area and in the context of supporting the adjacent Metropolitan Town Centre.

We have two quick comments that are connected to your response:

1. Unless otherwise advised, we assume that a sequential test is not required to support our client's proposals, as the principle of a hotel is considered to be acceptable in this location and otherwise you would have mentioned this in your response; and
2. In terms of the existing use value, it was mentioned at our meeting that our client had received a new significant offer from the Bingo operator. This will be 'evidenced' and factored into the financial viability assessment. However, in view of the possibility of optimising this PDL site to deliver planning benefits, this offer will not be taken up at this stage but remains a legitimate 'fall-back' option. Notwithstanding this, we are aware of the GLA's target of seeking to deliver the maximum amount of affordable housing on site.

We look forward to undertaking continuing pre-application discussions with the GLA team in due course.

Kind regards,

Justin Kenworthy

Planning Director

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Appendix 3

OPINION

INTRODUCTION

1. I am instructed by Stantec UK Ltd on behalf of Forward Group Trustees (**‘the Client’**) to give an opinion on a number of questions largely relating to a proposed draft allocation at Buzz Bingo Hall 341-351 High Street, Stratford (**‘the Site’**).

BRIEF FACTUAL BACKGROUND

2. The Site is situated within the London Legacy Opportunity Area where the London Legacy Development Corporation (**‘LLDC’**) is currently the local planning authority. However, the LLDC is in the process of handing back its planning powers to London Borough of Newham (**‘LBN’**) who will start receiving legacy planning applications from October 2024. Thus, at the point of deciding a planning application for the site, the LBN will be the local planning authority (**‘LPA’**).
3. Until LBN has adopted a new plan (the process for which is ongoing) LLDC’s Local Plan policies will, alongside the London Plan, form the Development Plan for the purposes of s38(6) Planning and Compulsory Purchase Act 2004 (**‘PCPA 2004’**).
4. The Client owns the Site and wishes to develop it for mixed use purposes. It has been discussing proposals with the London Borough of Newham (**‘LBN’**).
5. LBN consulted on its Regulation 18 Draft Local Plan in December 2022. That draft set out the following allocation for the Site:

“Residential development with employment and industrial floorspace. The employment and industrial floorspace should provide space for light industrial uses and business workspaces and complement the offer at Stratford Workshops on Burford Road”.

6. I understand that those instructing me have had pre-application discussions with LBN for mixed-use proposals at the Site including hotel, build to rent (**‘BTR’**), co-living uses, conventional residential, workspace and community floorspace. LBN has not been supportive of the inclusion of hotel floorspace on the Site. Page 3 of LBN’s pre-application response (July 2023) states:

“... there is no intention to support Hotel uses on this site. Current and emerging policy seeks to concentrate these uses in the Town Centre boundaries rather than encouraging spread further down the high street. They [LBN’s Policy Team] note that several hotels already exist along this area of the high street and there is no desire to further encourage a concentration of such uses in this location.

In the meeting it was discussed that the hotel use would enable a higher level of affordable housing that [is] otherwise possible. Whilst this is acknowledged, the policy position remains that Hotel use is not supported on this site and you are strongly encouraged to consider other options in line with the site allocation ...”

7. A follow-up pre-application meeting was held with LBN on 27th February 2024. I understand that LBN’s officers continued to question the appropriateness of a hotel use on the site, because it would be beyond the town centre boundary and would need to be supported by a sequential assessment. LBN has maintained this position in subsequent correspondence.
8. In June 2024 LBN published its regulation 19 local plan. Pages 484-5 of that draft detail that the Council continues to expect that the form of development on the site is ‘Residential development with employment and industrial floorspace’. I am instructed that such a scheme could not be viably provided at the Site.
9. The Client undertook pre-application discussions with the Greater London Authority (**‘GLA’**) on 23 July 2024. In those discussions the GLA agreed that policy E10 of the London Plan supports hotel use on the Site as it is within an opportunity area and there is no need for a sequential test.

10. I am informed that the Client is now preparing representations in relation to the Regulation 19 draft Local Plan (consultation closes on 20 September 2024) and I understand that the Client also intends to continue with pre-application discussions with LBN in relation to its mixed-use proposal.

11. In light of that factual background, I am asked for my opinion on the following questions:

- a. What is the proper interpretation of London Plan policy E10G, namely in relation to whether Policy E10G supports the principle of hotel accommodation in Opportunity Areas (to the same extent as Town Centres) and also whether a Sequential Test is required for a hotel within an Opportunity Area?
- b. If there is a conflict between London Plan policy E10G and other development plan policies, which should prevail?
- c. LBN appears to be treating the draft allocation at the Site as an allocation and requiring any scheme to accord with it, is that the correct approach in law?
- d. LBN's obligation under paragraph 35 of the NPPF (tests of soundness) is to ensure that the plan must be effective, which includes that it is deliverable over the plan period. Can LBN ignore evidence presented to it that demonstrates that the site allocation is not viably deliverable?
- e. The relevance of the draft NPPF and the likely change in Newham's housing targets and how the Council should consider this in relation to the draft Site Allocation and emerging Local Plan?

12. Before going on to address each question in turn, I set out the policy context for the Site.

POLICY CONTEXT

Adopted policies relating to hotel use at the Site

13. Part G of London Plan policy E10 states:

‘In outer London and those parts of inner London outside the CAZ, serviced accommodation should be promoted in town centres and within Opportunity Areas (in accordance with the sequential test as set out in Policy SD7 Town centres: development principles and Development Plan Documents) where they are well-connected by public transport, particularly to central London.’

14. London Plan policy SD7 states (at parts A and B):

A. When considering development proposals, boroughs should take a town centres first approach, discouraging out-of-centre development of main town centre uses in accordance with Parts A1 - A3, with limited exceptions for existing viable office locations in outer London (see Policy E1 Offices). Boroughs should:

1) apply the sequential test to applications for main town centre uses, requiring them to be located in town centres. If no suitable town centre sites are available or expected to become available within a reasonable period, consideration should be given to sites on the edge-of-centres that are, or can be, well integrated with the existing centre, local walking and cycle networks, and public transport. Out-of-centre sites should only be considered if it is demonstrated that no suitable sites are (or are expected to become) available within town centre or edge of centre locations. Applications that fail the sequential test should be refused

2) require an impact assessment on proposals for new, or extensions to existing, edge or out-of-centre development for retail, leisure and office uses that are not in accordance with the Development Plan. Applications that are likely to have a significant adverse impact should be refused

...

B Boroughs should support the town centres first approach in their Development Plans by:

1) assessing the need for main town centre uses, taking into account capacity and forecast future need

2) allocating sites to accommodate identified need within town centres, considering site suitability, availability and viability, with limited exceptions for existing viable office

locations in outer London (see Policy E1 Offices). If suitable and viable town centre sites are not available, boroughs should allocate appropriate edge-of-centre sites that are, or can be, well integrated with the existing centre, local walking and cycle networks, and public transport

3) reviewing town centre boundaries where necessary

4) setting out policies, boundaries and site allocations for future potential town centres to accommodate identified deficiencies in capacity (having regard to Policy SD8 Town centre network and the future potential town centre classifications in Annex 1).

15. Policy B2 for the LLDC Local Plan states:

‘Main town centre uses shall be focused according to the scale, format and position in the retail hierarchy identified in Table 4. In addition to the comparison floorspace requirements, Centres should contribute towards the identified need for convenience floorspace phased by 2036. The identified function for each Centre will be protected by:

...

3. The sequential assessment of sites for main town centre uses and subject to paragraph (1) of this policy, providing support for existing and proposed cultural and night time economy uses

...

5. Allowing edge-of-centre development supporting cultural, sporting and visitor growth associated at the Metropolitan Centre, subject to (3) above, and

6. Promoting complementary residential development in all Centres to optimise housing delivery.

NPPF

16. Paragraph 89 of the NPPF states:

‘Local planning authorities should apply a sequential test to planning applications for main town centre uses which are neither in an existing centre nor in accordance with an up-to-date plan. Main town centre uses should be located in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered.’

17. The glossary to the NPPF makes clear that main town centre uses include hotels.

18. The draft allocation for the Site (ref N8.SA4) provides for:

‘Residential development with employment and industrial floorspace. The employment and industrial floorspace should provide space for light industrial uses and business workspaces and complement the offer at Stratford Workshops on Burford Road.’

19. Draft policy HS8 states:

‘1. Hotels and other forms of visitor accommodation will be supported on sites in:

a. Town and local centres where the function of the primary shopping area is protected in line with Local Plan Policy HS2, and principally within centres in Stratford and Maryland Neighbourhood as a key tourist destination; and

b. Areas within 15 minutes walking distance to the ExCel conference centre.

2. The scale of development should be proportionate to the scale of the centre and/or the tourism or employment function of the area it services, as relevant to the site, justified by market demand testing and a Sequential Test if proposed in an out of centre location. The development should be supported by a Visitor Accommodation Management Plan outlining:

a. How amenity and safety will be managed and maintained through the day and at night.

b. A servicing plan.’

20. The explanatory text includes the following:

‘3.113 The ‘Building Newham’s Creative Future’ Cultural Strategy (2022) seeks to put Newham on the map and promote it as a visitor destination, with a growing visitor economy and encourage footfall from beyond the borough boundaries. It recognises the importance of well-known anchor institutions that can unlock an area by attracting visitors who may spend their time exploring the borough, as well as encouraging inward investment into revitalizing cultural infrastructure in nearby areas. Such institutions are increasingly establishing themselves in Newham as part of ongoing regeneration activity. These include large education, culture and leisure institutions in Stratford, and conference facilities at Royal Victoria Dock. Improving the availability and accessibility of visitor accommodation in line with the London Plan (2021) will support Newham’s developing visitor economy. More broadly, the Council will continue to support Newham’s economic growth and develop the tourism and leisure offer, cultural uses, and the evening/nighttime economy, and generally develop and improve

the business environment of town centres. Visitor accommodation will be an important part of the local offer to support the diversification of town centres.

3.114 However, the delivery of visitor accommodation must be balanced against need for other forms of development, not least housing. The London Plan (2021) estimates that London will need to build an additional 58,000 bedrooms of serviced accommodation by 2041, delivered primarily within the Central Activity Zones, but also increasingly in town centres more broadly. The study allocates a share of the need to Newham equating to 5.2 per cent or 3,031 net rooms. Latest monitoring indicates that 1,373 rooms have already been delivered, with a further 483 in the pipeline as of 2021/22. The policy therefore requires market demand testing to ensure there is not an over delivery of visitor accommodation and land is protected for other priority uses.’

21. The draft NLP currently includes delivery targets for housing of: 2,974pa in the short term, 3,836pa in the medium term and 3,475pa in the long term (p208).
22. As stated above, a regulation 19 consultation on the draft plan is ongoing.

Draft NPPF

23. The new government published a draft NPPF for consultation on 30 July 2024. This includes a new method for calculating housing needs. A spreadsheet published with the consultation draft shows a drop in housing numbers by c45% (from 4188pa to 2178pa).

OPINION

What is the proper interpretation of London Plan policy E10G, namely in relation to whether Policy E10G supports the principle of hotel accommodation in Opportunity Areas (to the same extent as Town Centres) and also whether a Sequential Test is required for a hotel within an Opportunity Area?

And

If there is conflict between London Plan policy E10G and other development plan policies, which should prevail?

24. I start with the proper interpretation of policy E10G. There are two competing interpretations of policy E10G. The first, held by the Client and the GLA is that policy E10G supports hotel use within Opportunity Areas without the conduct of a sequential test. The second

interpretation, held by LBN, is that the policy requires a sequential test even where the Site is within an Opportunity Area.

25. It is useful to re-state the wording of policy E10G:

‘In outer London and those parts of inner London outside the CAZ, serviced accommodation should be promoted in town centres and within Opportunity Areas (in accordance with the sequential test as set out in Policy SD7 Town centres: development principles and Development Plan Documents) where they are well-connected by public transport, particularly to central London.’

26. I note that policy E10G relates solely to serviced accommodation as opposed to all main town centre uses which are addressed by policy SD7.

27. Planning policies are to be interpreted objectively in accordance with the language used (*Tesco Stores v Dundee CC* [2012] UKSC 13).

28. Supporting/explanatory text is relevant to the interpretation of a policy, though it does not form part of the policy (see *R(oao Cherklely Campaign Ltd) v Mole Valley District Council* [2013] EWHC 2582 (Admin)).

29. At paragraph 6.10.3 the explanatory text to policy E10 states:

‘**Boroughs in the CAZ** are encouraged to direct strategically-significant serviced accommodation (defined as more than 20,000 sq.m. in the CAZ) towards the CAZ Opportunity Areas. Concentrations of serviced accommodation within parts of the CAZ that might constrain other important strategic activities and land uses (for example offices and other commercial, cultural and leisure uses) or erode the mixed-use character of an area should be avoided. **Boroughs in outer and inner London beyond the CAZ** are encouraged to plan proactively for new serviced accommodation in town centres to help spread the benefits of tourism to the whole of the capital.’

30. In my view the explanatory text is not terribly helpful as to ascertaining the true interpretation of the policy and, in particular, on the issue of the phrase ‘and within Opportunity Areas’ in the second line. The explanatory text does not address that text.

31. In my opinion, whilst I consider that the argument made by LBN as to the interpretation of E10 is arguable, the interpretation of the Client and the GLA is to be preferred. LBN relies upon the bracketed text in policy E10G as having the effect that policy E10G is subject to the requirements of policy SD7. Policy SD7 requires a sequential test for applications for main town centre uses where they are outside of town centres.
32. In my view, the problem with LBN's interpretation is that it renders the phrase 'and within Opportunity Areas' redundant. I consider that an objective interpretation of the text is that serviced accommodation is to be promoted (i.e. positively encouraged) within Opportunity Areas where they are well-connected by public transport. Opportunity Areas are not co-incident with town centres. The promotion of serviced accommodation in Opportunity Areas is to be understood, in my view, as an exception to the positive discouragement which London Plan policy SD7 gives for main town centre uses out-of-centre (requiring a sequential test to be undertaken for such uses). If policy E10G is to be read as requiring a sequential test for all out-of-centre serviced accommodation applications then there would have been no need to include the statement 'and within Opportunity Areas'.
33. Further I note that the bracketed text: 'in accordance with the sequential test....' does not state that policy E10G is 'subject to' policy SD7. I consider a credible interpretation of that text is that the sequential test set out in policy SD7 must be complied with where the development proposal is not either within a town centre and well connected by public transport and/or within an Opportunity Area and well connected by public transport. Such an interpretation would mean that the phrase 'and within Opportunity Areas' is not redundant and would enable policies E10G and SD7 to sit together.
34. Although the proper interpretation of policy is a matter for the court. I consider that it is of note that the GLA (whose policy E10 is) agrees with the Client's interpretation. I have also been provided with an audio recording of the examination into the London Plan. It is equally of note that the Inspector examining the plan agreed that policy E10G placed Opportunity Areas and Town Centres on an equal footing.

35. The Local Plan is made up of the London Plan as well as the LLDC Local Plan. The LLDC Local Plan requires a sequential assessment to be conducted for main town centre uses outside of the town centre. As such, there appears to be a conflict between London Plan E10G and LLDC policy B2. Section 38(5) of the Planning and Compulsory Purchase Act 2004 explains that where there is a ‘conflict’ between different documents in the development plan, the latest plan prevails. The London Plan, adopted March 2021, is the most recent development plan document. In this case, conflict between policy E10G of the London Plan and policy B2 of the LLDC Local Plan should be resolved in favour of policy E10G.

LBN appears to be treating the draft allocation at the Site as an allocation and requiring any scheme to accord with it, is that the correct approach in law?

36. The short answer is that it is incorrect to treat a draft allocation as having the same force, in law, as an allocation within an adopted development plan. Section 38(6) Planning and Compulsory Purchase Act 2004 (**‘PCPA 2004’**) states that decisions should be taken in accordance with the development plan unless material considerations indicate otherwise. In short, the development plan has statutory status and a decision maker must follow it unless material considerations indicate that it should not be followed (see *City of Edinburgh Council v Secretary of State for Scotland* [1997] 1 WLR 1447).

37. The National Planning Policy Framework (‘NPPF’) is a material consideration in planning decisions. With regards to draft policy it states:

‘48. Local planning authorities may give weight to relevant policies in emerging plans according to:

- a) the stage of preparation of the emerging plan (the more advanced its preparation, the greater the weight that may be given);
- b) the extent to which there are unresolved objections to relevant policies (the less significant the unresolved objections, the greater the weight that may be given); and
- c) the degree of consistency of the relevant policies in the emerging plan to this Framework (the closer the policies in the emerging plan to the policies in the Framework, the greater the weight that may be given).’

38. Thus, following national policy, when attributing weight to a draft allocation LBN should take into account the fact that the draft plan is at Regulation 19 stage (i.e. not yet submitted for examination) and also whether there are unresolved objections to that allocation.

LBN's obligation under paragraph 35 of the NPPF (tests of soundness) is to ensure that the plan must be effective, which includes that it is deliverable over the plan period. Can LBN ignore evidence presented to it that demonstrates that the site allocation is not viably deliverable?

39. Paragraph 35 of the NPPF sets out the tests of soundness against which plans are to be examined. It states:

‘Local plans and spatial development strategies are examined to assess whether they have been prepared in accordance with legal and procedural requirements, and whether they are sound. Plans are ‘sound’ if they are:

- a) **Positively prepared** – providing a strategy which, as a minimum, seeks to meet the area’s objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;
- b) **Justified** – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
- c) **Effective** – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
- d) **Consistent with national policy** – enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant.

40. Whether or not a particular type of development can viably be delivered (i.e. whether it will actually come forward during a plan period) is, in my opinion, highly relevant to all four tests, namely: (a) whether the plan is ‘positively prepared’, i.e. will it actually meet needs, (b) whether it is an appropriate strategy and therefore ‘justified’, (c) whether it is ‘effective’, i.e. deliverable over the plan period, and (d) whether the plan is ‘consistent with national policy’ i.e. whether it will enable the delivery of sustainable development.

41. Section 20(2) of the PCPA 2004 states that a local planning authority must not submit a development plan document for independent examination unless they think the document is ready for independent examination.

42. The Planning Inspectorate's ('PINS') Procedure Guide for Local Plan Examinations (updated 28 August 2024) states:

'1.1. The LPA should rigorously assess the plan before it is published under Regulation 19 to ensure that, in their view, it is sound and meets all the necessary legal requirements. In particular, they should ensure that it takes full account of all relevant policies in the NPPF and relevant guidance in the PPG. The plan should identify all the matters which need to be planned for, and provide policies to address them, paying careful attention to deliverability and viability. This approach may raise uncomfortable questions but the purpose of preparing a plan is to address all the necessary matters as far as possible, and not defer them to future updates or rely on the Inspector to deal with them, or to 'fix' deficient plans at examination.

1.2. Section 20(2) of the PCPA specifically states that the LPA must not submit the plan unless they think it is ready for independent examination. Having considered the Regulation 19 consultation responses, the LPA should only submit a plan if they consider it to be sound and there will not be delays of over 6 months during the examination because significant changes or further evidence work are required. It must not be assumed that examinations can always rectify significant soundness or legal compliance problems, which would require more than limited additional work to address. Before submission, the LPA must do all it can to resolve any substantive concerns about the soundness or legal compliance of the plan, including any raised by statutory undertakers and government agencies. Particular attention should be given to the duty to cooperate. Statements of Common Ground can be very helpful in this regard.' (my emphasis)

43. It is therefore clear to me that LBN cannot ignore evidence that the site allocation is not viably deliverable. This is an issue which goes to soundness and viability and deliverability is an issue which the PINS guidance explicitly states should be paid careful attention to.

The relevance of the draft NPPF and the likely change in Newham's housing targets and how the Council should consider this in relation to the draft Site Allocation and emerging Local Plan?

44. The Government is currently consulting on some proposed amendments to the NPPF and PPG. This includes a revised method for calculating housing need. In the event that the

proposed amendments are adopted, Newham's housing requirements would drop by c45% (from 4188pa to 2178pa). Whilst the text of the PPG amendments is indicated in the consultation document, the Government has not published the full proposed text to the PPG amendments.

45. The regulation 19 draft of the NLP provides for a delivery target of 2974dpa in the short term, 3,836dpa in the medium term and 3,475 in the long term (page 208). The consultation into the draft NPPF ends this month and any amendments are to be expected soon after that. In the event that the revised method becomes adopted national policy then LBN will need to decide how to react to this.

46. Annex 1 to the consultation draft of the NPPF sets out proposed transitional provisions to apply to local plans which are at an advanced stage of preparation. Draft paragraph 226 states:

'The policies in this Framework (published on ...) will apply for the purpose of preparing local plans from [publication date + one month] unless one or more of the following apply:

- a. The emerging annual housing requirement in a local plan that reaches or has reached Regulation 19 (pre-submission stage) on or before [publication date + one month] is no more than 200 dwellings below the published relevant Local Housing Need figure...

Where a, b or c applies, the plan will be examined under the relevant previous version of the Framework.;

47. If the draft NPPF is eventually adopted, it appears that because LBN's draft plan provides for more housing than would be required under the relevant Local Housing Need figure, it would be examined under the previous version of the NPPF (i.e. that which is currently in force). It is not explicit from the consultation documents as to whether this would include what would then have become the old method of calculating housing needs (i.e. the current housing need figure for LBN).

48. However, even if the plan were to be examined against an old housing need figure, I would expect that LBN will want to consider the potential impact of continuing to pursue a local

plan which significantly over-provides for housing when considered against the Government's latest housing need figures. This is likely to include the viability of delivering so much housing and whether, in practice, it will be difficult to defend many of the housing allocations if they are, in fact, not required to meet housing needs.

CONCLUDING REMARKS

49. I trust that I have addressed all of the matters asked of me. Please don't hesitate to contact me if I can be of any further assistance.

VICTORIA HUTTON

39 Essex Chambers

5 September 2024

Appendix 4



Headland Hospitality Ltd.
86-90 Paul Street
London EC2A 4NE

www.headlandhospitality.com

14th February 2024

Richard Quelch
Director
Q Square Group Ltd
85 Great Portland Street
London
W1W 7LT

Ref: Stratford Development Site

Via Email: richard.quelch@gsquare.co.uk

Dear Richard,

Gala Bingo Site Stratford Redevelopment Opportunity

Thank you for your time chatting through this exciting redevelopment opportunity. Focusing specifically on the hotel market we have been active in Stratford over the years and helped develop the Moxy close to the Gala Bingo site.

Delighted to undertake the detailed hotel feasibility and commercial due diligence once your initial discussions with the Planning Officer have taken place and there is better progress on fixing a scheme.

From a hotel demand and performance perspective there is a clear opportunity to develop additional hotel and apart hotel provision within Stratford. I would make the following comments:

- Performance of existing hotels and apart hotels within a 2 mile radius has been extremely strong – in terms of key performance indicators Occupancy (demand) has grown over 6% in 2023 vs 2022 and sits at 81.9%. This is very strong.
- It is not just demand but also achievable room rate which has grown some 12.5% over the same period and sits at £132.
- I have discussed the two C1 accommodation blocks with your architects in terms of scaling and positioning. There is strong interest from a range of brands, such as InterContinental Hotel Group to name a few, to develop and brand more accommodation in this area. A boutique hotel concept will work here well (an indicative Indigo has been discussed) as would the extended stay apart hotel (Staybridge Suites).
- There is a strong placemaking benefit to hotels in addition to the direct and indirect full time employment generation impacts. Food and Beverage outlets will be open to non residents and there will be good ground floor street activation.

I have provided some images of the type and style of the proposed development overleaf and would be delighted to answer any additional question you might have.

Appendix 5

3rd April 2024

Justin Kenworthy

Planning Director
Stantec
7 Soho Square
London
W1D 3QB

By email only

Dear Justin,

BUZZ BINGO, STRATFORD, E15 4QZ

Pre-Application Financial Viability Testing

1. Introduction

- 1.1 DS2 have undertaken pre-application viability testing in this letter (hereafter “Pre-App Appraisals Letter”) for the proposed development of Buzz Bingo, Stratford, E15 4QZ (hereafter “the Site”) situated in the London Borough of Newham (“LBN” or “the Council”). This is in advance of a detailed planning application, to be submitted on behalf of Evergreen Capital Group Limited (hereafter the “Applicant”).
- 1.2 In preparing this Pre-App Appraisals Letter, we have had regard to national policy and guidance on planning viability matters, Development Plan policies and guidance as well as professional guidance published by the RICS. Documentation includes:
 - National Planning Practice Guidance (“PPG”)
 - London Plan (2021)
 - GLA Affordable Housing & Development Viability Supplementary Planning Guidance (“SPG”) (2017)
 - Adopted Newham Local Plan (2018)
 - Draft Newham Local Plan Regulation 18 (December 2022)
 - London Legacy Development Corporation Local Plan 2020 to 2036 (2020)
 - RICS Professional Standard: Financial Viability in Planning: Conduct & Reporting (2019), RICS Professional Standard: Assessing viability in planning under the National Planning Policy Framework 2019 for England (2023)
- 1.3 This Pre-App Appraisals Letter sets out the proposed viability approach and financial viability appraisal results at pre-application stage. Inevitably there will be further changes to the design and refinement of areas, revenue and cost assumptions as the application progresses through the planning process. This Pre-App Appraisals Letter is submitted to support positive pre-application discussions on planning matters including



land use and massing. It is not intended to be a detailed Financial Viability Assessment (“FVA”) and should be considered accordingly.

- 1.4 At planning application stage, a full FVA will provide a detailed review of the appraisal assumptions adopted (including a detailed cost plan, a Section 106 and CIL estimate prepared by the Applicant’s planning consultant and more detailed area schedules / floor by floor plans.
- 1.5 The Site is currently occupied as a bingo hall, located to the southwest of Stratford High Street DLR station. The Site totals 28,955 sq. ft Gross Internal Area (“GIA”) based on the area stated in the EPC certificate.
- 1.6 The Site is an allocated site within the Draft Local Plan as N8.SA4 (Stratford High Street Bingo Hall). The draft allocation envisages:

“residential development with employment and industrial floorspace. The employment and industrial floorspace should provide space for light industrial uses and business workspaces and complement the offer at Stratford Workshops on Burford Road”.

- 1.7 LBN’s pre-application feedback dated 25th July 2023 stated that residential and co-living would be supported and light industrial/business use should be provided in line with the emerging site designation. The feedback discourages hotel use and states that it would not be supported by the emerging policy position. However, as set out in the conclusions (in Section 6) of this letter, the residential option presented is not viable. It is only through the provision of alternative uses such as hotel/ serviced apartments and co-living that the scheme is more likely to support the provision of affordable housing. This Pre-App Appraisals Letter tests the initial viability of a) a residential-led scheme, b) a mixed-use scheme comprising hotel, serviced apartments, co-living and c) a residential led scheme with co-living.
- 1.8 The third option (i.e. option c) incorporates LBN’s request at the pre-application meeting on 26th February 2024 for a residential/co-living scenario to be tested. In addition, the appraisals have been updated to reflect the March 2024 areas and 52 units in Block D in across all options tested, reflecting reflect LBN’s comments regarding a preference for a high proportion of family housing. Abnormal costs associated with obtaining vacant possession of the existing building have also been included in the appraisals. Details of the appraisals and input assumptions adopted are appended to this viability note.

2. Proposed development options

- 2.1 The options tested for this Pre-App Appraisals Letter are:

- Residential scheme
 - a. Option A – 100% private
 - b. Option B – Block D as affordable (52 homes, 100% social rent)
- Mixed-use scheme (hotel, serviced apartments and co-living)
 - a. Option A – 100% private
 - b. Option B – Block D as affordable (52 homes, 100% social rent)
- Residential scheme with co-living
 - a. Option A – 100% private
 - b. Option B – Block D as affordable (52 homes, 100% social rent)



- 2.2 A summary of the areas and uses in each option is provided below. A more detailed breakdown is provided in **Appendix 1** (residential scheme) and **Appendix 2** (hotel scheme). Please note the commercial GIA is assumed to be the lettable commercial area as a commercial net area is not known at this pre-application stage.

Residential Scheme	GIA (sq.ft.)	NIA/NSA(sq.ft)
Block A - Private Sale	332,714	78,760
Block B - Private Sale		54,385
Block C - Private Sale		52,210
Block D - Private Sale/ Affordable		43,878
Commercial Unit 1-4		10,537
Community Unit		
Total	332,714	239,770

Block D tested as the affordable block

Mixed-use Scheme (hotel, serviced apartments and co-living)	GIA (sq.ft.)	NIA/NSA(sq.ft)
Block A - Hotel	368,871	74,745
Block B – Co-living		50,292
Block C - Apart hotel suites		40,806
Block D – Private Sale/ Affordable		43,878
Commercial Unit 1-5		13,161
Community Unit		
Total	368,871	223,882

Resi-co-living Scheme	GIA (sq.ft.)	NIA/NSA(sq.ft)
Block A - Private Sale	332,714	78,760
Block B – Co-living		48,866*
Block C - Private Sale		52,210
Block D - Private Sale/ Affordable		43,878
Commercial Unit 1-4		10,537
Community Unit		
Total	332,714	234,251

* Adopts the net to gross % of the co-living block in the mixed use scheme and applied this percentage (c. 64%) to the GIA of Block B in the residential scheme

3. Viability methodology

- 3.1 The viability analysis is based on the Residual Method of Valuation; the gross value of the completed development is assessed, from which the total cost of development is deducted, including construction costs, professional fees, financing costs and a developer's return.
- 3.2 The output of the appraisal is the Residual Land Value ("RLV"), which is compared to a Benchmark Land Value ("BLV"), usually the Existing Use Value ("EUV") of the site. An Alternative Use Value ("AUV") can be used where there is an existing planning consent or where an alternative scheme is feasible in terms of being compliant with the development plan.



4. Benchmark Land Value

- 4.1 It is necessary to establish a BLV in accordance with policy and guidance when assessing the level of affordable housing that the proposed development can afford to viably provide. This value represents the level at which a reasonable landowner might release their site for development and should be based on a site's EUV plus a premium to incentivise the site's release.
- 4.2 EUV+ is the preferred BLV in planning policy as stated in paragraph 13 of the PPG: "To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner".
- 4.3 Where the site has a lawful, active existing use then the landowner is unlikely to release the land for less than the EUV, plus a premium to encourage the land holder to sell (otherwise known as "EUV+"). The adopted Mayor's Affordable Housing SPG states that "the premium could be 10% to 30%, but this must reflect site specific circumstance". EUV+ is the preferred BLV in planning policy as stated in paragraph 13 of the PPG: "To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner". It is also LBN's preferred approach in the Draft Local Plan (2022).
- 4.4 The valuation of bingo halls is a specialist area of valuation, usually undertaken by valuers with expertise in this area. In addition, there have been a limited number of recent comparable transactions. Therefore, for the purpose of pre-application viability testing, a figure of £13.185m has been adopted based on the figure in the balance sheet for financial accounting purposes for the Site (September 2023). Figures for balance sheet purposes are assessed on an Existing Use Value basis. Additional detail on the BLV and assumptions underpinning the BLV will be provided as part of an FVA submitted alongside the other suite of planning application documents.

5. Appraisal inputs

- 5.1 A breakdown of the appraisal inputs, including the hotel, commercial, residential, affordable values, along with the costs (including build costs, fees, disposal costs, profit and finance assumptions) is provided in **Appendix 3** for the residential scheme and **Appendix 4** for the hotel scheme and **Appendix 5** for the residential/co-living scheme. Please note that the inputs including S106, CIL and cost estimates require input from third parties and are, therefore high-level estimates at this stage and subject to change.

6. Appraisal outputs, sensitivity testing and conclusion

- 6.1 The purpose of this Pre-App Appraisals Letter is to examine the viability of the proposed development to test the viable level of affordable housing obligations for different scheme options and to aid land use, massing and affordable housing discussions. The appraisal results for the residential and hotel options tested are summarised below. The appraisals are appended at **Appendix 6** (residential scheme), **Appendix 7** (hotel scheme) and **Appendix 8** (residential/co-living scheme).

Option	Affordable units	RLV	BLV	Deficit
RESIDENTIAL SCHEME				
No affordable	0	-£13,684,810	£13,185,000	-£26,869,810
Block D as affordable (social rent)	52	-£28,495,936		-£41,680,936
MIXED-USE SCHEME (HOTEL, SERVICED APARTMENTS AND CO-LIVING)				
No affordable	0	£12,883,794	£13,185,000	-£301,206
Block D as affordable (social rent)	52	-£2,878,695		-£16,063,695
RESIDENTIAL/ CO-LIVING SCHEME				
No affordable	0	-£3,330,121	£13,185,000	-£16,515,121
Block D as affordable (social rent)	52	-£17,898,483		-£31,083,483



6.2 Our initial viability conclusions reflect:

- The residential scheme is wholly unviable, generating a negative land value even with zero affordable housing. When assessed against the BLV it the level of deficit demonstrates that this scheme is undeliverable.
- The inclusion of more valuable hotel and co-living uses allows for a more deliverable scheme, potentially allowing the delivery of Block D as social rented housing assuming the Applicant were to take a long-term view on development risk and future value growth.
- A mix of uses is therefore essential in order to support the provision of social rent affordable housing at the Site.
- Whilst the inclusion of co-living in the residential scheme improves viability, the mixed use scheme remains the most deliverable option, and the only realistic scheme option to enable the delivery of affordable housing at the site.

6.3 The viability conclusions are the result of a range of factors articulated within this letter:

- Co-living and hotel uses reflect a higher GDV per sq ft than traditional market residential.
- There is a challenging market for residential, increases in interest rates and the end of Help to Buy negatively impacting house prices.
- Higher residential build costs assumed for the residential scheme than the hotel scheme (to reflect the higher cost associated with a mixture of different unit types (i.e. less of a repeating floor plan, resulting in less efficiency) and more kitchens and other high cost items in the residential led scheme
- A shorter construction programme assumed for the hotel scheme as there is not the same residential sales/absorption risk due to the rental nature of the hotel/apart hotel suites and co-living.
- Co-living and hotel uses representing a spread of uses and a diversification of risk
- The Site being adjacent to the A112 which negatively impacts on the achievable residential values, but less impactful on hotel values

6.4 Sensitivity analysis has been undertaken for each of the three options (zero affordable option) with increases and decreases to the market sales values and build costs in $\pm 2.5\%$ increments. The conclusions of the sensitivity testing are that the mixed use scheme shows the greatest potential for a viable scheme, and delivery of affordable housing. The sensitivity analysis for each option is included at the back of each Argus appraisal.

6.5 If anything in this Pre-App Letter is unclear or more detail is required, please let us know.

Yours sincerely

E. Powell

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ASSOCIATE**

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Appendices

1. Residential scheme - area schedule
2. Mixed use scheme - area schedule
3. Residential scheme – Input assumptions
4. Mixed use scheme – Input assumptions
5. Residential/co-living scheme – Input assumptions
6. Residential scheme – Argus appraisals (plus sensitivity testing)
7. Mixed use scheme – Argus appraisals (plus sensitivity testing)
8. Residential/co-living scheme – Argus appraisals (plus sensitivity testing)

APPENDIX ONE - Residential scheme - Area schedule

Mix				Net Area							Gross Area				Total units / floor
Block	Tenure	Phase	Floor	1B1P	1B2P	2B3P	2B4P	3B5P	3B6P	4B6P+	NIA (sq. m)	NIA (sq. ft)	GIA (sq. m)	GIA (sq. ft)	
A	Private Sale	-	0	0	0	0	0	0	0	0	0.0	0	262.8	2,829	0
A	Private Sale	-	1	0	4	2	3	0	0	0	554.4	5,968	706.0	7,599	9
A	Private Sale	-	2	0	4	2	3	0	0	0	554.4	5,968	706.0	7,599	9
A	Private Sale	-	3	0	4	2	3	0	0	0	554.4	5,968	706.0	7,599	9
A	Private Sale	-	4	0	4	2	3	0	0	0	554.4	5,968	706.0	7,599	9
A	Private Sale	-	5	0	4	2	3	0	0	0	554.4	5,968	706.0	7,599	9
A	Private Sale	-	6	0	4	2	3	0	0	0	554.4	5,968	706.0	7,599	9
A	Private Sale	-	7	0	4	2	3	0	0	0	554.4	5,968	706.0	7,599	9
A	Private Sale	-	8	0	4	2	3	0	0	0	554.4	5,968	706.0	7,599	9
A	Private Sale	-	9	0	4	2	3	0	0	0	554.4	5,968	706.0	7,599	9
A	Private Sale	-	10	0	4	2	3	0	0	0	554.4	5,968	707.0	7,610	9
A	Private Sale	-	11	0	4	0	2	0	0	0	354.6	3,817	475.4	5,117	6
A	Private Sale	-	12	0	4	0	2	0	0	0	354.6	3,817	476.4	5,128	6
A	Private Sale	-	13	0	4	0	2	0	0	0	354.6	3,817	477.4	5,139	6
A	Private Sale	-	14	0	4	0	2	0	0	0	354.6	3,817	478.4	5,149	6
A	Private Sale	-	15	0	4	0	2	0	0	0	354.6	3,817	479.4	5,160	6
Sub-total				0	60	20	40	0	0	0	7,317.0	78,760	9,710.8	104,526	120

B	Private Sale	-	0	0	0	0	0	0	0	0	0.0	0	214.3	2,307	0
B	Private Sale	-	1	1	2	3	0	2	0	0	499.9	5,381	672.0	7,233	8
B	Private Sale	-	2	1	2	3	0	2	0	0	499.9	5,381	672.0	7,233	8
B	Private Sale	-	3	1	2	3	0	2	0	0	499.9	5,381	672.0	7,233	8
B	Private Sale	-	4	1	2	3	0	2	0	0	499.9	5,381	672.0	7,233	8
B	Private Sale	-	5	1	2	3	0	2	0	0	499.9	5,381	672.0	7,233	8
B	Private Sale	-	6	1	2	3	0	2	0	0	499.9	5,381	672.0	7,233	8
B	Private Sale	-	7	1	2	3	0	2	0	0	499.9	5,381	672.0	7,233	8
B	Private Sale	-	8	1	2	3	0	2	0	0	499.9	5,381	672.0	7,233	8
B	Private Sale	-	9	1	2	3	0	2	0	0	499.9	5,381	672.0	7,233	8
B	Private Sale	-	10	1	0	1	0	2	0	0	276.7	2,978	415.0	4,467	4
B	Private Sale	-	11	1	0	1	0	2	0	0	276.7	2,978	415.0	4,467	4
Sub-total				11	18	29	0	22	0	0	5,052.5	54,385	7,092.3	76,341	80

C	Private Sale	-	0	0	0	0	0	0	0	0	0.0	0	123.0	1,324	0
C	Private Sale	-	1		2	0	3	3	0	0	575.1	6,190	727.7	7,833	8
C	Private Sale	-	2		2	0	3	3	0	0	575.1	6,190	728.7	7,844	8
C	Private Sale	-	3		2	0	3	3	0	0	575.1	6,190	729.7	7,854	8
C	Private Sale	-	4		2	0	3	3	0	0	575.1	6,190	730.7	7,865	8
C	Private Sale	-	5		2	0	3	3	0	0	575.1	6,190	731.7	7,876	8
C	Private Sale	-	6		2	0	3	3	0	0	575.1	6,190	732.7	7,887	8
C	Private Sale	-	7		2	0	3	3	0	0	575.1	6,190	733.7	7,897	8
C	Private Sale	-	8		2	0	2	2	0	0	412.4	4,439	548.5	5,904	6
C	Private Sale	-	9		2	0	2	2	0	0	412.4	4,439	549.5	5,915	6
Sub-total				0	18	0	25	25	0	0	4,850.5	52,210	6,335.9	68,199	68

D	Affordable	-	0	0	0	0	0	0	0	0	0.0	0	207.2	2,230	0
D	Affordable	-	1	0	0	1	2	4	0	0	549.0	5,909	703.2	7,569	7
D	Affordable	-	2	0	0	1	2	4	0	0	549.0	5,909	703.2	7,569	7
D	Affordable	-	3	0	0	1	2	4	0	0	549.0	5,909	703.2	7,569	7
D	Affordable	-	4	0	0	1	2	4	0	0	549.0	5,909	703.2	7,569	7
D	Affordable	-	5	0	0	1	2	4	0	0	549.0	5,909	703.2	7,569	7
D	Affordable	-	6	0	0	1	2	4	0	0	549.0	5,909	703.2	7,569	7
D	Affordable	-	7	0	0	1	1	3	0	0	391.2	4,211	546.7	5,885	5
D	Affordable	-	8	0	0	1	1	3	0	0	391.2	4,211	546.7	5,885	5
Sub-total				0	0	8	14	30	0	0	4,076.4	43,878	5,519.8	59,415	52

CO-LIVING

Co-living

										NIA		GIA		Total
										sq. m	sq. ft	sq. m	sq. ft	
Total units	0	0	0	0	0	0	0	0	0	0.0	0	0.0	0	0
%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0%
Total HR	0	0	0	0	0	0	0	0	0					0

RESIDENTIAL

Affordable

										NIA		GIA		Total
										sq. m	sq. ft	sq. m	sq. ft	
Total units	0	0	8	14	30	0	0	4,076.4	43,878	5,519.8	59,415			52
%	0.0%	0.0%	15.4%	26.9%	57.7%	0.0%	0.0%							100%
Total HR	0	0	24	42	120	0	0							188

Private Sale

										NIA		GIA		Total
										sq. m	sq. ft	sq. m	sq. ft	
Total units	11	96	49	65	47	0	0	17,220.0	185,355	23,139.0	249,066			268
%	4.1%	35.8%	18.3%	24.3%	17.5%	0.0%	0.0%							100%
Total HR	11	192	147	195	188	0	0							733

Residential Total

										NIA		GIA		Total
										sq. m	sq. ft	sq. m	sq. ft	
Total units	11	96	57	79	77	0	0	21,296	229,233	28,658.8	308,481			328
%	3.4%	30.0%	17.8%	24.7%	24.1%	0.0%	0.0%							100%
Total HR	11	192	171	237	308	0	0							919

COMMERCIAL SUMMARY

NIA				GIA			
sq. m		sq. ft		sq. m		sq. ft	
0.0		0		71.4		769	
0.0		0		219.6		2,364	
0.0		0		183.0		1,970	
1.0		11		312.8		3,367	
0.0		0		192.0		2,067	
0.0		0		978.8		10,536	

ANCILLARY / PLANT (site wide)

NIA				GIA			
sq. m		sq. ft		sq. m		sq. ft	
0.0		0		1,272.5		13,697	
0.0		0		1,272.5		13,697	

CO-LIVING AMENITY

NIA				GIA			
sq. m		sq. ft		sq. m		sq. ft	
0.0		0		0.0		0	
0.0		0		0.0		0	
0.0		0		0.0		0	
0.0		0		0.0		0	

TOTAL AREA

efficiency (NIA/GIA)

NIA				GIA			
sq. m		sq. ft		sq. m		sq. ft	
21,296.4		229,232.5		30,910.1		332,713.5	

General notes
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This document is prepared for the sole use of [CLIENT NAME] and no liability to any other persons is accepted by [FULL NAME OF ASSAEL COMPANY].

The areas listed are approximate only and have been measured from the drawings listed below:

[LIST DRAWINGS AND REVISIONS]

In this document, the following definitions apply: Residential 'NIA' is measured and calculated generally in accordance with the description of 'Gross Internal Area' within paragraph 6 of the Nationally Described Space Standard (amended May 2016). Residential 'GIA' and 'GEA' are measured and calculated generally in accordance with the description of 'IPMS 2 - Residential' and 'IPMS 1' respectively within RICS 'Property Measurement', 2nd Edition (January 2018). Non-residential 'GIA' and 'GEA' are measured and calculated generally in accordance with the description of 'IPMS 2 - Offices' and 'IPMS 1' respectively within RICS 'Property Measurement', 2nd Edition (January 2018).

All areas have been calculated in metric units. Areas given in imperial units (sq. ft) have been calculated using the conversion factor 10.7639. Construction tolerances, workmanship and design by others may affect the stated areas. Existing buildings and structures may present anomalies in relation to surveyed/drawn plans that may also affect the stated areas. All measurements exclude window and door reveals prior to RIBA Stage 3, due to the Level Of Information present in the model. All these factors should be considered before making any decisions on the basis of these predictions, whether as to project viability, pre-letting, lease agreements or otherwise, and should include due allowance for the increases and decreases inherent in the design and construction processes.

Status	Revision</
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APPENDIX TWO - Mixed use scheme - Area schedule

APPENDIX THREE - Residential scheme - Input assumptions

1. Residential Option – Input Assumptions

Input	Proposed Scheme	Comments
Gross Development Value ("GDV")		
Market residential (£ per sq ft)	£730	DS2 assumption based on achieved comparable evidence including the following. - Chobham Manor Phase 4 - £803 per sq ft - Aspext - £728 per sq ft - Stone Studios - £775 per sq ft Chobham Manor is situated near Stratford International and is surrounded by Queen Elizabeth Olympic Park. A premium would be expected for a development with park views. The pricing of the sales achieved at Aspext and Stone Studios is dated when the housing market was more favourable with many of the sales secured through Help to Buy (no longer available) and when mortgage rates were more competitive than they are currently. The pricing for the proposed development also takes into consideration the Site's location which is on the busy A112 and a lack of amenities in the immediate area (i.e. south of the A112).
Commercial rent (£ per sq ft)	£25 per sq ft	DS2 have applied a rate of £25.00 per sq ft which is in line with comparable evidence of industrial/office space.
Community rent (£ per sq ft)	£15 per sq ft	Reduced rent of £15 per sq ft assumed for the community space
Commercial/community yield	6.5%	The CBRE investment yield sheet (February 2024) states that prime distribution industrial yields are 5.25% and prime offices in the City of London are 5.75%. The Site's location is considered secondary, and therefore a discounted yield has been adopted to prime industrial/office space. The commercial values reflect c. £350 per sq ft (assuming 6.80% purchaser's costs). There is limited recently transacted industrial/office space in the Stratford area but this value is considered optimistic given modern ground floor commercial (office) space at 19 Warton Road transacted at £320 per sq ft in October 2022.
Purchaser's costs	6.80%	Assumed for the commercial and community space



Costs		
Build cost £ per sq ft (GIA)	£300	DS2 high level assumption based on build costs submitted/agreed in other comparable schemes in LBN including: ● Pier Point (350 residential units c. 8 - 14 storeys) £292 per sq ft in G+T cost plan (June 2023) ● Land at Ferndale Street (220 residential units 5-9 storeys) £300 per sq ft agreed (2023) ● Custom House Masterplan (650 new, replacement and retrofitted homes n/a storeys) £338 per sq ft in Airey Miller cost plan (Feb 2023)
Other development costs	£4,875,000	Vacant possession costs
CIL estimate	£1,800,000	DS2 high level assumption based on CIL Charging schedule for each use with a high level deduction for the existing space. Reflects the lower CIL rates associated with residential uses. No differentiation in CIL estimate assumed for the differing levels of affordable housing. High level estimate is not to be relied upon and third party advice would be required for a Financial Viability Assessment.
S106	£5,000 per residential unit (£1,640,000)	DS2 high level assumption
Contingency	5%	Standard planning viability assumptions
Professional fees	10%	
Private sale marketing	1.5%	
Private sale agent	1.0%	
Private sale legal	£1,000 per unit	
Affordable disposal	0.5%	
Commercial marketing	£1.50 per sq ft NIA	
Commercial letting fees (Agent)	10.0%	
Commercial letting fees (Legal)	5.0%	
Commercial disposal fees (Agent)	1.0%	
Commercial disposal fees (Legal)	0.5%	
Finance	7.5%	
Profit – market sale	17.5% on GDV	
Profit – commercial	15.0% on GDV	
Profit – affordable	6.0% on GDV	
Timing		
Pre-construction	6 months	Standard planning viability assumption
Construction	30 months	30 months (2.5 year) construction period in total with overlapping phased blocks. More detail of the project programme will be provided at planning submission stage.
Market sale	50% off plan sales with remainder sold (c. 5 sales per month post practical completion)	DS2 assumption based on other similar sized schemes/price points in London. Comparable schemes have been considered however the sales rate for these schemes is much higher than would be expected for the proposed development as Help to Buy is no longer available.
Commercial	6 months void 6 months rent free	DS2 high level assumption

APPENDIX FOUR - Mixed use scheme - Input assumptions

1. Hotel Option

Input	Proposed Scheme	Comments
Gross Development Value ("GDV")		
Hotel / apart hotel suites	£200k per key for hotel / £250k per key for apart hotel suites	Based on other comparable schemes that have recently transacted in Stratford: 42 Celebration Avenue, E20 1DB, 'Aparthotel Adagio' comprising 136 rooms and sold in August 2023 reflecting £237,206 per key. 304-312 Stratford High Street, 'Staycity' comprising 240 rooms sold in May 2023 reflecting £166,667 per key. 20 International Way, E20 1FD 'The Stratford Hotel' comprising 145 rooms transacted in November 2019 reflecting £124,203 per key. A premium of £50,000 per key has been adopted for the apart hotel suites to reflect the larger room sizes (28 sqm vs 21 sqm for the hotel (based on the NIA divided by the number of keys) and the assumed higher quality amenity offering (for example, kitchens) relative to the standard hotel rooms.
Co-living rent	£410 per week	Benchmarked against other operational co-living schemes with similar unit sizes which are assumed to have an on-site amenity offering similar to what the proposed development could provide (roof terrace, workspace, cinema room) which is typical of modern co-living developments albeit details are not known at this pre-application viability testing stage. Average unit size of c. 23 sqm. Rent aligns with the rent adopted by LBN's viability advisor on a live co-living planning application for units of a comparable/slightly larger size (24 – 30 sqm) - a rent of £415 per week was adopted for this. A discounted rent has been adopted for the Site given the inferior location and smaller average.
Co-living yield	4.75%	Based on DS2 experience of other co-living schemes and reflects the Site is not in a prime location.
Co-living OPEX	£6,000 per unit	DS2 in house view based on what is assumed on other comparable schemes.
Affordable (£ per sq ft)	£175	DS2 assumption based on DS2 disposal experience and valuation of the affordable housing. Assumed to be low cost rent
Market residential (£ per sq ft)	£730	As per residential scheme
Commercial rent	£25.00	As per residential scheme
Community rent	£15.00	As per residential scheme
Commercial yield	6.50%	As per residential scheme
Purchaser's costs	6.80%	Assumed for all commercial uses (i.e. all uses except affordable housing)
Costs		
Build cost £ per sq ft (GIA)	£285	Adopted 5% reduction to the residential build costs to reflect fewer kitchens and more similar unit sizes across the development.
CIL estimate	£2,700,000	High level assumption based on CIL Charging schedule for each use with a high level deduction for the existing space. No differentiation in CIL estimate assumed for the differing levels of affordable housing. Higher CIL estimate than the residential scheme to reflect the higher CIL rates associated with commercial uses. High level estimate is not to be relied



		upon and third party advice from a planner is required for a Financial Viability Assessment.
S106	£1,640,000	DS2 high level assumption. As per assumption in the residential scheme
Other development costs	£4,875,000	Vacant possession costs
Contingency	5%	Standard planning viability assumptions
Professional fees	10%	
Private sale marketing	1.5%	
Private sale agent	1.0%	
Private sale legal	£1,000 per unit	
Affordable disposal	0.5%	
Commercial marketing	£1.50 per sq ft NIA	
Commercial letting fees - agent	10.0%	
Commercial letting fees -legal	5.0%	
Commercial disposal fees agent	1.0%	
Commercial disposal fees -legal	0.5%	
Hotel / apart hotel suites sale - agent	1.0%	
Hotel / apart hotel suites -legal	0.5%	
Co- living agent	1.00%	
Co- living legal	0.50%	
Additional costs (non-market residential/non affordable)	£2,500 per unit (FFE) £2,500 per unit – pre-opening	
Co-living service charge void	£130,248	Service charge void estimate based on a three-month let up period £54 per unit per co-living unit per week
Finance	7.5%	Standard planning viability assumptions
Profit – market sale	17.5% on GDV	
Profit – affordable	6.0% on GDV	
Profit – commercial/co-living/hotel/apart hotel suites	15.0% on GDV	
Timing		
Pre-construction	6 months	Standard planning viability assumption
Construction programme	24 months	Assumes 2 years construction in total with overlapping phased blocks. Assumes Block D (block which includes affordable) completes first. More detail of the project programme will be provided at planning submission stage.
Affordable	25% at start of construction, remainder received throughout the construction period of the block containing affordable units	Assumes a typical payment profile for the S106 affordable units
Market sale	50% off plan sales with remainder sold (c. 5 sales per month post practical completion)	DS2 assumption based on other similar sized schemes/price points in London. Comparable schemes have been considered however the sales rate for comparable schemes is much higher than would be expected for the proposed development as Help to Buy is no longer available.
Co-living	12 month stabilisation period	Assumes income received from three months after practical completion
Hotel/apart hotel suite sale	On practical completion	Assumes sale upon practical completion of the blocks
Commercial/community	6 months void 6 months rent free	DS2 high level assumption

APPENDIX FIVE - Residential/co-living scheme - Input assumptions

1. Residential & Co-living Scheme

Input	Proposed Scheme	Comments
Gross Development Value ("GDV")		
Market residential (£ per sq ft)	£730	DS2 assumption based on achieved comparable evidence including the following. - Chobham Manor Phase 4 - £803 per sq ft - Aspext - £728 per sq ft - Stone Studios - £775 per sq ft Chobham Manor is situated near Stratford International and is surrounded by Queen Elizabeth Olympic Park. A premium would be expected for a development with park views. The pricing of the sales achieved at Aspext and Stone Studios is dated when the housing market was more favourable with many of the sales secured through Help to Buy (no longer available) and when mortgage rates were more competitive than they are currently. The pricing for the proposed development also takes into consideration the Site's location which is on the busy A112 and a lack of amenities in the immediate area (i.e. south of the A112).
Co-living rent	£410 per week	Benchmarked against other operational co-living schemes with similar unit sizes which are assumed to have an on-site amenity offering similar to what the proposed development could provide (roof terrace, workspace, cinema room) which is typical of modern co-living developments albeit details are not known at this pre-application viability testing stage. Average unit size of c. 23 sqm. Rent aligns with the rent adopted by LBN's viability advisor on a live co-living planning application for units of a comparable/slightly larger size (24 – 30 sqm) - a rent of £415 per week was adopted for this. A discounted rent has been adopted for the Site given the inferior location and smaller average unit size.
Co-living yield	4.75%	Based on DS2 experience of other co-living schemes and reflects the Site is not in a prime location.
Co-living OPEX	£6,000 per unit	DS2 in house view based on what is assumed on other comparable schemes.
Affordable (£ per sq ft)	£175	DS2 assumption based on DS2 disposal experience and valuation of the affordable housing. Assumed to be low cost rent
Commercial rent	£25.00	As per residential scheme
Community rent	£15.00	As per residential scheme
Commercial yield	6.50%	As per residential scheme
Purchaser's costs	6.80%	Assumed for all commercial uses (i.e. all uses except affordable housing)
Costs		
Build cost £ per sq ft (GIA)	£300	As per residential scheme
CIL estimate	£1,800,000	DS2 high level assumption based on CIL Charging schedule for each use with a high level deduction for the existing space. Lower CIL estimate than the mixed use scheme to reflect the higher CIL rates associated with commercial uses (co-living CIL rate assumed to be in line with residential, rather than commercial CIL rate). No differentiation in CIL estimate assumed for the differing levels of affordable housing. High level estimate is not to be relied upon and third



		party advice would be required for a Financial Viability Assessment.
S106	£1,640,000	DS2 high level assumption. As per assumption in the residential scheme
Other development costs	£4,875,000	Vacant possession costs
Contingency	5%	Standard planning viability assumptions
Professional fees	10%	
Private sale marketing	1.5%	
Private sale agent	1.0%	
Private sale legal	£1,000 per unit	
Affordable disposal	0.5%	
Commercial marketing	£1.50 per sq ft NIA	
Commercial letting fees - agent	10.0%	
Commercial letting fees - legal	5.0%	
Commercial disposal fees agent	1.0%	
Commercial disposal fees - legal	0.5%	
Co- living agent	1.00%	
Co- living legal	0.50%	
Additional costs (non-market residential/non affordable)	£2,500 per unit (FFE) £2,500 per unit – pre-opening	
Co-living service charge void	£130,248	Service charge void estimate based on a three-month let up period £54 per unit per co-living unit per week
Finance	7.5%	
Profit – market sale	17.5% on GDV	
Profit – affordable	6.0% on GDV	
Profit – commercial/co-living/hotel/apart hotel suites	15.0% on GDV	
Timing		
Pre-construction	6 months	Standard planning viability assumption
Construction programme	28 months	Assumes 2.3 years construction in total with overlapping phased blocks. Assumes Block D (block which includes affordable) completes first. More detail of the project programme will be provided at planning submission stage.
Affordable	25% at start of construction, remainder received throughout the construction period of the block containing affordable units	Assumes a typical payment profile for the S106 affordable units.
Market sale	50% off plan sales with remainder sold (c. 5 sales per month post practical completion)	DS2 assumption based on other similar sized schemes/price points in London. Comparable schemes have been considered however the sales rate for comparable schemes is much higher than would be expected for the proposed development as Help to Buy is no longer available.
Co-living	12 month stabilisation period	Assumes income received from three months after practical completion
Commercial/community	6 months void 6 months rent free	DS2 high level assumption

APPENDIX SIX - Residential scheme - Argus appraisals

Cam Road - Buzz Bingo Residential Option 16 Storey
Appendix 6
Block D as Market Sale

On behalf of
Evergreen Capital Limited

APPRAISAL SUMMARY**LICENSED COPY**

Cam Road - Buzz Bingo Residential Option 16 Storey
Appendix 6
Block D as Market Sale

Appraisal Summary for Merged Phases 1 2 3 4

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Block D - Private Sale	52	43,878	730.00	615,980	32,030,940
Block B - Private Sale	80	54,385	730.00	496,263	39,701,050
Block A - Private Sale	120	78,760	730.00	479,125	57,495,049
Block C - Private Sale	<u>68</u>	<u>52,210</u>	730.00	560,490	<u>38,113,300</u>
Totals	320	229,233			167,340,339

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community	1	2,067	15.00	31,005	31,005	31,005
Commercial - Unit 1	1	769	25.00	19,225	19,225	19,225
Commercial - Unit 4	1	3,367	25.00	84,175	84,175	84,175
Commercial - Unit 2	1	2,364	25.00	59,100	59,100	59,100
Commercial - Unit 3	<u>1</u>	<u>1,970</u>	25.00	49,250	<u>49,250</u>	<u>49,250</u>
Totals	5	10,537			242,755	242,755

Investment Valuation**Community**

Market Rent	31,005	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	462,215

Commercial - Unit 1

Market Rent	19,225	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	286,601

Commercial - Unit 4

Market Rent	84,175	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	1,254,859

Commercial - Unit 2

Market Rent	59,100	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	881,047

Commercial - Unit 3

Market Rent	49,250	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	734,206

Total Investment Valuation**3,618,929****GROSS DEVELOPMENT VALUE****170,959,268**

Purchaser's Costs	(246,087)
Effective Purchaser's Costs Rate	6.80%
	(246,087)

NET DEVELOPMENT VALUE**170,713,180****NET REALISATION****170,713,180****OUTLAY****ACQUISITION COSTS**

Residualised Price (Negative land)	(13,684,810)
	(13,684,810)

APPRAISAL SUMMARY**LICENSED COPY****Cam Road - Buzz Bingo Residential Option 16 Storey****Appendix 6****Block D as Market Sale****CONSTRUCTION COSTS****Construction**

	ft ²	Build Rate	ft ²	Cost	
Construction Cost	332,714	300.00	99,814,200	99,814,200	
Contingency		5.00%	4,990,710		
CIL			1,800,000		
S106			1,640,000		
Exceptional Costs			4,875,000		
					13,305,710

PROFESSIONAL FEES

Professional fees	10.00%	9,981,420		9,981,420
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MARKETING & LETTING

Block D - Marketing Private		1.50%	480,464		
Block D - Marketing Comm	2,067 ft ²	1.50	3,101		
Block B - Marketing - Private		1.50%	595,516		
Block B - Marketing - Comm	4,136 ft ²	1.50	6,204		
Block A - Marketing Private Sale		1.50%	862,426		
Block A - Marketing Comm	2,364 ft ²	1.50	3,546		
Block C - Private Sale Marketing		1.50%	571,700		
Block C - Comm Marketing	1,970 ft ²	1.50	2,955		
Letting Agent Fee		10.00%	24,276		
Letting Legal Fee		5.00%	12,138		
					2,562,324

DISPOSAL FEES

Block D - Private Sale		1.00%	320,309		
Block D - Sales Agent Fee Comm		1.00%	4,308		
Block B - Sales Agent Fee Priv		1.00%	397,011		
Block B - Sales Agent Fee Comm		1.00%	14,366		
Block A - Sales Agent Fee Comm		1.00%	8,211		
Block A - Sales Agent Fee Private S		1.00%	574,950		
Block C Sales Agent Fee - Private S		1.00%	381,133		
Block C Sales Agent Fee - Commercia		1.00%	6,843		
Block D - Sales Legal Fee Comm		1.00%	4,308		
Block D - MS Legal Fee	52 un	1,000.00 /un	52,000		
Block C - Sales Legal Fee - Private	80 un	1,000.00 /un	80,000		
Block C - Sales Legal Fee - Comm		0.50%	7,183		
Block A - Sales Legal Fee Com		0.50%	4,106		
Block A - Sales Legal Fee Private S	120 un	1,000.00 /un	120,000		
Block C - Private Sales Legal	68 un	1,000.00 /un	68,000		
Block C - Commercial Sale		0.50%	3,421		
					2,046,150

Additional Costs

Profit on Commercial	15.00%	542,839		
Profit on Private Sale	17.50%	5,605,415		
Profit on Private Sale	17.50%	23,679,145		
				29,827,399

TOTAL COSTS BEFORE FINANCE**143,852,392****FINANCE**

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				1,216,906

TOTAL COSTS**145,069,298****PROFIT****25,643,883**

Cam Road - Buzz Bingo Residential Option 16 Storey**Appendix 6****Block D as Market Sale****Performance Measures**

Profit on Cost%	17.68%
Profit on GDV%	15.00%
Profit on NDV%	15.02%

IRR% (without Interest)	Out of Range
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Cam Road - Buzz Bingo Residential Option 16 Storey
Appendix 6
Block D as SR

On behalf of
Evergreen Capital Limited

APPRAISAL SUMMARY**LICENSED COPY**

Cam Road - Buzz Bingo Residential Option 16 Storey
Appendix 6
Block D as SR

Appraisal Summary for Merged Phases 1 2 3 4

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Block D - Affordable (SR)	52	43,878	175.00	147,666	7,678,650
Block B - Private Sale	80	54,385	730.00	496,263	39,701,050
Block A - Private Sale	120	78,760	730.00	479,125	57,495,049
Block C - Private Sale	<u>68</u>	<u>52,210</u>	730.00	560,490	<u>38,113,300</u>
Totals	320	229,233			142,988,049

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community	1	2,067	15.00	31,005	31,005	31,005
Commercial - Unit 1	1	769	25.00	19,225	19,225	19,225
Commercial - Unit 4	1	3,367	25.00	84,175	84,175	84,175
Commercial - Unit 2	1	2,364	25.00	59,100	59,100	59,100
Commercial - Unit 3	<u>1</u>	<u>1,970</u>	25.00	49,250	<u>49,250</u>	<u>49,250</u>
Totals	5	10,537			242,755	242,755

Investment Valuation**Community**

Market Rent	31,005	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	462,215

Commercial - Unit 1

Market Rent	19,225	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	286,601

Commercial - Unit 4

Market Rent	84,175	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	1,254,859

Commercial - Unit 2

Market Rent	59,100	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	881,047

Commercial - Unit 3

Market Rent	49,250	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	734,206

Total Investment Valuation**3,618,929****GROSS DEVELOPMENT VALUE****146,606,978**

Purchaser's Costs	(246,087)
Effective Purchaser's Costs Rate	6.80%
	(246,087)

NET DEVELOPMENT VALUE**146,360,890****NET REALISATION****146,360,890****OUTLAY****ACQUISITION COSTS**

Residualised Price (Negative land)	(28,495,936)
	(28,495,936)

APPRAISAL SUMMARY**LICENSED COPY****Cam Road - Buzz Bingo Residential Option 16 Storey****Appendix 6****Block D as SR****CONSTRUCTION COSTS****Construction**

	ft ²	Build Rate	ft ²	Cost	
Construction Cost	332,714	300.00	99,814,200	99,814,200	
Contingency		5.00%	4,990,710		
CIL			1,800,000		
S106			1,640,000		
Abnormal Costs			4,875,000		
					13,305,710

PROFESSIONAL FEES

Professional fees	10.00%	9,981,420		9,981,420
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MARKETING & LETTING

Block D - Marketing Comm	2,067 ft ²	1.50	3,101		
Block B - Marketing - Private		1.50%	595,516		
Block B - Marketing - Comm	4,136 ft ²	1.50	6,204		
Block A - Marketing Private Sale		1.50%	862,426		
Block A - Marketing Comm	2,364 ft ²	1.50	3,546		
Block C - Private Sale Marketing		1.50%	571,700		
Block C - Comm Marketing	1,970 ft ²	1.50	2,955		
Letting Agent Fee		10.00%	24,276		
Letting Legal Fee		5.00%	12,138		
					2,081,860

DISPOSAL FEES

Block D - Affordable Disposal		0.50%	38,393		
Block D - Sales Agent Fee Comm		1.00%	4,308		
Block B - Sales Agent Fee Priv		1.00%	397,011		
Block B - Sales Agent Fee Comm		1.00%	14,366		
Block A - Sales Agent Fee Comm		1.00%	8,211		
Block A - Sales Agent Fee Private S		1.00%	574,950		
Block C Sales Agent Fee - Private S		1.00%	381,133		
Block C Sales Agent Fee - Commercia		1.00%	6,843		
Block D - Sales Legal Fee Comm		1.00%	4,308		
Block C - Sales Legal Fee - Private	80 un	1,000.00 /un	80,000		
Block C - Sales Legal Fee - Comm		0.50%	7,183		
Block A - Sales Legal Fee Com		0.50%	4,106		
Block A - Sales Legal Fee Private S	120 un	1,000.00 /un	120,000		
Block C - Private Sales Legal	68 un	1,000.00 /un	68,000		
Block C - Commercial Sale		0.50%	3,421		
					1,712,234

Additional Costs

Profit on Commercial	15.00%	542,839		
Profit on AH	6.00%	460,719		
Profit on Private Sale	17.50%	23,679,145		
				24,682,703

TOTAL COSTS BEFORE FINANCE**123,082,191****FINANCE**

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				1,287,657

TOTAL COSTS**124,369,848****PROFIT****21,991,043****Performance Measures**

Profit on Cost%	17.68%
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Cam Road - Buzz Bingo Residential Option 16 Storey

Appendix 6

Block D as SR

Profit on GDV%	15.00%
Profit on NDV%	15.03%

IRR% (without Interest)	N/A
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APPENDIX SEVEN - Mixed use scheme - Argus appraisals

Cam Road - Buzz Bingo Hotel Option 16 Storey
Appendix 7
Block D as Market Sale

On Behalf of
Evergreen Capital Group Limited

APPRAISAL SUMMARY

LICENSED COPY

Cam Road - Buzz Bingo Hotel Option 16 Storey Appendix 7 Block D as Market Sale

Appraisal Summary for Merged Phases 1 2 3 4

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Block D - Market Sale	52	43,877	730.00	615,966	32,030,210
Block A - Hotel	324	74,745	866.95	200,000	64,800,000
Block C - Apart Hotel Suites	<u>137</u>	<u>40,806</u>	839.34	250,000	<u>34,250,000</u>
Totals	513	159,428			131,080,210

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community	1	2,067	15.00	31,005	31,005	31,005
Block B - Coliving £410 pw	201	50,292	85.21	21,320	3,079,320	4,285,320
Commercial - Unit 1	1	653	25.00	16,325	16,325	16,325
Commercial - Unit 2	1	2,481	25.00	62,025	62,025	62,025
Commercial - Unit 3	1	3,001	25.00	75,025	75,025	75,025
Commercial - Unit 4	1	1,513	25.00	37,825	37,825	37,825
Commercial - Unit 5	<u>1</u>	<u>3,446</u>	25.00	86,150	<u>86,150</u>	<u>86,150</u>
Totals	207	63,453			3,387,675	4,593,675

Investment Valuation

Community

Market Rent	31,005	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	462,215

Block B - Coliving £410 pw

Current Rent	3,079,320	YP @	4.7500%	21.0526	64,827,789
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Commercial - Unit 1

Market Rent	16,325	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	243,369

Commercial - Unit 2

Market Rent	62,025	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	924,653

Commercial - Unit 3

Market Rent	75,025	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	1,118,453

Commercial - Unit 4

Market Rent	37,825	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	563,885

Commercial - Unit 5

Market Rent	86,150	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	1,284,302

Total Investment Valuation

69,424,666

GROSS DEVELOPMENT VALUE

200,504,876

Purchaser's Costs (11,456,277)

Effective Purchaser's Costs Rate 16.50% (11,456,277)

NET DEVELOPMENT VALUE

189,048,599

APPRAISAL SUMMARY**LICENSED COPY****Cam Road - Buzz Bingo Hotel Option 16 Storey****Appendix 7****Block D as Market Sale**

Income from Tenants	2,309,490
NET REALISATION	191,358,089

OUTLAY**ACQUISITION COSTS**

Residualised Price	12,883,794	12,883,794
Stamp Duty	5.00%	644,190
Agent Fee	0.80%	103,070
Legal Fee	1.00%	128,838
		876,098

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost
Construction Cost	368,871	285.00	105,128,235
Contingency		5.00%	5,256,412
CIL			2,700,000
S106			1,640,000
Abnormals			4,875,000
			119,599,647

PROFESSIONAL FEES

Professional fees	10.00%	10,512,823	10,512,823
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MARKETING & LETTING

Block D - Marketing Comm	2,067 ft²	1.50	3,101
Private Sale Marketing		1.50%	480,453
Block B - Marketing - Comm	6,135 ft²	1.50	9,203
Block C - Marketing Comm	4,959 ft²	1.50	7,439
Letting Agent Fee		5.00%	1,550
Letting Agent Fee		10.00%	27,735
Letting Legal Fee		10.00%	3,101
Letting Legal Fee		5.00%	13,868
			546,448

DISPOSAL FEES

Block D - Sales Agent Fee Comm		1.00%	4,308
Block D - Sales Agent Fee MS		1.00%	320,302
Block B - Sales Agent Fee Co-liv		1.00%	602,640
Block B - Sales Agent Fee Comm		1.00%	22,773
Block B - Letting Void			86,832
Block A - Sales Agent Fee Hotel		1.00%	603,936
Block C Sales Agent Fee - Apart		1.00%	317,953
Block C Sales Agent Fee - Commercia		1.00%	6,065
Block D - MS Sales Legal Fee	52 un	1,000.00 /un	52,000
Block B - Sales Legal Fee - Co-liv		0.50%	301,320
Block B - Sales Legal Fee - Comm		0.50%	11,386
Block B - Pre-opening + FFE	201 un	5,000.00 /un	1,005,000
Block A - Sales Legal Fee Hotel		0.50%	301,968
Block A - Pre-opening + FFE	324 un	5,000.00 /un	1,620,000
Block C - Sales Legal Fee Apart		0.50%	158,977
Block C - Sales Legal Fee Comm		0.50%	3,032
Block C - Pre-opening + FFE	137 un	5,000.00 /un	685,000
			6,103,493

Additional Costs

15% Profit on Comm (P1)	15.00%	69,332
17.5% Profit on MS	17.50%	5,605,287
15% Profit on Cap Rent (PH 2)	15.00%	10,067,140
15% Profit on Hotel (PH 3)	15.00%	9,720,000
15% Profit on Comm (PH 4)	15.00%	277,228

Cam Road - Buzz Bingo Hotel Option 16 Storey
Appendix 7
Block D as Market Sale

15% Profit on Apart Hotel (PH 4)	15.00%	5,137,500	30,876,487
TOTAL COSTS BEFORE FINANCE			181,398,790
FINANCE			
Debit Rate 7.500%, Credit Rate 0.000% (Nominal)			
Total Finance Cost			9,959,299
TOTAL COSTS			191,358,089
PROFIT			0

Performance Measures

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
IRR% (without Interest)	7.02%

Cam Road - Buzz Bingo Hotel Option 16 Storey
Appendix 7
Block D as Market Sale

Net MRV
at Sale
31,005
3,079,320
16,325
62,025
75,025
37,825
86,150
3,387,675

Cam Road - Buzz Bingo Hotel Option 16 Storey
Appendix 7
Block D as SR

On Behalf of
Evergreen Capital Group Limited

APPRAISAL SUMMARY

LICENSED COPY

Cam Road - Buzz Bingo Hotel Option 16 Storey
Appendix 7
Block D as SR

Appraisal Summary for Merged Phases 1 2 3 4

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Block D - AH (Low Cost Rent)	52	43,877	175.00	147,663	7,678,475
Block A - Hotel	324	74,745	866.95	200,000	64,800,000
Block C - Apart Hotel Suites	<u>137</u>	<u>40,806</u>	839.34	250,000	<u>34,250,000</u>
Totals	513	159,428			106,728,475

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community	1	2,067	15.00	31,005	31,005	31,005
Block B - Coliving £410 pw	201	50,292	85.21	21,320	3,079,320	4,285,320
Commercial - Unit 1	1	653	25.00	16,325	16,325	16,325
Commercial - Unit 2	1	2,481	25.00	62,025	62,025	62,025
Commercial - Unit 3	1	3,001	25.00	75,025	75,025	75,025
Commercial - Unit 4	1	1,513	25.00	37,825	37,825	37,825
Commercial - Unit 5	<u>1</u>	<u>3,446</u>	25.00	86,150	<u>86,150</u>	<u>86,150</u>
Totals	207	63,453			3,387,675	4,593,675

Investment Valuation

Community

Market Rent	31,005	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	462,215

Block B - Coliving £410 pw

Current Rent	3,079,320	YP @	4.7500%	21.0526	64,827,789
--------------	-----------	------	---------	---------	------------

Commercial - Unit 1

Market Rent	16,325	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	243,369

Commercial - Unit 2

Market Rent	62,025	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	924,653

Commercial - Unit 3

Market Rent	75,025	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	1,118,453

Commercial - Unit 4

Market Rent	37,825	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	563,885

Commercial - Unit 5

Market Rent	86,150	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	1,284,302

Total Investment Valuation

69,424,666

GROSS DEVELOPMENT VALUE

176,153,141

Purchaser's Costs
Effective Purchaser's Costs Rate

(11,456,277)

16.50%

(11,456,277)

NET DEVELOPMENT VALUE

164,696,864

APPRAISAL SUMMARY**LICENSED COPY****Cam Road - Buzz Bingo Hotel Option 16 Storey****Appendix 7****Block D as SR**

Income from Tenants	2,309,490
---------------------	-----------

NET REALISATION	167,006,354
------------------------	--------------------

OUTLAY**ACQUISITION COSTS**

Residualised Price (Negative land)	(2,878,695)	(2,878,695)
------------------------------------	-------------	-------------

CONSTRUCTION COSTS**Construction**

	ft²	Build Rate ft²	Cost	
Construction Cost	368,871	285.00	105,128,235	105,128,235
Contingency		5.00%	5,256,412	
CIL			2,700,000	
S106			1,640,000	
Abnormals			4,875,000	
				14,471,412

PROFESSIONAL FEES

Professional fees	10.00%	10,512,823	10,512,823
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MARKETING & LETTING

Block D - Marketing Comm	2,067 ft²	1.50	3,101	
Block B - Marketing - Comm	6,135 ft²	1.50	9,203	
Block C - Marketing Comm	4,959 ft²	1.50	7,439	
Letting Agent Fee		5.00%	1,550	
Letting Agent Fee		10.00%	27,735	
Letting Legal Fee		10.00%	3,101	
Letting Legal Fee		5.00%	13,868	
				65,995

DISPOSAL FEES

Block D - Affordable Disposal Fee		0.50%	38,392	
Block D - Sales Agent Fee Comm		1.00%	4,308	
Block B - Sales Agent Fee Co-liv		1.00%	602,640	
Block B - Sales Agent Fee Comm		1.00%	22,773	
Block B - Letting Void			86,832	
Block A - Sales Agent Fee Hotel		1.00%	603,936	
Block C Sales Agent Fee - Apart		1.00%	317,953	
Block C Sales Agent Fee - Commercial		1.00%	6,065	
Block B - Sales Legal Fee - Co-liv		0.50%	301,320	
Block B - Sales Legal Fee - Comm		0.50%	11,386	
Block B - Pre-opening + FFE	201 un	5,000.00 /un	1,005,000	
Block A - Sales Legal Fee Hotel		0.50%	301,968	
Block A - Pre-opening + FFE	324 un	5,000.00 /un	1,620,000	
Block C - Sales Legal Fee Apart		0.50%	158,977	
Block C - Sales Legal Fee Comm		0.50%	3,032	
Block C - Pre-opening + FFE	137 un	5,000.00 /un	685,000	
				5,769,583

Additional Costs

6% Profit on AH (P1)	6.00%	460,709	
15% Profit on Comm (P1)	15.00%	69,332	
15% Profit on Cap Rent (PH 2)	15.00%	10,067,140	
15% Profit on Hotel (PH 3)	15.00%	9,720,000	
15% Profit on Comm (PH 4)	15.00%	277,228	
15% Profit on Apart Hotel (PH 4)	15.00%	5,137,500	
			25,731,908

TOTAL COSTS BEFORE FINANCE	158,801,262
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Cam Road - Buzz Bingo Hotel Option 16 Storey
Appendix 7
Block D as SR

FINANCE

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)

Total Finance Cost	8,205,092
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TOTAL COSTS
167,006,354
PROFIT
0
Performance Measures

Profit on Cost%	0.00%
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Profit on GDV%	0.00%
----------------	-------

Profit on NDV%	0.00%
----------------	-------

IRR% (without Interest)	7.08%
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Cam Road - Buzz Bingo Hotel Option 16 Storey
 Appendix 7
 Block D as SR

Net MRV
at Sale
 31,005
 3,079,320
 16,325
 62,025
 75,025
 37,825
86,150
3,387,675

APPENDIX EIGHT - Residential/co-living scheme - Argus appraisals

Cam Road - Buzz Bingo Residential Option
Appendix 8
Block D as AH

On behalf of
Evergreen Capital Limited

APPRAISAL SUMMARY**LICENSED COPY****Cam Road - Buzz Bingo Residential Option****Appendix 8****Block D as AH****Appraisal Summary for Merged Phases 1 2 3 4**

Currency in £

REVENUE**Sales Valuation**

	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Block D - Affordable	52	43,878	175.00	147,666	7,678,650
Block A - Private Sale	120	78,760	730.00	479,125	57,495,049
Block C - Private Sale	<u>68</u>	<u>52,210</u>	730.00	560,490	<u>38,113,300</u>
Totals	240	174,848			103,286,999

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community	1	2,067	15.00	31,005	31,005	31,005
Commercial - Unit 1	1	769	25.00	19,225	19,225	19,225
Commercial - Unit 4	1	3,367	25.00	84,175	84,175	84,175
Coliving £410pw	195	48,866	85.08	21,320	2,987,400	4,157,400
Commercial - Unit 2	1	2,364	25.00	59,100	59,100	59,100
Commercial - Unit 3	<u>1</u>	<u>1,970</u>	25.00	49,250	<u>49,250</u>	<u>49,250</u>
Totals	200	59,403			3,230,155	4,400,155

Investment Valuation**Community**

Market Rent	31,005	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	462,215

Commercial - Unit 1

Market Rent	19,225	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	286,601

Commercial - Unit 4

Market Rent	84,175	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	1,254,859

Coliving £410pw

Current Rent	2,987,400	YP @	4.7500%	21.0526	62,892,632
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Commercial - Unit 2

Market Rent	59,100	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	881,047

Commercial - Unit 3

Market Rent	49,250	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	734,206

Total Investment Valuation**66,511,560****GROSS DEVELOPMENT VALUE****169,798,559**

Purchaser's Costs
Effective Purchaser's Costs Rate

(4,522,786)

6.80%

(4,522,786)

NET DEVELOPMENT VALUE**165,275,773**

Income from Tenants

2,240,550

NET REALISATION**167,516,323****OUTLAY**

APPRAISAL SUMMARY**LICENSED COPY****Cam Road - Buzz Bingo Residential Option****Appendix 8****Block D as AH****ACQUISITION COSTS**

Residualised Price (Negative land)	(17,898,483)	(17,898,483)
------------------------------------	--------------	--------------

CONSTRUCTION COSTS**Construction**

	ft ²	Build Rate	ft ²	Cost	
Construction Cost	332,714	300.00	99,814,200	99,814,200	
Contingency		5.00%	4,990,710		
CIL			1,800,000		
S106			1,640,000		
Abnormals			4,875,000		
					13,305,710

PROFESSIONAL FEES

Professional fees	10.00%	9,981,420		9,981,420
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MARKETING & LETTING

Block D - Marketing Comm	2,067 ft ²	1.50	3,101		
Block B - Marketing - Comm	4,136 ft ²	1.50	6,204		
Block A - Marketing Private Sale		1.50%	862,426		
Block A - Marketing Comm	2,364 ft ²	1.50	3,546		
Block C - Private Sale Marketing		1.50%	571,700		
Block C - Comm Marketing	1,970 ft ²	1.50	2,955		
Letting Agent Fee		10.00%	24,276		
Letting Legal Fee		5.00%	12,138		
					1,486,344

DISPOSAL FEES

Block D - Sales Agent Fee Comm		1.00%	4,308		
Block D - AH disposal		0.50%	40,547		
Block B - Sales Agent Fee Coliving		1.00%	628,926		
Block B - Sales Agent Fee Comm		1.00%	43,815		
Block B - Service Charge Void			130,248		
Block A - Sales Agent Fee Comm		1.00%	8,211		
Block A - Sales Agent Fee Private S		1.00%	574,950		
Block C Sales Agent Fee - Private S		1.00%	381,133		
Block C Sales Agent Fee - Commercia		1.00%	6,843		
Block D - Sales Legal Fee Comm		1.00%	4,308		
Block C - Sales Legal Fee - Comm		0.50%	14,200		
Block C - Pre-opening + FFE	195 un	5,000.00 /un	975,000		
Block A - Sales Legal Fee Com		0.50%	4,106		
Block A - Sales Legal Fee Private S	120 un	1,000.00 /un	120,000		
Block C - Private Sales Legal	68 un	1,000.00 /un	68,000		
Block C - Commercial Sale		0.50%	3,421		
					3,008,017

Additional Costs

Profit on Commercial	15.00%	9,976,734		
Profit on AH	6.00%	460,719		
Profit on Private Sale	17.50%	16,731,461		
				27,168,914

TOTAL COSTS BEFORE FINANCE**136,866,122****FINANCE**

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				5,180,417

TOTAL COSTS**142,046,539**

Cam Road - Buzz Bingo Residential Option
Appendix 8
Block D as AH
PROFIT

25,469,784

Performance Measures

Profit on Cost%	17.93%
Profit on GDV%	15.00%
Profit on NDV%	15.41%
IRR% (without Interest)	59.06%

Cam Road - Buzz Bingo Residential Option
Appendix 8
Block D as AH

Net MRV
at Sale
31,005
19,225
84,175
2,987,400
59,100
49,250
3,230,155

Cam Road - Buzz Bingo Residential Option
Appendix 8
Block D as Private Sale

On behalf of
Evergreen Capital Limited

APPRAISAL SUMMARY

LICENSED COPY

Cam Road - Buzz Bingo Residential Option Appendix 8 Block D as Private Sale

Appraisal Summary for Merged Phases 1 2 3 4

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Block D - Private Sale	52	43,878	730.00	615,980	32,030,940
Block A - Private Sale	120	78,760	730.00	479,125	57,495,049
Block C - Private Sale	<u>68</u>	<u>52,210</u>	730.00	560,490	<u>38,113,300</u>
Totals	240	174,848			127,639,289

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community	1	2,067	15.00	31,005	31,005	31,005
Commercial - Unit 1	1	769	25.00	19,225	19,225	19,225
Commercial - Unit 4	1	3,367	25.00	84,175	84,175	84,175
Coliving £410pw	195	48,866	85.08	21,320	2,987,400	4,157,400
Commercial - Unit 2	1	2,364	25.00	59,100	59,100	59,100
Commercial - Unit 3	<u>1</u>	<u>1,970</u>	25.00	49,250	<u>49,250</u>	<u>49,250</u>
Totals	200	59,403			3,230,155	4,400,155

Investment Valuation

Community

Market Rent	31,005	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	462,215

Commercial - Unit 1

Market Rent	19,225	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	286,601

Commercial - Unit 4

Market Rent	84,175	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	1,254,859

Coliving £410pw

Current Rent	2,987,400	YP @	4.7500%	21.0526	62,892,632
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Commercial - Unit 2

Market Rent	59,100	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	881,047

Commercial - Unit 3

Market Rent	49,250	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	734,206

Total Investment Valuation

66,511,560

GROSS DEVELOPMENT VALUE

194,150,849

Purchaser's Costs	(4,522,786)
Effective Purchaser's Costs Rate	6.80%

(4,522,786)

NET DEVELOPMENT VALUE

189,628,063

Income from Tenants	2,240,550
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NET REALISATION

191,868,613

OUTLAY

APPRAISAL SUMMARY**LICENSED COPY****Cam Road - Buzz Bingo Residential Option****Appendix 8****Block D as Private Sale****ACQUISITION COSTS**

Residualised Price (Negative land)	(3,330,121)	(3,330,121)
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CONSTRUCTION COSTS**Construction**

	ft ²	Build Rate	ft ²	Cost	
Construction Cost	332,714	300.00	99,814,200	99,814,200	
Contingency		5.00%	4,990,710		
CIL			1,800,000		
S106			1,640,000		
Abnormals			4,875,000		
					13,305,710

PROFESSIONAL FEES

Professional fees	10.00%	9,981,420		9,981,420
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MARKETING & LETTING

Block D - Marketing Private		1.50%	480,464		
Block D - Marketing Comm	2,067 ft ²	1.50	3,101		
Block B - Marketing - Comm	4,136 ft ²	1.50	6,204		
Block A - Marketing Private Sale		1.50%	862,426		
Block A - Marketing Comm	2,364 ft ²	1.50	3,546		
Block C - Private Sale Marketing		1.50%	571,700		
Block C - Comm Marketing	1,970 ft ²	1.50	2,955		
Letting Agent Fee		10.00%	24,276		
Letting Legal Fee		5.00%	12,138		
					1,966,808

DISPOSAL FEES

Block D - Sales Agent Fee Priv		1.00%	320,309		
Block D - Sales Agent Fee Comm		1.00%	4,308		
Block B - Sales Agent Fee Coliving		1.00%	628,926		
Block B - Sales Agent Fee Comm		1.00%	43,815		
Block B - Service Charge Void			130,248		
Block A - Sales Agent Fee Comm		1.00%	8,211		
Block A - Sales Agent Fee Private S		1.00%	574,950		
Block C Sales Agent Fee - Private S		1.00%	381,133		
Block C Sales Agent Fee - Commercia		1.00%	6,843		
Block D - Sales Legal Fee Comm		1.00%	4,308		
Block D - MS Legal Fee	52 un	1,000.00 /un	52,000		
Block C - Sales Legal Fee - Comm		0.50%	14,200		
Block C - Pre-opening + FFE	195 un	5,000.00 /un	975,000		
Block A - Sales Legal Fee Com		0.50%	4,106		
Block A - Sales Legal Fee Private S	120 un	1,000.00 /un	120,000		
Block C - Private Sales Legal	68 un	1,000.00 /un	68,000		
Block C - Commercial Sale		0.50%	3,421		
					3,339,780

Additional Costs

Profit on Commercial	15.00%	9,976,734		
Profit on Private Sale	17.50%	5,605,415		
Profit on Private Sale	17.50%	16,731,461		
				32,313,610

TOTAL COSTS BEFORE FINANCE**157,391,406****FINANCE**

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				5,354,580

Cam Road - Buzz Bingo Residential Option

Appendix 8

Block D as Private Sale

TOTAL COSTS	162,745,986
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PROFIT	29,122,627
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Performance Measures

Profit on Cost%	17.89%
Profit on GDV%	15.00%
Profit on NDV%	15.36%
IRR% (without Interest)	37.64%

Cam Road - Buzz Bingo Residential Option
Appendix 8
Block D as Private Sale

Net MRV
at Sale
31,005
19,225
84,175
2,987,400
59,100
49,250
3,230,155

Appendix 6



Queensbridge Quarter / Stratford
Pre-application Presentation 01

Assael experience



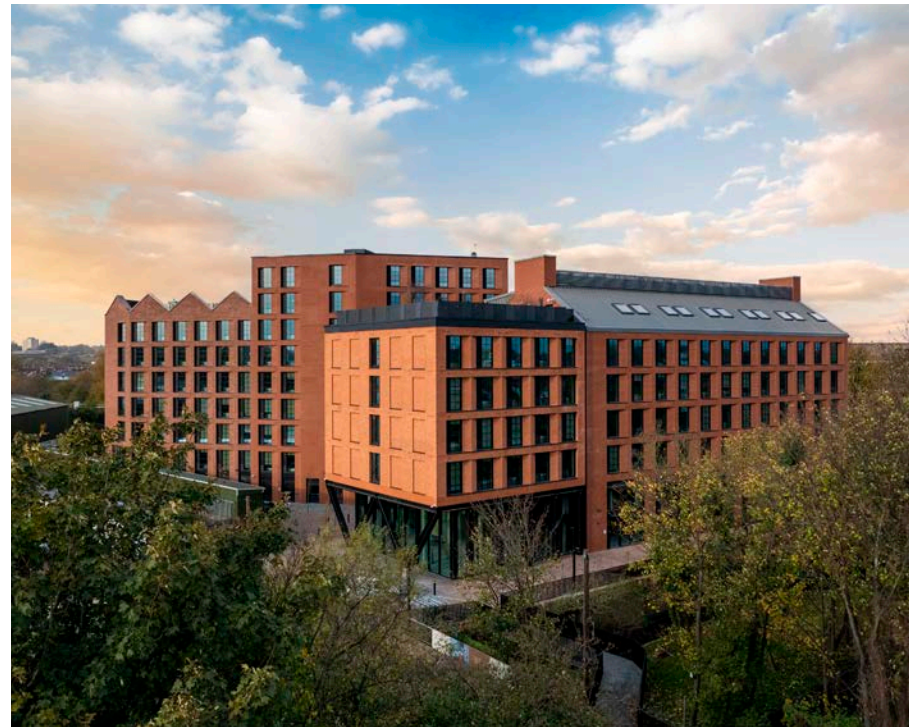
DTZi & Halycon



315 co-living rooms



In use



- Wandsworth's first purpose-designed co-living scheme, offering Londoners an aspirational alternative form of living
- Amenity offering includes communal kitchens, library, lounges, roof terraces with growing areas, and spaces able to adapt according to residents' evolving needs
- At ground floor, a café and co-working space are also open to neighbours and local businesses to create a new community hub for the area, all set within natural riverside surroundings



Guinness Partnership



500 homes



In use



- 500 new homes across a range of tenures, including Build to Rent and 50% affordable, alongside generous internal and external amenity space.
- Five buildings surround a new urban square, activated and lined by a mix of flexible work, community and retail space at the lower levels
- Architecture commended by Quality Review Panel as "outstanding".



Populo



348 build to rent rooms



Consented



- 348 homes, including for Build to Rent, intermediate rent and social rent, accommodated across five buildings with views of the River
- Proposals include a café, 770 sq m of makerspace units and wider public realm improvements
- Residential amenity spaces surrounding private residential courtyards at ground level

The site

- The site is a prominent location on Stratford High Street.
- Site area is 0.64 hectares
- Currently occupied by Buzz Bingo and an associated open air car park
- Bounded to the north by Stratford High Street, to the East by Burford Road, to the west by Cam Road and to the south by office and residential buildings, which are located along the boundary.
- There are locally listed buildings located across Stratford High Street and Burford Road.

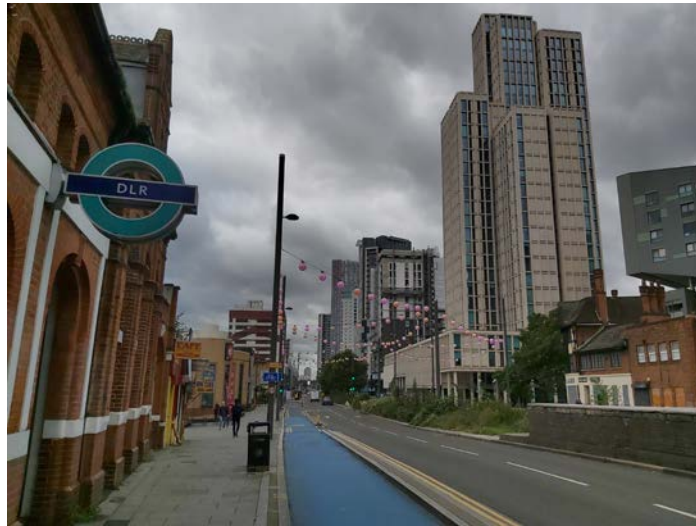
Key

- Site boundary
- Locally listed buildings
- Listed building
- Stratford St Johns Conservation area
- Sun path

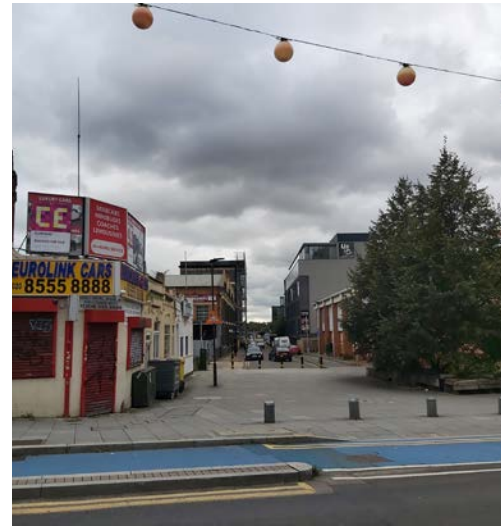


The site

Site photography



1



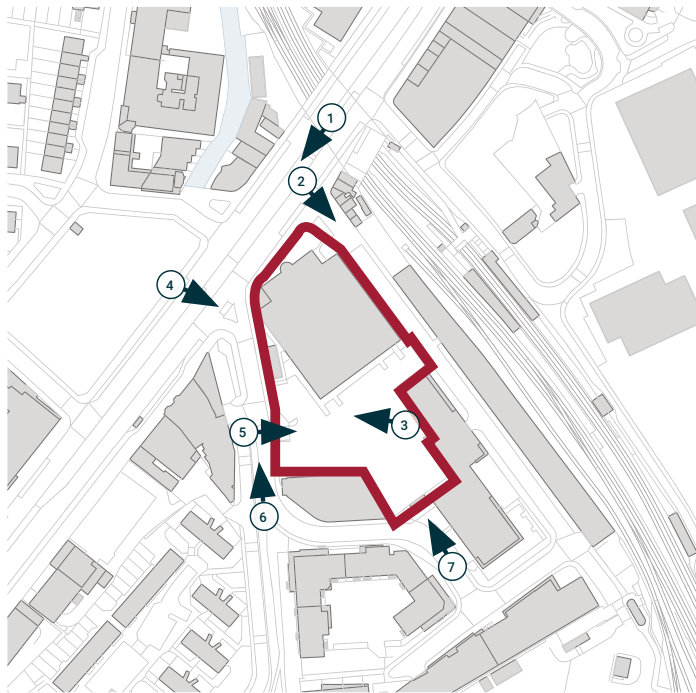
2



3



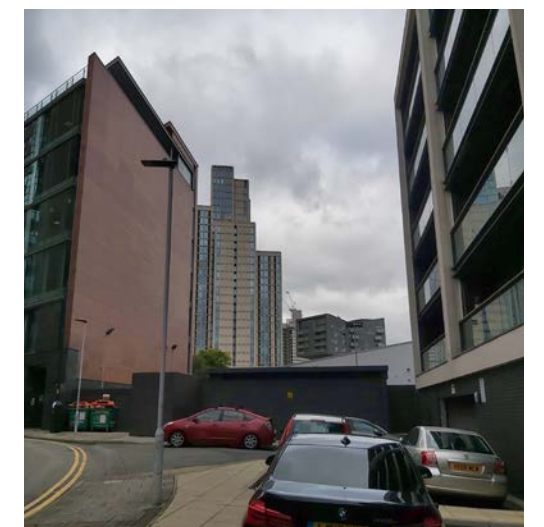
4



5



6

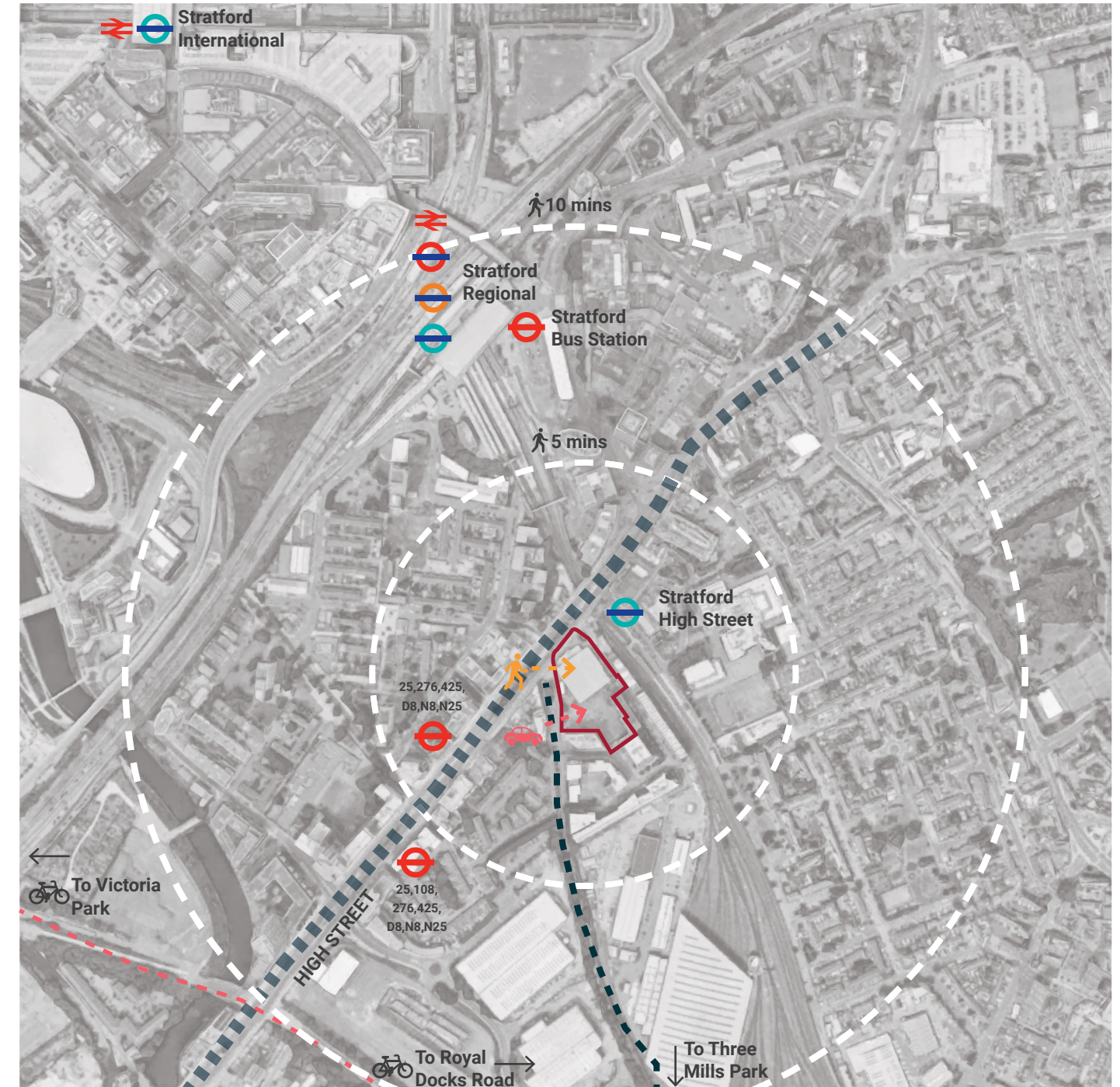


7

The site

Access & connections

- The site is well connected to neighbouring areas
- The site benefits from the highest transport accessibility level (PTAL) rating of 6b, due to its proximity to Stratford High Street DLR and Stratford Station.
- Local bus stops are less than a 2 minute walk offering access to Ilford, West Ham, Mile End and Aldgate.
- There are excellent cycle connections through a key east-west cycle route (CS2).
- The site is easily accessible for vehicles from Cam Road



The site

Surrounding uses

- The site is in an area of mixed uses
- Stratford High Street has a mix of commercial uses, accommodation in the form of student rooms, residential apartments and hotels as well as cultural and community uses.
- The wider area offers and even greater variety of uses, with the former Olympic venues offering leisure and entertainment destinations to the north west and Westfield to the north east
- Although surrounded by residential accommodation of various scales, there is no one predominant use
- The site is served by a multitude of public open spaces, including the Queen Elizabeth Park

Key

	Residential
	Commercial / F&B
	Hotel
	Education
	Sport
	Culture & Community
	Employment/ Office/ Warehouse
	Public Open Space



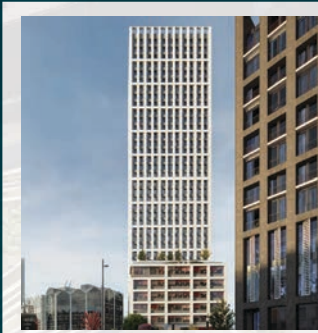
The site

Townscape context

- Site is within an area of varying scale
- Taller buildings along Stratford High Street, usually located at junctions where roads join the High Street
- Northern point of the site is within a cluster of taller building ranging between 11-32 storeys in height
- Heights increase towards town centre
- General datum of 6-7 storeys to south, with taller 21 storey tower to south of site
- Several emerging schemes located along the High Street

Key

- Consented
- Under construction / recently completed



Jubilee House
36 storey
Student accommodation



302-312 Stratford High Street
25 storey
240 apartment Aparthotel



Poland House
8-12 storey
Student accommodation

Surrounding area

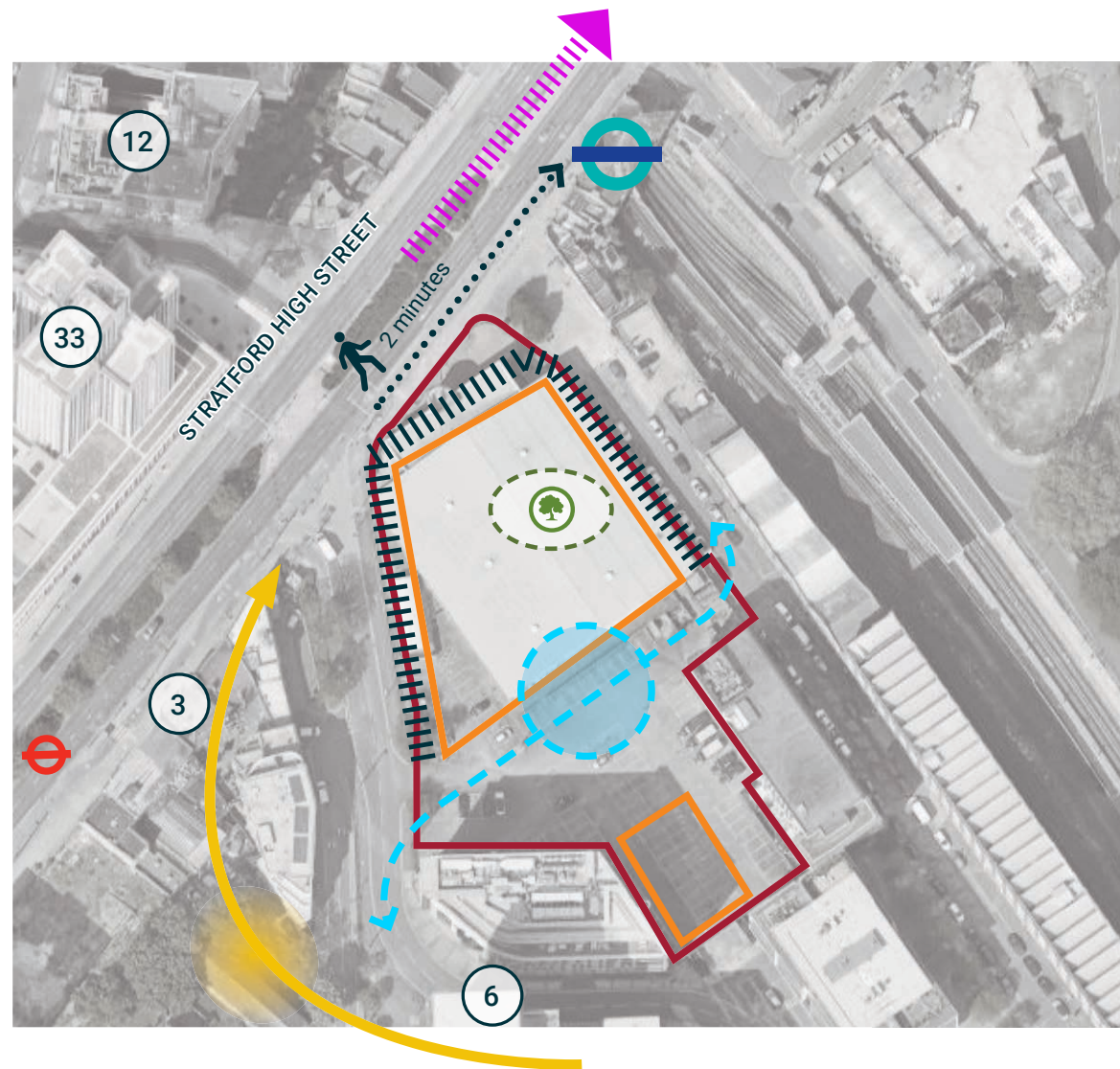
★ Locally listed building

Stratford High Street



The site

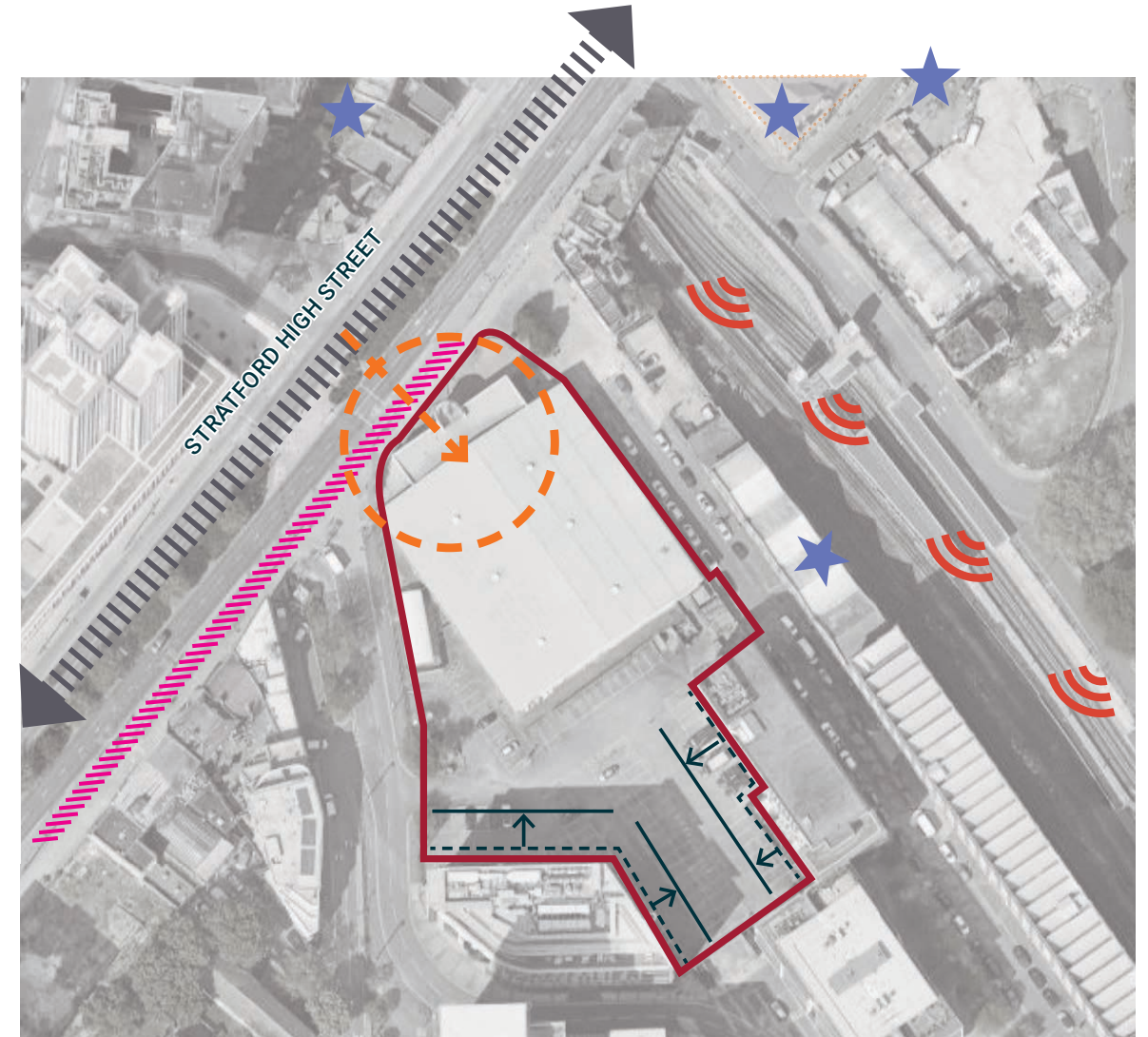
Opportunities



- Legend:

 - Proximity to Stratford High Street station
 - Proximity to bus stops
 - Access to high street amenities
 - Sun path - utilise orientation
 - Precedent for height in surrounding area
 - Create opportunities for more green space
 - Opportunity to create a new urban block
 - Opportunity to create a new urban block
 - Potential for a new public route and community space

Constraints

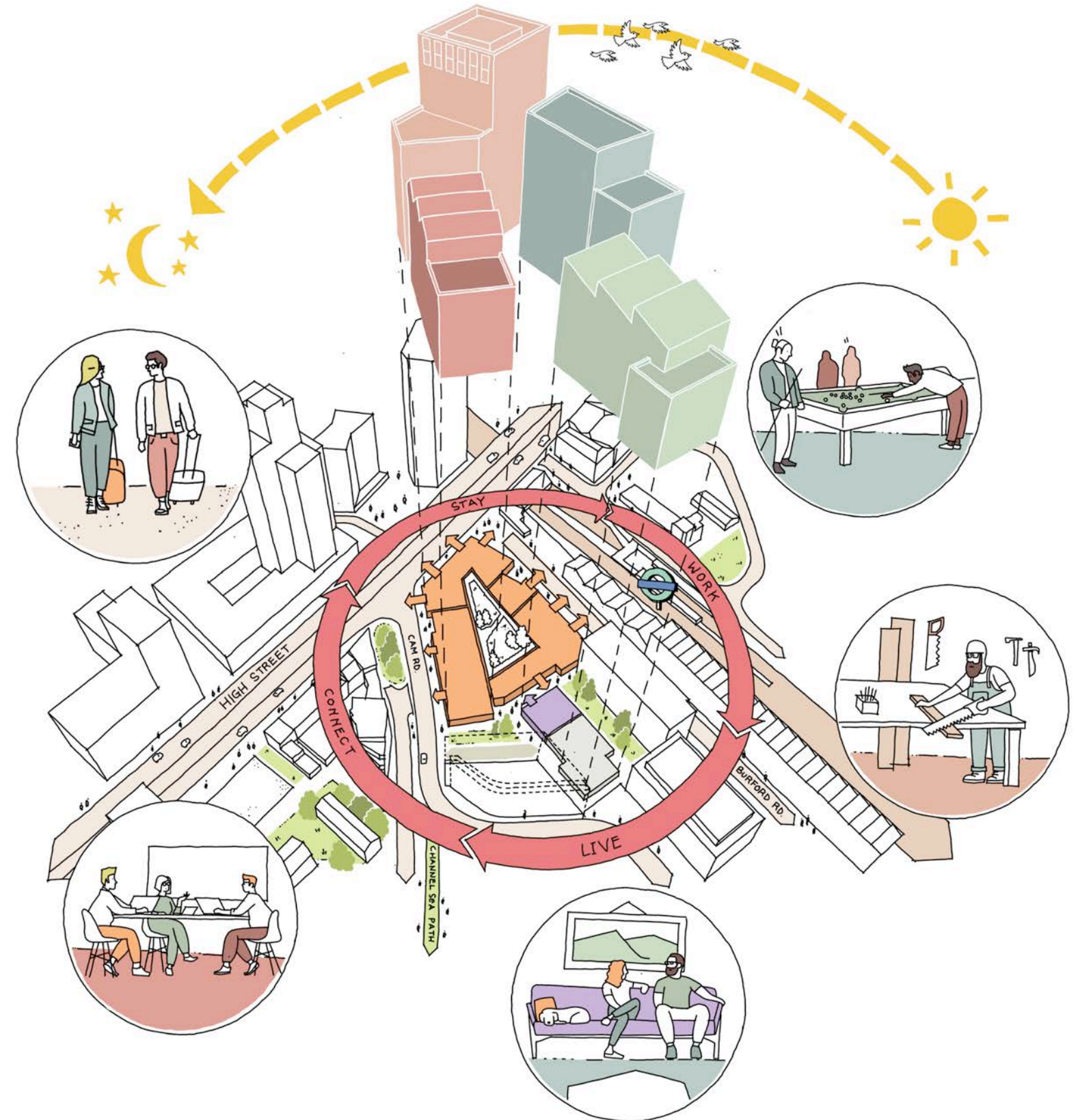


- | | | | |
|---|--|---|---|
|  | Lack of active frontage along the A118 |  | Noise and vibrations from the railway |
|  | Stratford St Johns Conservation area |  | Noise and pollution from busy A118 Road |
|  | Proximity to buildings of local interest |  | Neighbouring properties restricting development |

The vision

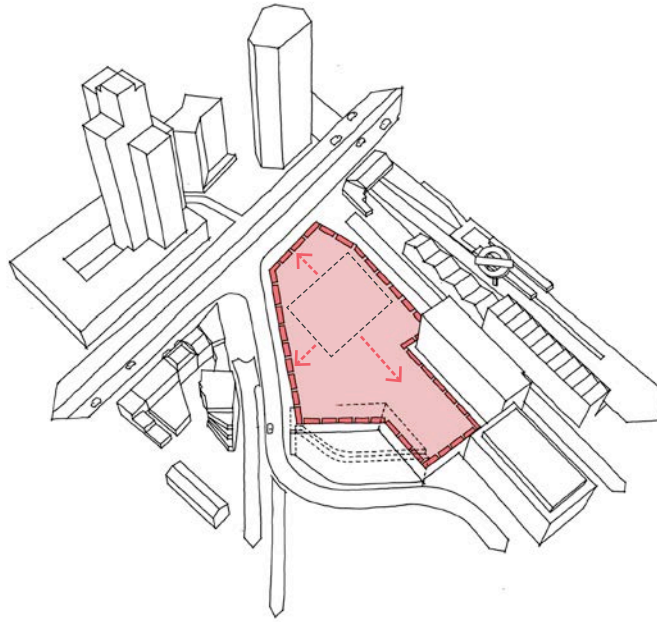
The Buzz Bingo site provides a fantastic and unique opportunity to:

- **Repair the urban grain** and provide a positive contribution to the local area
- Develop a diverse new community with a **mixture of uses**
- Provide activity throughout the day and night
- Create an **active, welcoming and varied streetscape**
- Provide **new employment opportunities** through a variety of uses



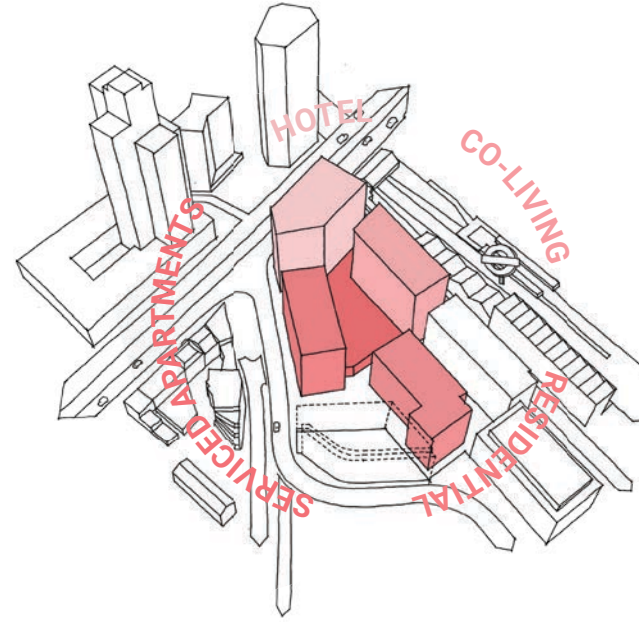
Key moves

Re-engaging the street



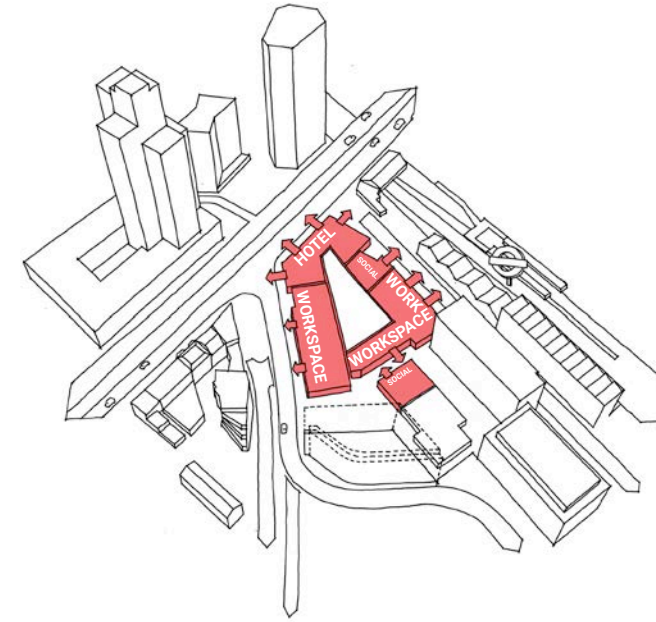
- The current building is setting back from the street and presents blank facades on three sides.
- The proposal pushes to the boundary, re-engaging the street and providing a strong and defined edge to all sides

A variety of uses



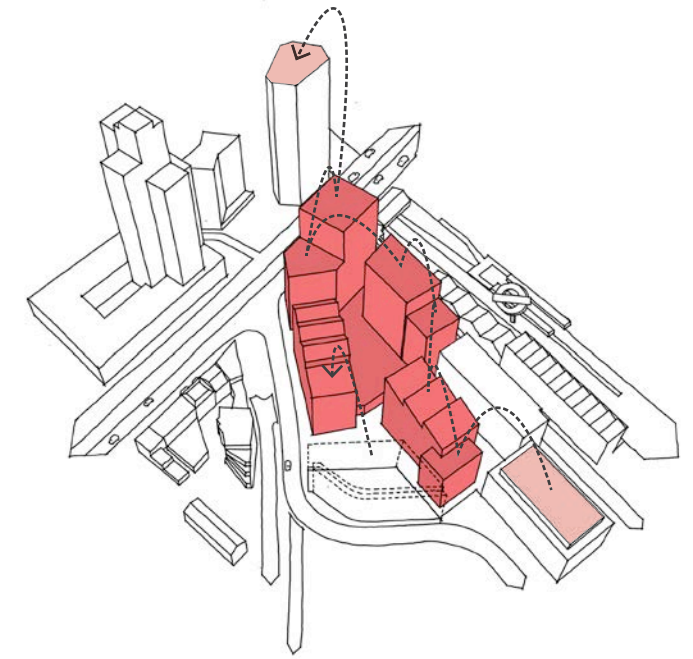
- A variety of complementary uses create a diverse and active community throughout the day and night

An active streetscape



- A variety of workspace and amenity spaces line the perimeter, minimising inactive frontage and providing a varied and active edge

Gentle stepping in height



- Gently stepped massing mediates the change in height across the site and wider area
- A clear legibility is created, with the hotel at the tallest and most prominent point and the residential accommodation at the lowest point to the south, tying in to neighbouring residential uses

The proposal

Use & amount

Type	Studio / Room	1Bed	2 Bed	3 Bed	Total
Hotel rooms	324				324
Aparthotel suites	137				137
Co-Living rooms	201				201
Apartments		0	22	30	52

- 1,025 sq m workspace at ground
- 190 sq m community hub below building D
- 545 sq m hotel front of house fronting Stratford High Street and Burford Road
- 715 sq m co-living internal amenity
- Over 800 sq m of external amenity space at podium level

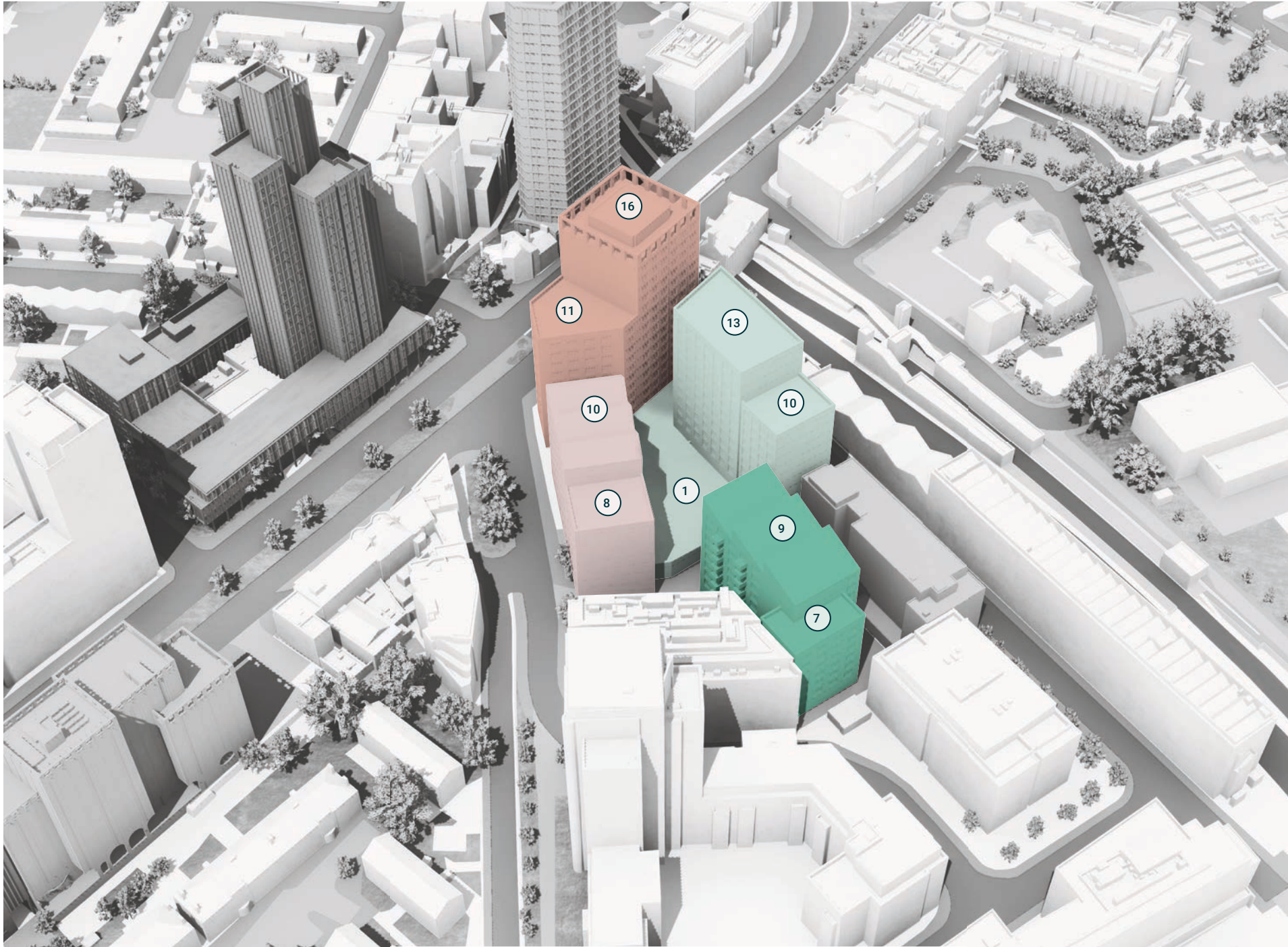
Key

Hotel room

Aparthotel room

Co-living room

Apartment



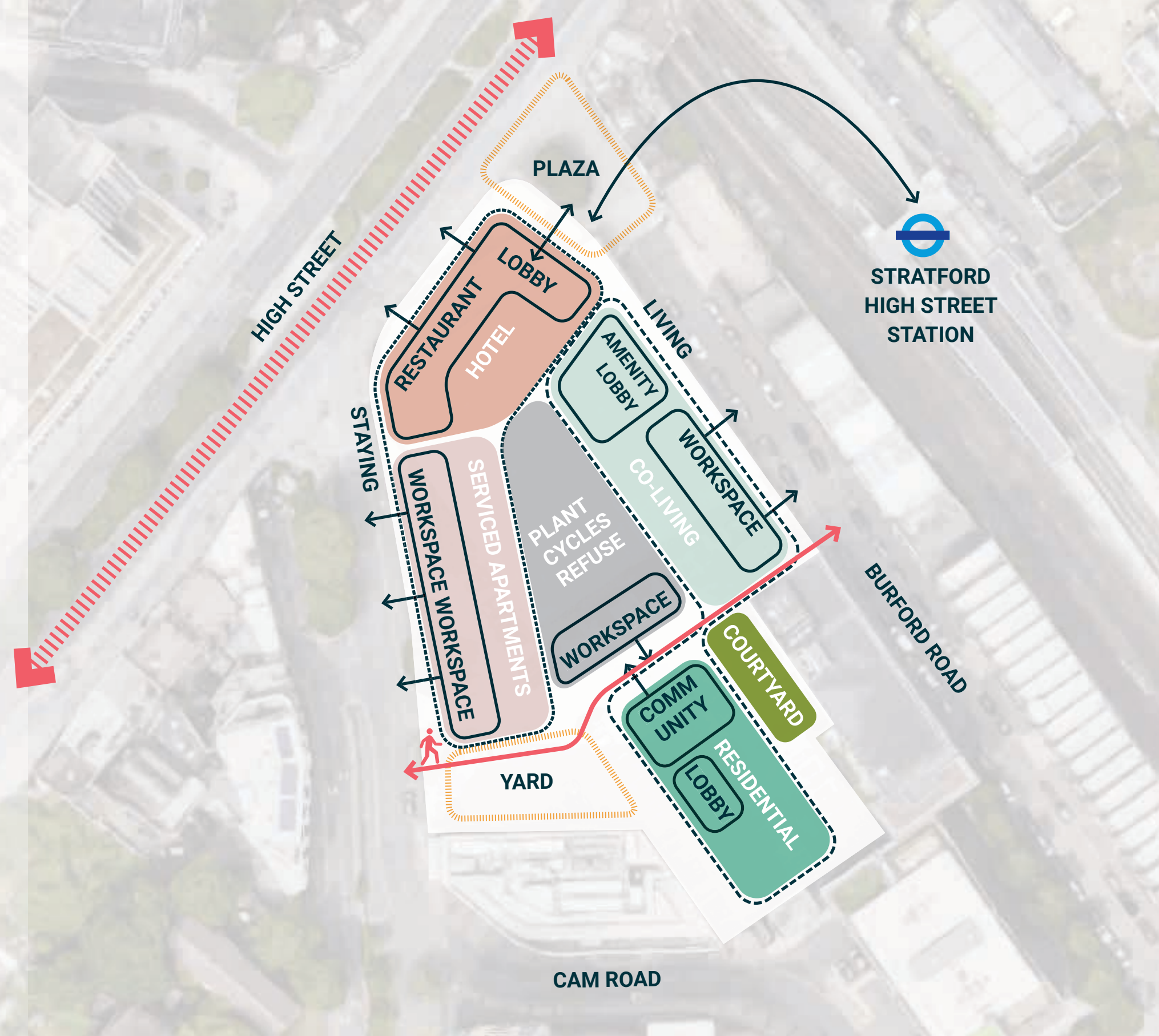
Layout

Adjacencies

- Uses grouped to create 'living' and 'staying' zones
- Clear hierarchy of spaces, from public to private
- Hotel is the most public facing space. It is located to the north along the High Street, clearly legible on approach
- Residential apartments are located to the south, in a quieter more private part of the site, adjacent to existing homes
- Ground floor lined with hotel front of house and a variety of workspaces to create an active edge
- Yard and courtyard at the centre of the site, extends activity through the site
- Back of house spaces concealed at the centre of the site



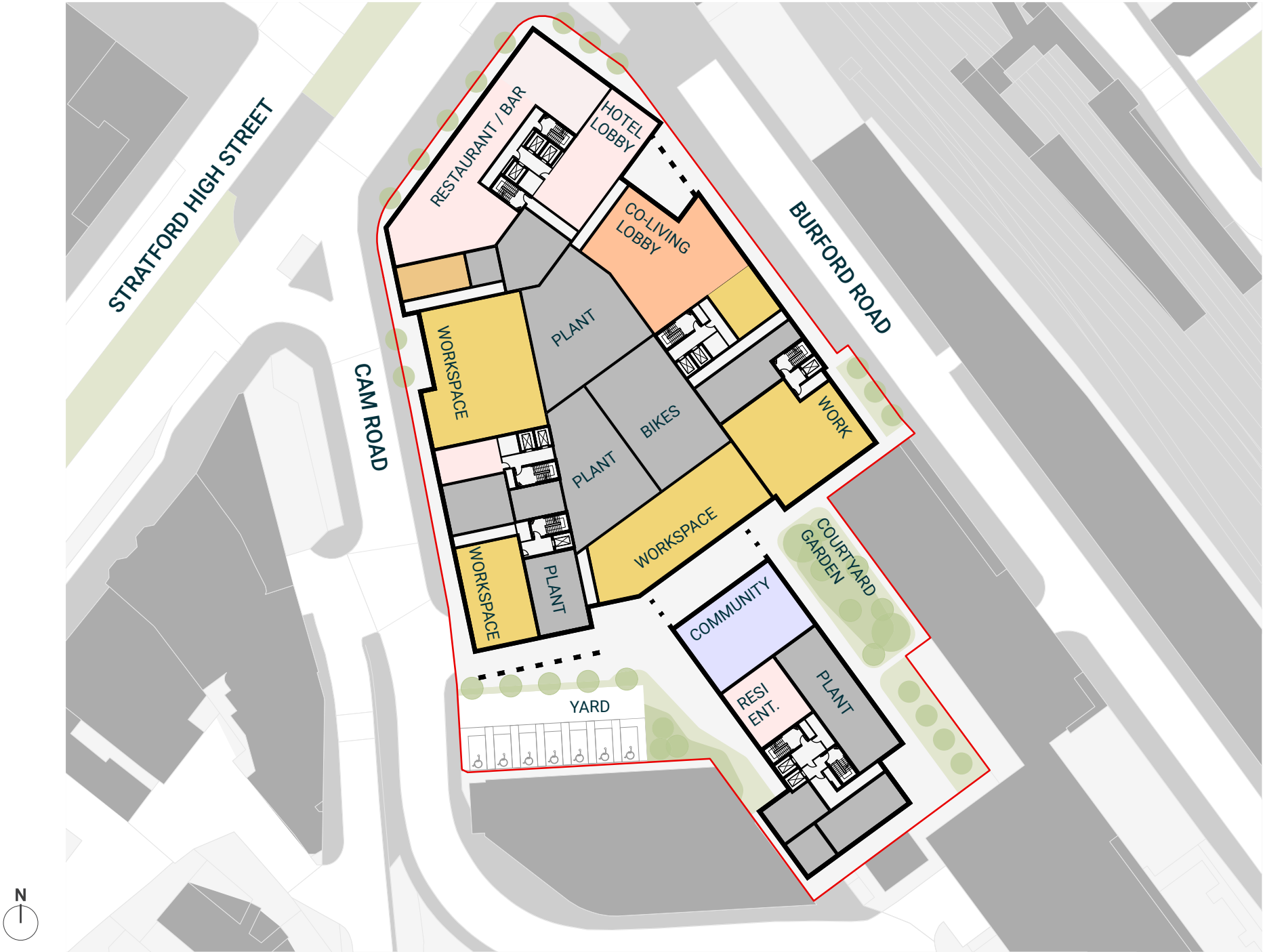
Diagram showing hierarchy across site



Layout

Ground floor

- Key
- Hotel room
 - Co-living room
 - Aparthotel room
 - One-bedroom apartment
 - Two-bedroom apartment
 - Three-bedroom apartment
 - Co-living amenity
 - Community
 - Workspace
 - Hotel front of house
 - Bins / bikes / plant



Layout

First floor

- Key
- Hotel room
 - Co-living room
 - Aparthotel room
 - One-bedroom apartment
 - Two-bedroom apartment
 - Three-bedroom apartment
 - Co-living amenity
 - Community
 - Workspace
 - Hotel front of house
 - Bins / bikes / plant



Layout

Typical floor (Level 2-6)

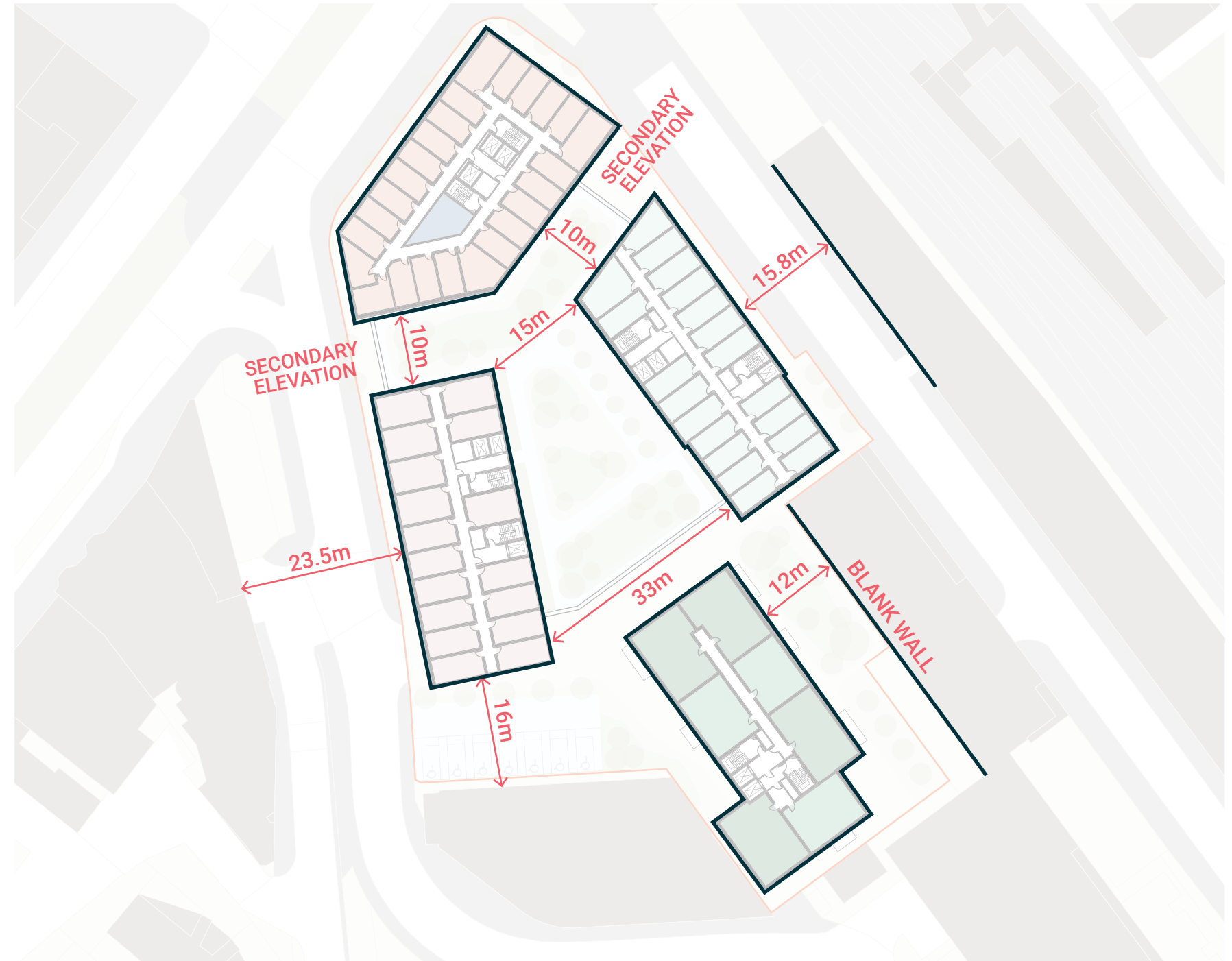
- Key
- Hotel room
 - Co-living room
 - room
 - One-bedroom apartment
 - Two-bedroom apartment
 - Three-bedroom apartment
 - Co-living amenity
 - Community
 - Workspace
 - Hotel front of house
 - Bins / bikes / plant



Layout

Aspect and overlooking

- Buildings set out to minimise potential overlooking
- Buildings spaced between 15-33m apart across the podium
- Tighter spacing where blank or secondary aspect



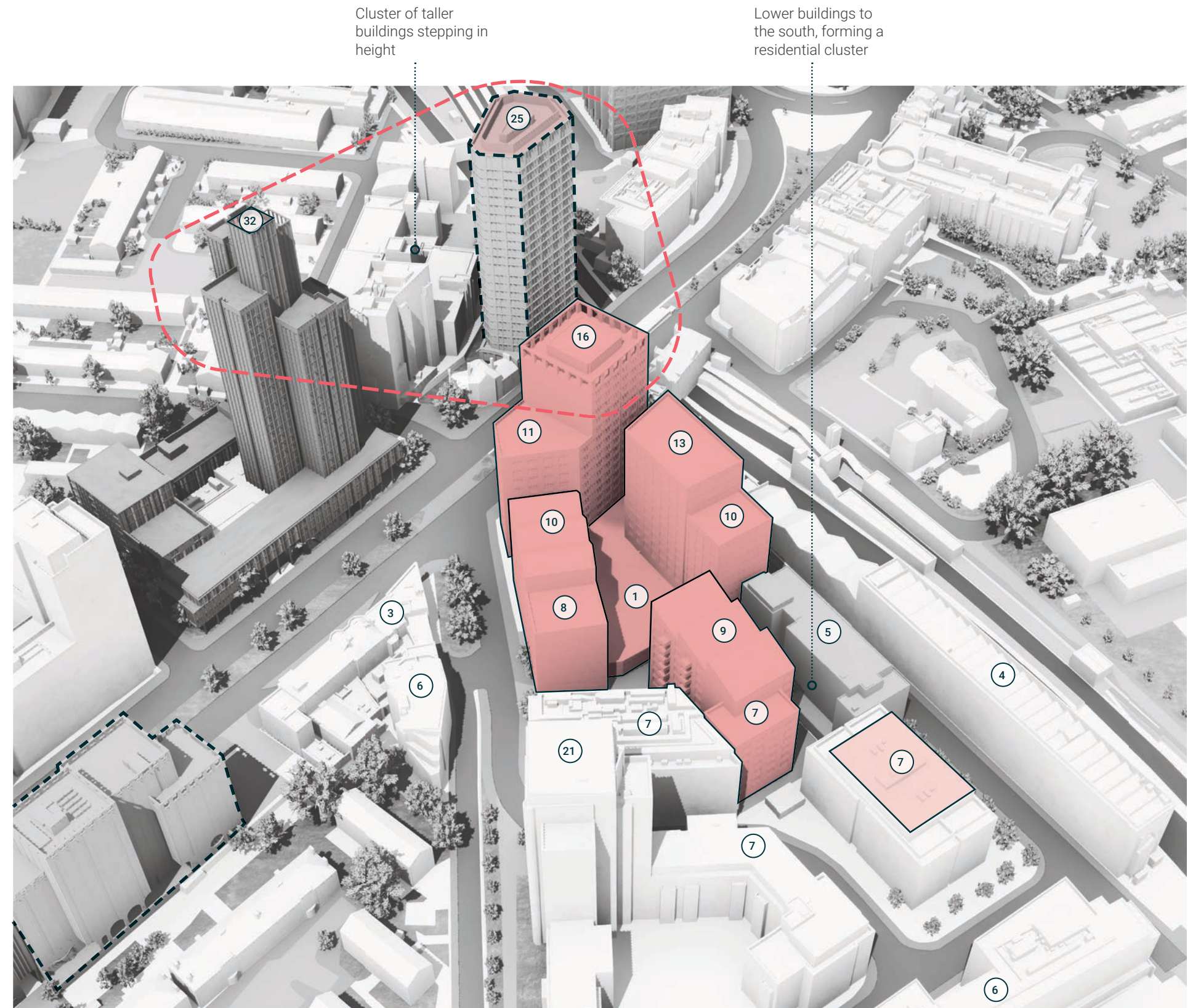
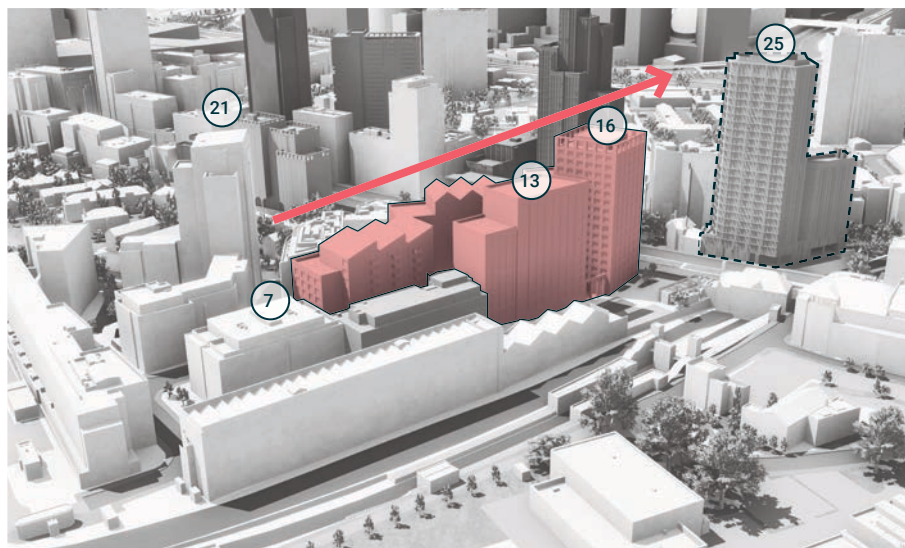
Height & massing

Massing

- Gentle stepping in height
- Heights ranging between 7-16 storeys
- Building forms split to emphasise stepping and break down blocks
- Taller building to north forms a cluster of taller building with the built and emerging schemes across the road to the north
- Lower buildings to the south forming a mid-rise residential cluster

Key

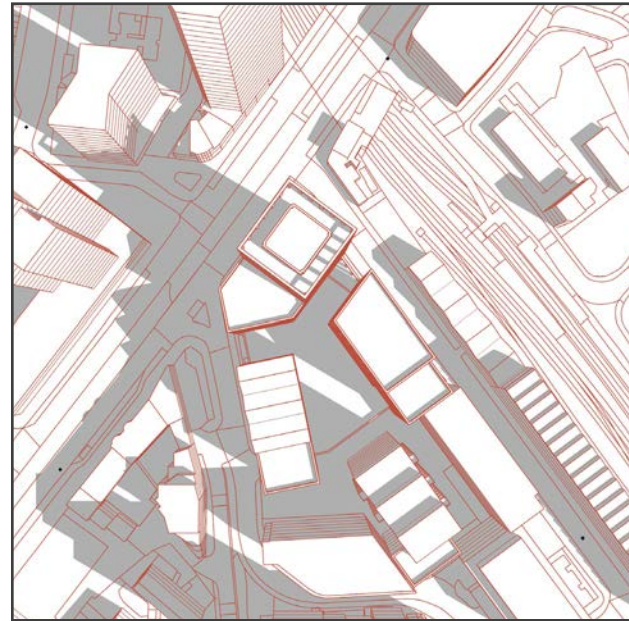
----- Emerging proposals



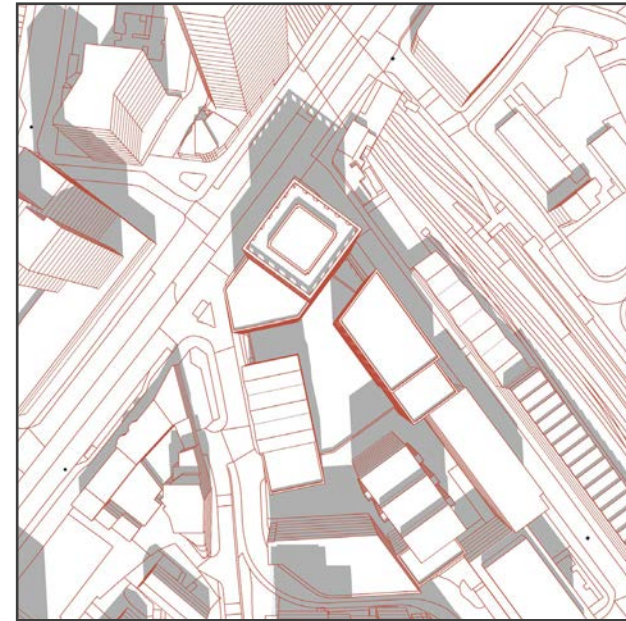
Height & massing

Sunpath

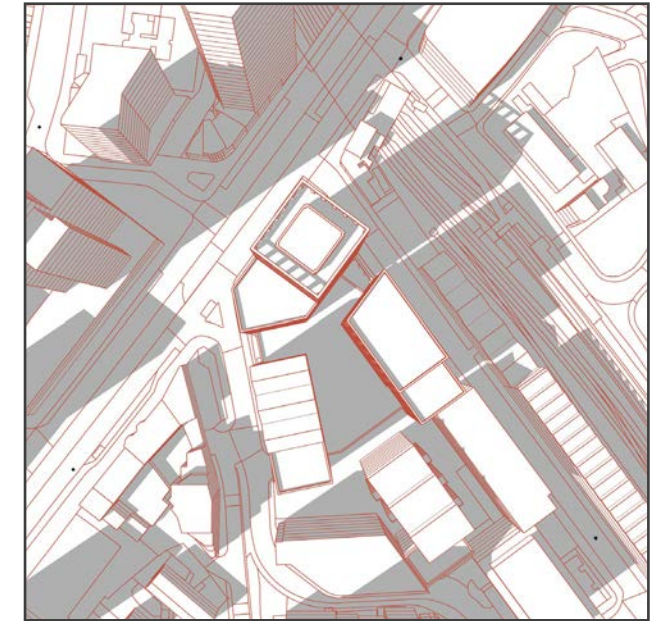
21st MARCH



9am

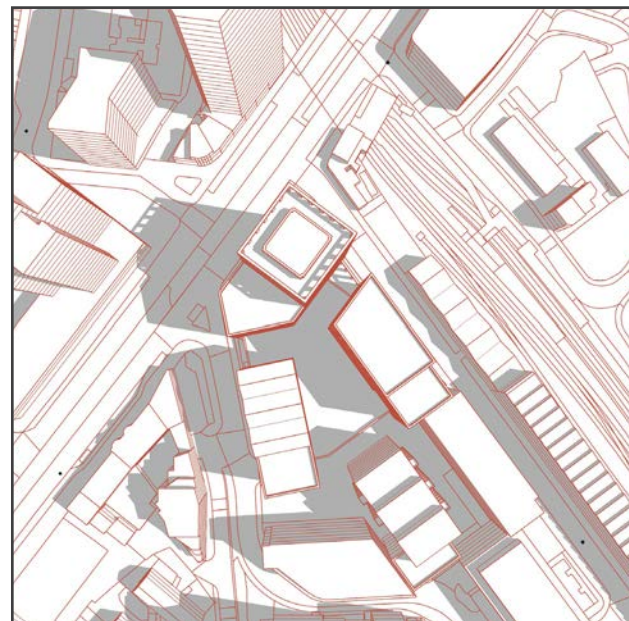


12pm



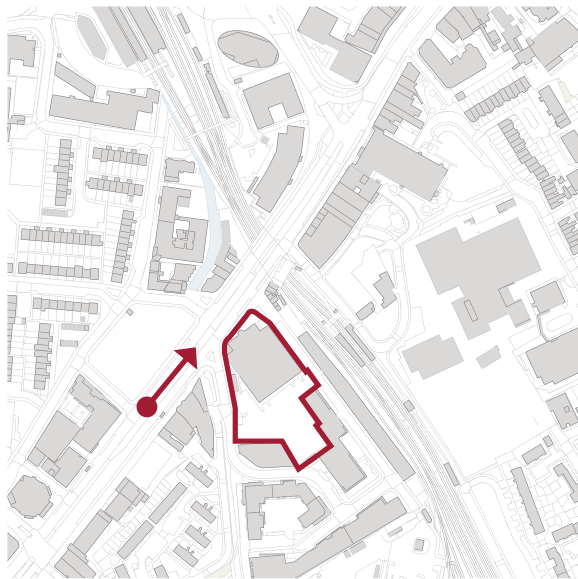
3pm

21st JUNE



Townscape

View west along Stratford High Street



COMMERCIAL APPROACH AND WORKPLAN

We will undertake a Commercial Demand Assessment to review transactional data for the local commercial market and understand the market in detail.

Mapping of the local commercial offer to explore if there are any gaps and opportunities to exploit

Production of a Spatial Brief for the design team setting out design requirements for commercial floor space

Provide Axos's of typical workspace precedents and case studies of successful schemes

Provide advice on likely tenants and key requirements

Provide advice on likely fit out specifications

Advice on Marketing Strategy, Likely ERV, Incentive Packages, Months on Market

SPATIAL BRIEF

The key factors in our approach to the spatial brief for the commercial floor space is to ensure that we promote high quality spaces that could comfortably be occupied by a range of different uses in one highly flexible E Class unit.

To produce fully future proof spaces this brief proposes that the following design principles and specifications should be incorporated into the design, where possible, with the understanding that these are best-case scenarios and no one scheme is likely to meet every criteria:

- Generous floor to ceiling heights - preferably 4 meters
- Good quality natural light
- Boxy and rectangular spatial configurations high quality robust façades
- The ability to flex the size of units depending on demand
- Space for signage on each unit
- Considered transport and loading access with short journey from back of vehicle to front of unit
- Good standard of basic fit out that works across a range of uses

This brief is designed to accommodate a hierarchy of different uses and sectors including:

Maker
Light Industrial
Studios

Floor to Ceiling Heights

Makerspace: 4 meters floor to ceiling larger / light industrial units: 6 meters floor to ceiling

Mezzanine Areas

Mezzanine to be no more than 20% coverage of the ground floor area

Minimum 3.15 meters clear beneath the mezzanine

If Mezzanines can be configured to enable them to be separate units that will make the space more flexible and will increase the leasing options and reduce potential vacancy levels

Unit Sizes

Demand Assessment in progress, but our preliminary research suggests the following:

Maker Space 20 sqm up to 100 sqm

Light Industrial 100 sqm up to 300 sqm

Unit Configuration

Typical market requirement is for units that are boxy or rectangular in shape with occupiers tending not to like strangely configured units, unless it comes as part of an existing heritage building.

It is important to keep the units as flexible as possible and make sure there are enough entrances along the façade to incorporate a range of unit sizes. This is important to provide the best possible chance to lease all of the space.

It is important that units are not too deep, especially if the units need to be split into smaller units in the future. If this is not done with careful consideration it will create units that look like corridors and are very difficult to lease. The ideal depth for units is 14 to 16 meters.

Shared Facilities

The commercial offer would benefit from a series of shared facilities that are designed and arranged to be accessible whether the space is leased as one space or split down into a series of smaller units.

The shared facilities should include

Bathrooms and Showers (DDA compliant)
Shared Meeting Room
Reception / Lobby Area
Lockers and Post Boxes

SPATIAL BRIEF

Column Grid

It is important to try and ensure a well designed column grid and if viable seek to transfer as much load as possible on the ground floor to avoid too many columns.

Where possible try to avoid columns that are placed close to front doors or windows, as this creates space that is more difficult to lease and is likely to reduce rent levels. We recommend avoiding columns in the first 3 meters of a unit.

Floor Loading

Floor loading of between 3.5 and 5 KN to provide genuine flexibility is recommended and will be suitable for most uses.

Façades and Frontages

Commercial unit frontage is the most valuable part of a unit – we recommend that narrow and deep units are avoided where possible.

Units with the highest footfall should where possible have unobstructed views and clear public realm. It is critical to integrate the public realm into the commercial strategy.

Width to depth ratio is critical and we recommend a 1:2.5 ratio.

We recommend adopting a robust façade for this location regardless of the use that goes into the individual building. By a robust façade we mean a unit that has a quality frontage and still has good natural light and a decent expanse of glass. The units should also have space for signage on the façade. The opportunity to include projecting signage as part of a coordinated approach should also be considered.

Glass boxes at the base of new homes are losing their appeal in the market and a more unique treatment should be considered. One treatment solution is a plinth or a kicker board up to waist height, to make the units have a more urban feel and level of toughness to cope with all potential occupiers.

Extraction and Ventilation

Extraction and ventilation opportunities for tenant installations should be positioned in areas least frequented by the public and should not cause any amenity issues for occupiers. Their options are either traditional mechanical extraction, which needs a duct up the inside of the building to the roof or a filtration system which does the work inside the unit and then expels to the outside air through louvers in the façade.

The former is more difficult for them and depending on the height of the building can be expensive to the tenant, but once its up and running its relatively low maintenance. The filtration system needs good ceiling heights as it will be ceiling mounted and a good amount of louver space in the façade, they are also expensive and require more strict maintenance, however they are much more practical to install in medium to high rise buildings. Due to the cost of the filtration system. It is worthwhile putting aside funds so a contribution towards their installation can be made as part of the future leasing negotiations.

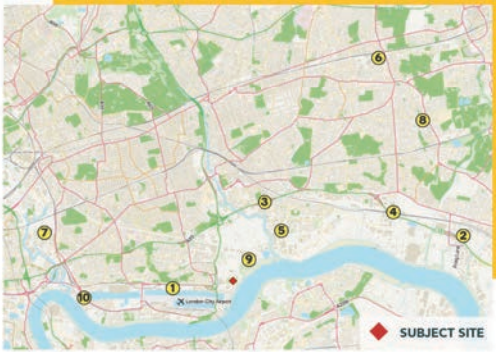
Transport Access

The optimum requirements for servicing and deliveries are direct from door to vehicle however a loading bay within 30 to 35 meters will be perfectly acceptable for most occupiers. Distances beyond this will need to be considered on a case by case basis and might need to be mitigated through incentives if too problematic.

DEMAND ASSESSMENTS

INDUSTRIAL PIPELINE

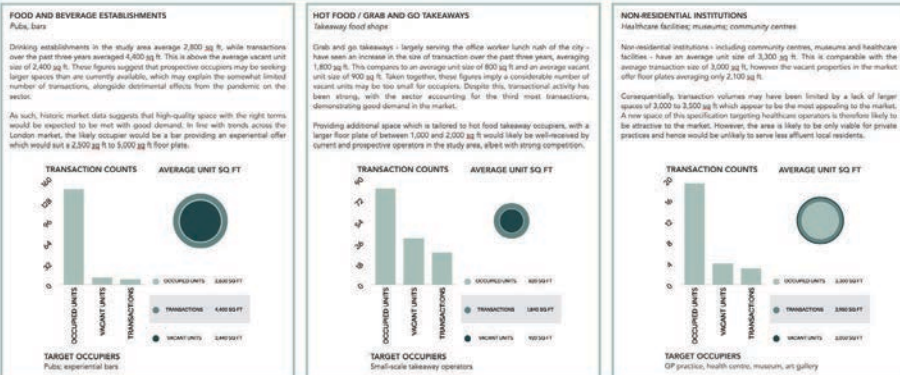
No.	NAME	TYPE	SQ FT	STATUS
1	Albert Island	Industrial	665,000	Planning
2	Sagro Park Dagenham	Industrial	301,000	Completed
3	Bridge Point Barking	Industrial	50,246	Completed
4	Dagenham Dock	Industrial	2,006,255	Planning
5	Industria	Industrial	133,000	Completed
6	Bridge Point Enterprise East	Industrial	333,000	Planning
7	Valer Park Canning Town	Industrial	17,600	Completed
8	Zephyr Park	Industrial	172,547	Under Construction
9	Valer Park Gemini Business Park	Industrial	27,300	Completed
10	Expressway	Light Industrial	120,000	Completed



PATRIZIA - MINORIES

AD

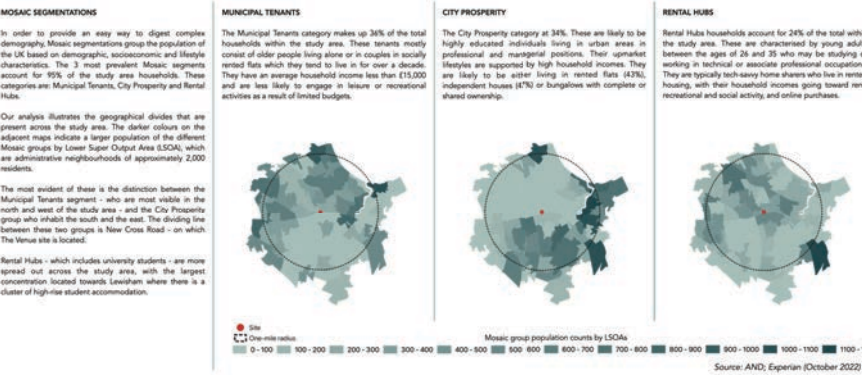
SECTOR ANALYSIS



DOMINVS - THE VENUE, NEW CROSS

AD

MOSAIC SEGMENTATIONS



BERKELEY HOMES - TWELVETREES PARK

AD

CANARY WHARF

Following major modernisation and redevelopment over the past 30 years, Canary Wharf now provides an upmarket regional retail offering. Supported by a large commuter population alongside a high-density residential community and a significant visitor draw, the area is a prime retail location not just in terms of aesthetics, home to over 300 stores, 120 of which are F & B.

Largely concentrated in the centre of Canary Wharf around the station, a significant amount of the retail offering is underground. The site boasts many luxury brands such as Ralph Lauren and Paul Smith, in addition to a strong mid-market offer which includes H&M, Primark, and M&S. This includes Amazon Fresh, Waitrose and M&S supermarkets, banks and other services, as well as B&N, Debenhams, Debenhams, and Debenhams.

The restaurant offer for Canary Wharf is quickly becoming established as an import location in London with a varied offer with a range of world-class restaurants, local independents and national chains. The evening economy offer of bars and pubs is also becoming increasingly important as a visitor destination.

This includes important restaurants such as Boka, Bistrot, Goodmans, Heston, Patisserie, and M Canary Wharf. The area is also home to a significant quantum of interesting high-profile regional and the typical national chain offer including The Ivy, B&N, Saks, and Saks. This includes Amazon Fresh, Waitrose and M&S supermarkets, banks and other services, as well as B&N, Debenhams, Debenhams, and Debenhams.

The bar scene includes a quality offering including All Bar One, the Alchemist, Bread & Butter, and Electric. Shuffles and high-quality wine bars including The Humble Grape and Vagabond alongside an array of small cocktail bars.

Rents in Canary Wharf are very high at £81.00 p/sf, reflecting the prestige of the location which attracts top tier luxury brands, while the large average unit size of 5,310 sq ft demonstrates the scale of the offer in this location.

KEY STATISTICS



LOCATION



RETAILERS

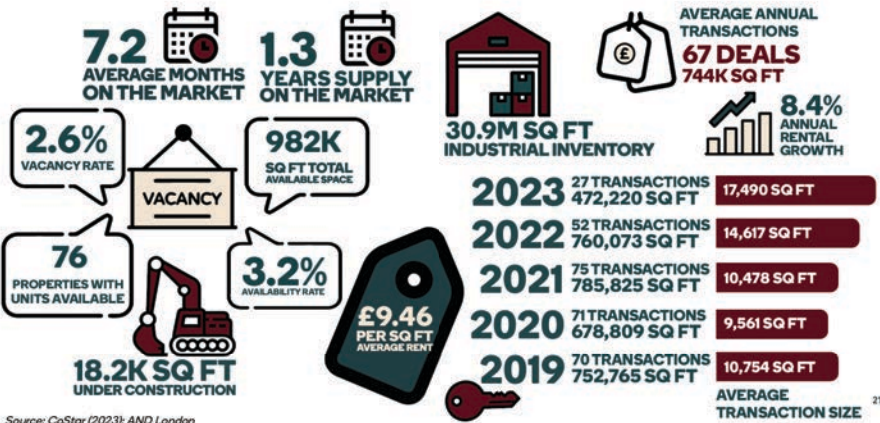


SCHEME



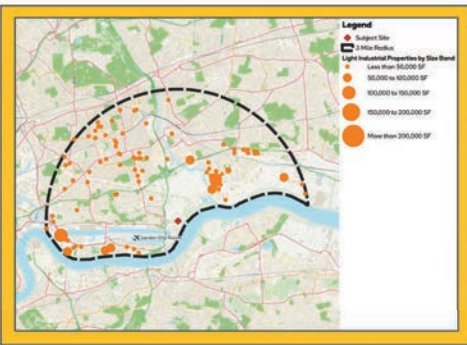
Source: AND; CoStar (November; 2022) | 23

INDUSTRIAL DEMAND ASSESSMENT

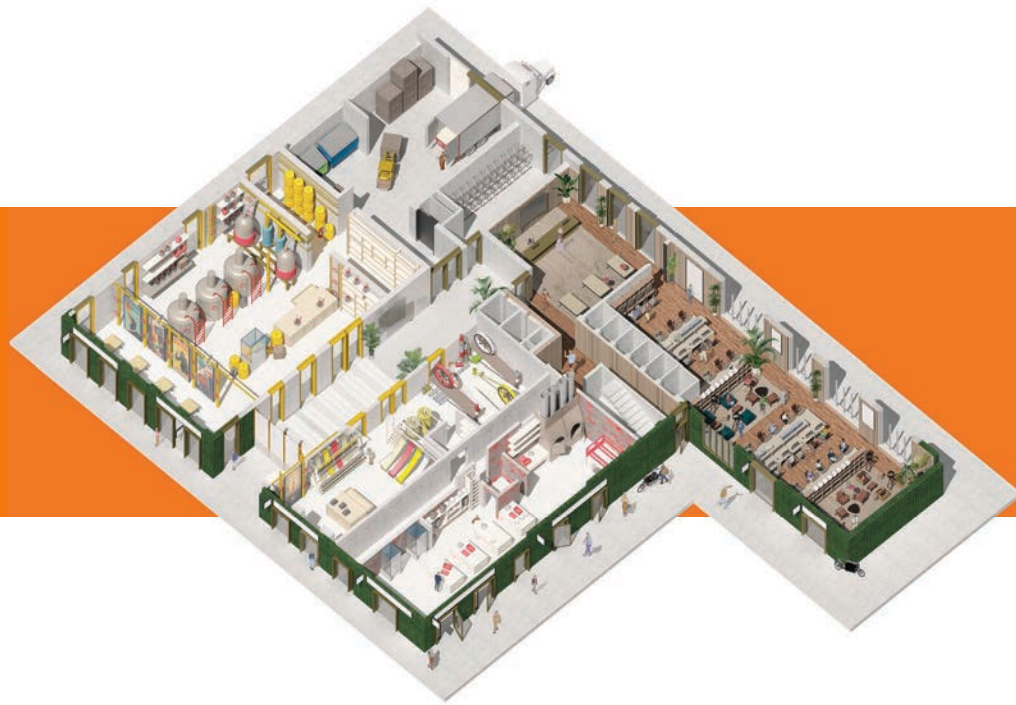


Source: CoStar (2023); AND London

LIGHT INDUSTRIAL DEMAND ASSESSMENT



TYPICAL WORKSPACE TYPOLOGIES



MAKER CAMPUS



MICRO MAKER

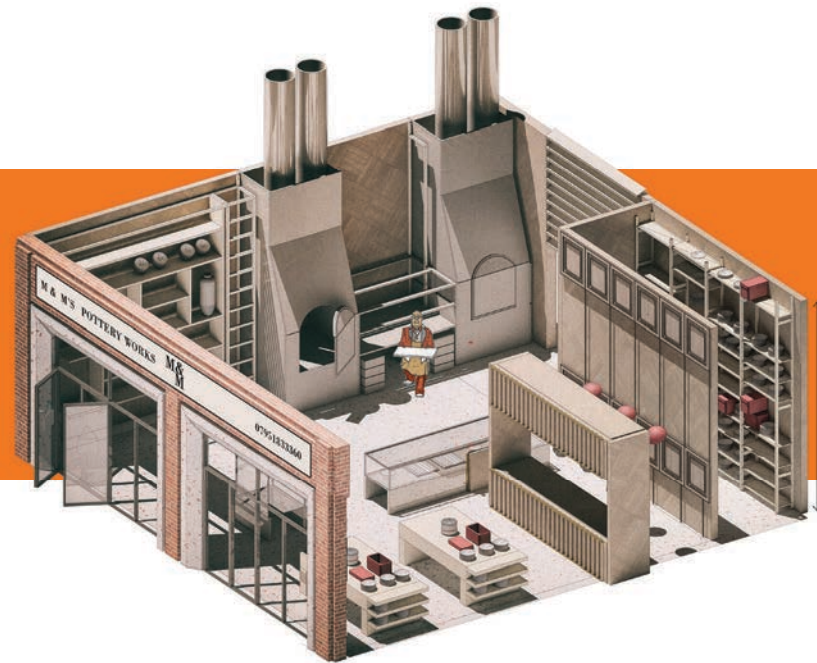


MAKER MEWS

TYPICAL WORKSPACE TYPOLOGIES



PHOTOGRAPHY STUDIO



SMALL FACTORY



MEDIUM FACTORY

TYPICAL TENANT TYPES



Start-up Micro Baker

Size requirements:
600 - 3,000 sq ft

Specification requirements:

- Production facilities
- Basic extraction
- Storage space
- Cooling if possible
- Loading bay directly outside unit



Ceramicist

Specification requirements:
250 - 500 sq ft

Specification requirements:

- Production area
- Desk space
- Storage space
- 24 hour access



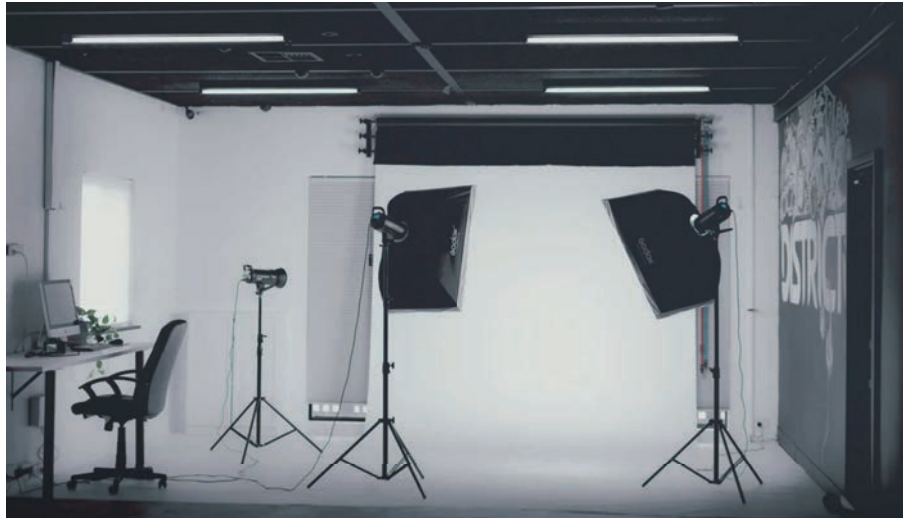
Green Industries

Specification requirements:
250 - 800 sq ft

Specification requirements:

- Studio Space
- Production Space
- Storage area
- Fulfilment area
- Natural light if possible

TYPICAL TENANT TYPES



Photography Studio

Size requirements:
500 to 1,000 sq ft

Specification requirements:

- Flexible space
- Natural light
- Goods lifts if above GF
- Green room
- Light and dark spaces



Small Storage & Office

Size requirements:
500 to 2,000 sq ft

Specification requirements:

- Flexible space
- Production area
- Some office space
- Natural light



Furniture Production

Size requirements:
500 to 5,000 sq ft

Specification requirements:

- Production area
- Small office
- Storage
- Generous floor to ceiling heights
- Access to loading bay

With every community, we redefine what's possible.



Stantec is a global leader in sustainable engineering, architecture, and environmental consulting. The diverse perspectives of our partners and interested parties drive us to think beyond what's previously been done on critical issues like climate change, digital transformation, and future-proofing our cities and infrastructure. We innovate at the intersection of community, creativity, and client relationships to advance communities everywhere, so that together we can redefine what's possible.

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