Mr Rupert Handley
Development Planning
City of Westminster
PO Box 732
Redhill, RH1 9FL

Our ref: GLA/4925/02 Your ref: 19/03673/FULL Date: 23 March 2020

Dear Mr Handley

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008

5 Kingdom Street, Paddington Local Planning Authority Reference: 19/03673/FULL

Direction under Section 2A of the 1990 Act

I refer to your letter of 10 March 2020 informing the Mayor that Westminster City Council is minded to refuse planning permission for the above planning application. I refer you also to the notice that was issued on 17 March 2020 under the provisions of article 5(1)(b)(i) of the above Order.

The Mayor has delegated his planning powers to me and having now considered a report on this case, reference GLA/4925/02 (copy enclosed), I hereby direct (under the powers conferred by Section 2A of the 1990 Act) that the Mayor will act as the local planning authority for the purposes of determining the above planning application.

My reasons are as follows:

- a) The development would have a significant impact on the implementation of the London Plan because of the potential for the scheme to contribute towards the aims of London Plan Policies 2.10, 2.11, 2.13 and 4.2, London's economy and the implications for London's continued success as a world city, as set out in the attached report.
- b) The development would have a significant effect on more than one London Borough because of a clear functional relationship with the wider CAZ and Paddington Opportunity Area. Furthermore, the site is located within an area of nationally significant economic activity which contributes towards the strategic employment function of London as a whole, as set out in the attached report.

c) There are sound planning reasons for the Mayor's intervention, because failure to promote appropriate development on sites such as this could potentially impact upon the economic health of the Central Activities Zone, the Paddington Opportunity Area and London as a whole, as well as wider regeneration objectives for the Opportunity Area, as set out in the attached report.

I must also have regard to targets identified in development plans. As set out in the report, I recognise that the City of Westminster and the Westminster CAZ has experienced a net loss of B1 office floorspace in recent years and that new employment floorspace is required in order to meet the City Plan target of 58,000 new jobs (774,000sqm B1 office floorspace) between 2016/17 and 2036/37. I recognise that central London local planning authorities as a whole have been performing well in terms of granting planning permission for new office development, although I note that permissions granted have declined in recent years. I also recognise that the Council has performed well in delivering and exceeding the 5,000 new jobs expected in the Paddington Opportunity Area, although I note that this is clearly expressed as a minimum.

I would be grateful if you would provide me, as soon as reasonably practicable, any information relevant to the application. In due course I will notify you of the date of the representation hearing and I will consult you on any draft planning obligation and/or conditions.

Yours sincerely

Jules Pipe

Deputy Mayor for Planning, Regeneration and Skills

CC Tony Devenish, London Assembly Constituency Member Andrew Boff, Chair of London Assembly Planning Committee National Planning Casework Unit, DCLG Lucinda Turner, TfL

GREATER LONDON AUTHORITY

planning report GLA/4925/02

23 March 2020

5 Kingdom Street, Paddington

in the City of Westminster

planning application no. 19/03673/FULL

Strategic planning application stage II referral

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008.

The proposal

Construction of a mixed-use development comprising ground (Kingdom Street) and 18 storeys to provide office (B1a) and retail uses (A1/A3), and a flexible mix of business, retail, sport and leisure, and exhibition uses below Kingdom Street. New outdoor terraces; creation of a new pedestrian and cycle link between Harrow Road and Kingdom Street, including internal and external garden and landscaping; and associated works.

The applicant

The applicant is British Land and the architect is Allies and Morrison

Strategic issues

Westminster City Council has resolved to refuse permission for this application. The Mayor must consider whether the application warrants a direction to take over determination of the application under Article 7 of the Mayor of London Order 2008.

Having regard to the details of the application, the matters set out in the committee report and the Council's draft decision notice, the development has a significant impact on the implementation of the London Plan, has significant effects on more than one London Borough, and there are sound planning reasons for the Mayor to intervene in this particular case and issue a direction under Article 7 of the 2008 Order.

The Council's decision

In this instance the Westminster City Council has resolved to refuse permission.

Recommendation

That the Westminster City Council be advised that the Mayor will act as the local planning authority for the purposes of determining the above application and any connected application.

Context

- On 3 May 2019 the Mayor of London received documents from Westminster City Council notifying him of a planning application of potential strategic importance to develop the above site for the above uses. This was referred to the Mayor under the following Categories of the Schedule to the Order:
 - 1B "Development (other than development which only comprises the provision of houses, flats, or houses and flats) which comprises or includes the erection of a building or buildings— (b) in Central London (other than the City of London) and with a total floorspace of more than 20,000 square metres."
 - 1C "Development which comprises or includes the erection of a building of one or more of the following descriptions — (c) the building is more than 30 metres high and is outside the City of London."
- On the 15 July 2019, the Mayor considered planning report GLA/4925/01, and subsequently advised the Westminster City Council that while the application was broadly supported in strategic planning terms, the application did not yet fully comply with the London Plan and draft London Plan, for the reasons set out in paragraph 65 of the above-mentioned report but that the possible remedies set out in that same paragraph could address these deficiencies.
- A copy of the above-mentioned report is attached. The essentials of the case with regard to the proposal, the site, case history, strategic planning issues and relevant policies and guidance are as set out therein, unless otherwise stated in this report. On 7 January 2020, the Westminster City Council resolved to refuse planning permission for the application and on 10 March 2020 advised the Mayor of this decision. Under the provisions of Article 5 of the Town & Country Planning (Mayor of London) Order 2008 the Mayor may allow the draft decision to proceed unchanged, or issue a direction under Article 7 that he is to act as the local planning authority for the purpose of determining the application and any connected application. The Mayor has until 23 March 2020 to notify the Council of his decision and to issue any direction.

Relevant policy and guidance update

The Examination in Public on the Mayor's draft London Plan was held between 15 January and 22 May 2019. The Panel of Inspectors appointed by the Secretary of State issued their report and recommendation to the Mayor on 8 October 2019. On 17 December 2019, the Mayor published the Intend to Publish version and issued this to the Secretary of State. The Intend to Publish London Plan is the latest version of the emerging plan. On 13 March 2020 the Secretary of State issued a set of Directions under Section 337 of the Greater London Authority Act 1999 (as amended). To the extent that is it relevant to this decision, the Intend to Publish London Plan and the Secretary of State's direction is addressed below.

Consultation stage issues summary

- At the consultation stage, Westminster City Council was advised that the application did not comply with the London Plan and draft London Plan for the following reasons:
 - Land use principles: The principle of redeveloping this highly accessible site
 within the Paddington Opportunity Area and the Central Activities Zone (CAZ)
 to deliver a significant amount of office floorspace, alongside retail, education
 and community uses is strongly supported. The financial contribution towards
 affordable housing and the provision of affordable office space is supported
 and should be secured through condition/S106.
 - Urban design & heritage: The contributions towards public realm and
 pedestrian permeability are welcomed. Whilst the height of the building would
 result in some harm to surrounding heritage assets, GLA officers consider this
 harm to be less than substantial and outweighed by both the public benefits
 arising from the proposals, including the financial contribution towards
 affordable housing, on-site affordable office workspace, the provision of
 floorspace for education, retail and community uses and improvements to
 public realm and pedestrian and cycle connectivity. Notwithstanding this,
 details of materials must be robustly secured through condition.
 - **Energy**: The proposed energy strategy is generally supported. Compliance with Part L 2013 should be achieved, and the applicant is encouraged to explore further opportunities for renewable technologies. The on-site carbon dioxide savings exceed the target set in London Plan Policy 5.2.
 - Flood risk & drainage: A revised surface water drainage strategy is required to reflect the drainage hierarchy. Further details on SudS measures should be provided in line with London Plan Policy 5.13 and draft London Plan Policy SI.13.
 - Transport: £45,000 financial contribution is required towards expanding the
 Orrsett Terrace cycle hire docking station. On-site cycle parking should be
 increased in line with draft London Plan standards. A car parking management
 plan, detailed travel plan, construction logistics plan and delivery and servicing
 plan must be secured by condition or \$106.

Council reasons for refusal

The Council's Planning Committee resolved to unanimously refuse the application, in line with officers' recommendation. The Council's draft decision notice includes the following reasons for refusal:

- 1. Because of its height, mass, location and design the proposed 18 storey tower (plus plant rooms) would harm the character and appearance of this part of the City and result in less than substantial harm to a range of designated heritage assets including harm to the setting of numerous grade II listed Victorian terraces and villas (notably 9-31 Porchester Square; 14-20 Westbourne Terrace Road; 21-26 Westbourne Terrace Road; villas and terraces in Blomfield Road facing Little Venice (34-44 Blomfield Road); villas on south-west side of Warwick Avenue (nos.7-31); and the terraces on either side of the southern end of Warrington Crescent (nos.149 and 4-36); harm to the setting of the grade I registered parks of Kensington Gardens and Hyde Park; harm to the setting of the Royal Parks Conservation Area, the Bayswater Conservation Area, the Maida Vale Conservation Area, the Westbourne Conservation Area; and harm to the setting of the Little Venice canal intersection. The proposed public benefits are not considered to outweigh this harm. The development would therefore not meet S11, S18, S25, S26, S28 and S37 of Westminster's City Plan (November 2016) and DES1, DES3, DES4, DES9, DES10, DES12, DES13 and DES 15 of our Unitary Development Plan that we adopted in January 2007.
- 2. Insufficient information has been submitted to demonstrate that the proposed building, by reason of its height and mass would not result in a cumulative material loss of light to the detriment of the amenities of the occupiers of the properties on Westbourne Terrace Road and Warwick Crescent following the Councils resolution to grant planning permission for the development on Blomfield Mews (RN: 19/00026/COFUL). The proposal is therefore contrary to policy S29 of Westminster's City Plan (November 2016) and Policy EN V13 of the Unitary Development Plan adopted in January 2007.

Article 7: Direction that the Mayor is to be the local planning authority

- In order to exercise the power to direct that he is to be the local planning authority and to determine a PSI application (within categories 1 and 2 of the Schedule to the Order 2008), the Mayor must be satisfied that certain statutory tests set out in Article 7 of that Order are met. These tests relate to a decision as to who the decision maker in respect of the application should be, and not whether planning permission should ultimately be granted or refused.
- 8 The relevant statutory tests comprise the following three parts, all of which must be met in order for the Mayor to take over the application:
- a) the development or any of the issues it raises must be of such a nature or scale that it would have a significant impact on the implementation of the London Plan;
- b) the development or any of the issues it raises must have significant effects that are likely to affect more than one London Borough; and
- c) there must be sound planning reasons for issuing a direction.
- 9 Parts (a) and (b) of the test identify the impact an application would have on implementation of the Mayor's policies and the geographical extent of the impact respectively, whilst part (c) deals with the reasons for the Mayor's intervention. These tests are intended to ensure that the Mayor's powers of intervention are exercised only in respect of the most significant of applications which are referred to him.

- Moreover, article 7(3) of the 2008 Order requires the Mayor, when considering whether to exercise his power to become local planning authority in respect of a PSI application, to take account of certain matters. In respect of all categories of PSI application, the Mayor is required to take account of whether the Council is achieving, and has achieved any relevant development plan targets.
- This report considers the extent to which the statutory tests under Article 7(1) are met and whether, having regard to the matters to which the Mayor is required to take account pursuant to article 7(3), the Mayor should direct that he is to be the local planning authority. This report does not consider the merits of the application, although consideration has been given to the key planning issues in so far as is necessary in applying the statutory tests in Article 7(1) as set out below.

Statutory test 7(1)(a): Significant impact on the implementation of the London Plan

London's economy

- The application site lies within the Central Activities Zone (CAZ), which covers London's geographic, economic and administrative core. London Plan Policies 2.10 and 2.11 identify, among other policy considerations, that the Mayor will enhance and promote the unique international, national and London-wide roles of the CAZ, supporting the distinct offer of the zone based on a rich mix of local as well as strategic uses, forming the globally iconic core of one of the world's most attractive and competitive business locations. London Plan Policy 2.10 provides that the Mayor, boroughs and other strategic partners should enhance and promote the unique national and international roles of the CAZ, whilst also ensuring that office provision in appropriate areas is not strategically constrained and that provision is made for a range of occupiers.
- London Plan Policy 4.2 seeks to "meet the distinct needs of the central London office market, including the north of the Isle of Dogs, by sustaining and developing its unique and dynamic clusters of 'world city' and other specialist functions and business environments". The supporting text to this policy notes that office-based employment in London may grow by some 303,000 jobs between 2011 and 2031. It estimates that London might need between 4.6-5.2 million sq.m. (gross) office floorspace by 2031, with just over 3 million sq.m. of that needed in the CAZ and north of the Isle of Dogs.
- The site is located within the Paddington Opportunity Area. London Plan Policy 2.13 states that development proposals in Opportunity Areas should support the strategic policy directions in Annex 1, optimise residential and non-residential output and contribute towards meeting the indicative employment estimates. Annex 1 of the London Plan explains that significant office development has already come forward in the Opportunity Area and that there is scope for further high density, good quality business development. It sets an indicative employment capacity of 5,000 additional jobs, although there is a general expectation that this is exceeded.

- The application proposes an office-led mixed-use development comprising 47,694 sq.m. (GIA) of office space on the upper floors, with the potential for a further 4,508 sq.m. at the lower levels. The development could accommodate between 3,348 and 4,185 additional office jobs, which is potentially equivalent to 84% of the estimated employment output of the Paddington Opportunity Area. At this level, the floorspace and job generating capacity of the proposed development, and therefore the development itself, is clearly strategically significant. Furthermore, the maximum employment output of this scheme is equivalent to almost 1.4% of the total new office-based jobs expected in London between 2011 and 2031, which is also significant from a singular site thereby underscoring the strategic importance of the development.
- The application site forms part of Paddington Central, a commercial estate comprising offices and a hotel, with a retail presence at street level. The campus has been built out in phases, with buildings surrounding Sheldon Square forming the first phase; and the buildings along Kingdom Street (2, 3 and 4 Kingdom Street and Novotel) following as a second phase. A reserved matters application (LPA ref: 09/08353/RESMAT) was granted in January 2010 and approved the detailed design and external appearance of the proposed buildings at 4 and 5 Kingdom Street. Whilst development of 5 Kingdom Street has not commenced, certificate of lawful development approval ref: 11/12117/CLUEUD confirms that no. 4 Kingdom Street has been completed and as such, this permission has been lawfully implemented. The extant permission for the development of a 13-storey office building comprising 25,528 sq.m. of office floorspace at the site is therefore a material planning consideration for any development proposals at the site.
- The current proposed development equates to a maximum uplift of 26,674 sq.m. above what has been approved by the extant consent, and a minimum uplift of 22,166 sq.m. Taking into account this extant permission, GLA officers consider that the uplift in floorspace, together with the uplift in job numbers of between 1,508- 2,510, is significant when considered in the context of contribution to London Plan objectives.
- London's success as a world city is based around its global business location and also its ability to plan for continued growth and changing circumstances. The provision of a large quantum of office floorspace, which represents a substantial uplift compared to the extant scheme, would contribute significantly to the aims of London Plan Policies 2.10, 2.11, 2.13 and 4.2. As such, the proposal is considered to to be of a nature and scale which will have a significant impact on the implementation of London Plan Policies relating to London's economy and as such this test is met.

Statutory test 7(1)(b): Significant effects on more than one London Borough

London Plan Policy 2.10 makes clear that the distinct offer of the CAZ is based on the rich mix of local as well as strategic uses forming the globally iconic core of one of the world's most attractive and competitive business locations. The implication of this is that the value of the CAZ is worth more than the sum of its constituent parts, and to support London's world city role it must act as a unified economic zone. In recognition of the important economic role of the CAZ, an Article 4 Direction was confirmed on 15 February 2019 and came into force on 1 May 2019 to remove permitted development rights for changes of use from B1(a) (offices) to C3 (dwelling houses) within Westminster's Central Activities Zone.

- London Plan Table 1A.1 identifies that the Paddington Opportunity Area provides scope for further high density, good quality, business and housing development.
- In addition to this, the North Westminster Economic Development Area (NWEDA) has been designated by the Council to address economic renewal in the north-west of the City, covering a much wider area than the Opportunity Area. The NWEDA extends along the borough boundaries with the London Borough of Brent and the Royal Borough of Kensington and Chelsea, while the Paddington Opportunity Area sits close to these boundaries. The Westminster City Plan highlights the importance of the Paddington Opportunity Area in providing opportunities for regeneration and economic development for the wider NWEDA and surrounding residential neighbourhoods, through improving access to employment (paragraphs 3.50-3.52). The Council intends to work in partnership with the London Borough of Brent and the Royal Borough of Kensington and Chelsea to create better connections between these areas (paragraph 3.54) and Annex 1 of the London Plan supports better integration between the Opportunity Area and surrounding neighbourhoods.
- The provision of high-quality office floorspace in this location would complement and expand the existing offer and performance of the CAZ, and as such supports an area of national economic significance that is vital to London's status as an international business location. Furthermore, the jobs and regeneration benefits of this strategic office-led mixed-use development in the Paddington Opportunity Area and NWEDA would benefit adjoining London Boroughs. The proposed development, and the jobs and office floorspace it would deliver, would contribute towards the strategic employment function of London as a whole. The development would therefore have significant effects on more than one London Borough and as such this test is met.

Statutory test 7(1)(c): Sound planning reasons for intervening

In addition to parts (a) and (b), part (c) of the test is whether the Mayor considers there to be sound planning reasons to intervene. Having regard to the details of the proposal and the Council's draft reasons for refusal, together with the outstanding issues identified by the Mayor in his original comments which are examined in more detail within paragraphs 24-38 of this report, there are sound planning reasons to take over this application.

Development in CAZ

- London Plan Policy 2.10 sets out the Mayor's policy on the CAZ and states that the Mayor will, and boroughs and other relevant strategic partners should, enhance and promote the unique international, national and London-wide roles of the CAZ, supporting the distinct offer of the Zone based on a rich mix of local as well as strategic uses forming the globally economic core of one of the world's most attractive and competitive business locations.
- In line with London Plan Policy, the proposal could support the strategic objectives for the CAZ through delivering a high-quality large-scale employment-led development in an appropriate location and contribute towards meeting London Plan projected requirements for office space demand and employment growth in the CAZ. The development includes the potential for a contribution towards affordable workspace, as well as towards affordable housing.

In addition to the provision of employment floorspace, the proposal provides a range of flexible commercial, educational, community, retail and leisure uses, including a 250-seat auditorium which would be available for free community use for 4 sessions per month. Whilst the final provision of uses within the Crossrail Box have not been set, the application documents refer to the potential for a market hall, conference centre, entertainment uses such as a cinema, and a gym.

<u>Development in the Paddington Opportunity Area</u>

- London Plan Policy 2.13 sets out the Mayor's policy on Opportunity Areas. London Plan paragraph 2.58 states that Opportunity Areas are the capital's major reservoir of brownfield land, with significant capacity to accommodate new housing, commercial and other development linked to existing or potential improvements to public transport accessibility. London Plan Table A1.1 sets out the strategic policy direction for the Paddington Opportunity Area, acknowledging that while significant office and residential development provision has already been made, there is scope for further high density, good quality, business and housing development.
- In line with London Plan Policy 2.13, the proposal would support the strategic policy direction for the Paddington Opportunity Area, deliver land uses and jobs in line with the aims and objectives the Westminster City Plan and contribute towards meeting the indicative estimates for employment capacity set out for the Paddington Opportunity Area in Table A1.1 of the London Plan. The proposal would also provide new public realm and enhanced connections to better integrate the Opportunity Area with surrounding neighbourhoods.
- The proposed development has the potential to deliver substantial benefits of both strategic and local importance which would be likely to be foregone as a result of Westmister City Council's resolution and without the Mayor exercising his powers under Article 7 of the 2008 Order. As such and for the reasons set out, there are considered to be sound planning reasons for the Mayor to intervene in this case, so as to provide the opportunity for him to give further consideration to the application and to determine it himself. This test of sound planning reasons for intervention is therefore met in this case.

The emerging Intend to Publish London Plan

- The statutory tests under Article 7(1) of the 2008 Order have been considered above in the context of the current London Plan. Considered in that context, it is concluded that the statutory tests set out in article 7(1) are met for the reasons set out above. The Article 7(3) considerations are addressed below.
- 31 The Intend to Publish London Plan, to the extent relevant, serves to support that conclusion.
- Intend to Publish London Plan Policy SD1 requires development decisions to encourage and deliver the growth potential of Opportunity Areas and deliver employment opportunities. Table 2.1 sets an increased indicative capacity of 13,000 new jobs for Paddington Opportunity Area.

- Policy SD4 emphasises "the unique international, national and London-wide roles of the CAZ, based on an agglomeration and rich mix of strategic functions" and promotes the nationally and internationally significant office functions of the CAZ.
- Policy E1 promotes the unique nationally significant agglomerations of the central London office market, including the CAZ. The Policy acknowledges the restructuring in the office market with increasing numbers of SMEs, changing work patterns and new forms of accommodation. It suggests that there could be an increase of 619,300 office jobs in London between 2016 and 2041, which could translate into demand for between 4.7 and 6.1 million sq.m. of office floorspace, 3.5 million sq.m. of which is expected in the CAZ and northern Isle of Dogs.
- These policies of the Intend to Publish London Plan have not been the subject of any direction or other adverse comment by the Secretary of State.
- As discussed above, the proposed development would deliver up to 52,202 sq.m. of office floorspace and 4,185 additional jobs, which would comprise 32% of the revised indicative jobs capacity for the Opportunity Area. This would be strategically significant. Furthermore, this would comprise 0.7% of the total office jobs expected in London, which again would be significant from a single development.
- As such, the development is considered to have a significant impact on the implementation of the policies of the Intend to Publish London Plan in respect of London's economy which are referred to above. Furthermore, in view of the policy position that the CAZ is of national and international significance for business and office development, the proposal is also considered to have a significant effect on more than one London Borough under the Intend to Publish London Plan.
- Finally, the potential contribution of the scheme to London's economy, CAZ and the Paddington Opportunity Area, together with the mix of land uses, public realm and connections, means that there are sound planning reasons for the Mayor to intervene, when considered under the Intend to Publish London Plan.

Matters the Mayor must take account of

As the development does not include development falling within Category 1A of the Schedule to the order, the Mayor is not specifically required by the terms of the Order to take account of the Council's current and past performance against applicable development plan targets for new housing, including affordable housing. Article 7(3)(b) of the Order states that the Mayor must assess the extent to which the Council is achieving and has achieved any other targets set out in the development plan which are relevant to the subject matter of the application. In this instance, targets with respect to **offices** and **employment** are most relevant.

London Plan targets

- 40 London Plan Table 4.1 identifies demand for up to 3,070,000 sq.m. (gross floor space) of office floorspace in the CAZ and the north Isle of Dogs by 2031. The development would contribute towards this total.
- London Plan Table 1.1 projects a 14.3% growth in employment within Westminster by 2036 and provides an adjusted triangulated forecast benchmark of 656,000 jobs by 2011 and 750,000 by 2036. London Plan Table A1.1 indicates the Paddington Opportunity Area has capacity to provide 5,000 new jobs by 2036. The development would contribute towards this employment target.
- London Plan AMR Key Performance Indicator (KPI) 8 seeks to ensure that there is sufficient development capacity in the office market by ensuring that the stock of office permissions is at least three times the average rate of starts over the previous 3 years. The below table shows the ratios of planning permissions granted to starts from the latest AMR 15:

Table 2.9 Ratio of planning permissions to three year average starts in central London*

| Year | EGi | LDD |
|------|--------|--------|
| 2004 | 11.9:1 | 6.4:1 |
| 2005 | 8.1:1 | 7.4:1 |
| 2006 | 8.3:1 | 8.7:1 |
| 2007 | 6.3:1 | 4.7:1 |
| 2008 | 7.5:1 | 4.1:1 |
| 2009 | 10.0:1 | 7.0:1 |
| 2010 | 13.0:1 | 11.6:1 |
| 2011 | 13.5:1 | 8.0:1 |
| 2012 | 8.3:1 | 3.9:1 |
| 2013 | 7.1:1 | 4.5:1 |
| 2014 | 5.9:1 | 3.2:1 |
| 2015 | 6.0:1 | 3.8:1 |
| 2016 | 4.9:1 | 3.6:1 |
| 2017 | 5.4:1 | 3.0:1 |
| 2018 | 5.1:1 | n/a |

The table confirms that, whether the EGi or LDD data is used, the KPI is achieved across the last 3 years, although it is noted that there has generally been a steady decline in planning permissions granted for office development in recent years so there is a risk that in future years the KPI may not be met. This development could contribute towards addressing this decline.

City of Westminster targets

- Policy S20 of the Westminster City Plan states that "the Council will work to exceed the target of additional B1 Office floorspace capacity for at least 58,000 new jobs (774,000sqm B1 office floorspace) between 2016/17 and 2036/37, an average of 2,900 new jobs per annum".
- Westminster's Authority Monitoring Report (AMR), published in March 2019 for the period 2013-2017, demonstrates that Westminster has experienced significant losses of office floorspace (Class B1) between 2013/14-2016-17, with a recorded net loss of over -233,000 sq.m. The AMR highlights that if this trend continues, there are risks that the objective to deliver additional B1 office floorspace to accommodate new jobs could be compromised. Between 2013/14 and 2016/17 the Central Activities Zone in Westminster also experienced a net loss of office floorspace over 218,000 sq.m. The development has the potential to assist in addressing this loss.
- Policy S3 of the Westminster City Plan sets a target of 1,000 new homes and development capacity for 5,000 new jobs within the Paddington Opportunity Area between 2011 and 2031. This includes a range of offices, flexible workspace and light industrial units including large floorplate office stock and affordable business floorspace suitable for small business and creative industries.
- In terms of the Paddington Opportunity Area, the AMR indicates that the target of providing over 5,000 new jobs has already been met and that the floorspace in the pipeline could result in provision equal to twice the target. Whilst this overprovision is noted, London Plan Policy 2.13 sets these figures for OAs as minimums with a clear expectation that they will be exceeded. Furthermore, once published, the Intend to Publish London Plan would increase the indicative capacity for new jobs within the Paddington Opportunity Area to 13,000, representing an increase in 8,000 jobs above the current London Plan target, which this development could contribute to.

Outstanding issues

48 GLA officers acknowledge that in the interim between the Mayor's Stage 1 report and the Mayor receiving the Stage 2 referral the applicant has submitted further information to address energy and sustainable development concerns raised by GLA officers and transport concerns raised by TfL.

Land use principles

At consultation stage, the principle of redeveloping this highly accessible site within the Paddington Opportunity Area and Central Activities Zone to deliver a significant amount of office floorspace, alongside retail, education and community uses was strongly supported. The scheme was considered to have significant potential to contribute towards the diversity of workspace and businesses within the CAZ and Opportunity Area, in accordance with London Plan Policy 4.2. The provision of affordable workspace, offered at 50% of market rent, was supported in line with draft London Plan Policy E3.

In line with London Plan Policy 4.3 and Policy S1 of the Westminster City Plan, a financial contribution of £1 million was proposed towards the provision of affordable housing within Westminster. It was noted that this payment fell significantly below the £33,142,923 required by local planning policy and was undergoing review by the Council's independent viability consultants. Further negotiations have taken place between the Council and applicant following consultation stage. The Council's independent consultants (LSH) confirmed that they do not consider that affordable housing could be provided on site; a view shared by Westminster officers. Following a review of the applicant's Financial Viability Appraisal (FVA), LSH considered that a payment of £1,750,696 would be viable. This amount was accepted by the applicant. The Council's review of the FVA have not been provided to GLA officers. Accordingly, should the Mayor take over the determination of the application, further scrutiny of the applicant's FVA would be required to ensure that the maximum contribution towards affordable housing is secured.

<u>Urban design</u>

- Further to GLA pre-application advice, the broad layout principles and improvements to pedestrian and cycle permeability were strongly supported at consultation stage. Whilst the principle of the proposed internal route is supported, the consultation stage report advised that details regarding management and hours of access should be agreed with the Council and secured via section 106 agreement.
- At consultation stage, it was acknowledged that the proposal would extend four storeys higher than the extant scheme. However, despite this increase in height, the proposed form and massing was considered to sit comfortably within the emerging character and scale of development within the surrounding area. The City Council's committee report raises concern regarding the proposed height and refers to the resulting harm to the character and appearance of the surrounding area within the first reason for refusal. The proposal would extend an additional 25.1 metres (approximate) above the consented scheme. GLA officers note that the extant scheme was subject to the parameters approved within outline permission 97/06935/OUT, whilst the current application has been submitted as a standalone detailed application.
- At consultation stage, the unique and modern approach to the architectural design of the building was supported, subject to detailed design and high-quality materials. GLA officers considered that the external appearance and massing of the proposed building represents an improvement over the extant scheme.
- Should the Mayor take over the determination of the application, GLA officers will fully consider further the height, mass and design of the development, as well as its impact on the amenities of surrounding residents as raised in the Council's second refusal reason.

Heritage

The Council's first reason for refusal refers to the less than substantial harm to a range of designated heritage assets as a result of the height, mass location and design of the building. Whilst the Council's committee report acknowledges that the proposed package of public benefits would not be provided should the implemented scheme be constructed; the proposed public benefits were not considered to outweigh the less than substantial harm caused by the development.

- Section 5 of the Committee Report summarises the consultation responses received by Westminster City Council. Historic England's comments were reported as an objection. GLA officers have reviewed the response received by Historic England which states that the proposals are considered to have a wide range of impacts on conservation areas and settings of listed buildings. The relationship with Kensington Gardens and Hyde Park is considered to cause the most notable impacts.

 Notwithstanding this, the response acknowledges that there are existing tall buildings and consented schemes which will cause some harm to the setting of Kensington Gardens. Overall, Historic England consider that all the impacts identified are less than substantial in the degree of harm they would cause. The recommendation concludes that should the proposals not meet the terms of national legislation and policy, amendments, such as a reduction in height, safeguards or further information should be sought.
- 57 Should the Mayor take over the determination of this application, GLA officers will further and fully consider the impact of the proposals on the significance of heritage assets and carry out the statutory duty and relevant policy tests and in doing so will consider the consultation responses of Historic England and others concerning impact on the historic environment.

Energy and sustainable drainage

- At consultation stage, the applicant was asked to provide further information and technical clarifications in relation to cooling/overheating, passive design/energy efficiency, worksheet calculations, the district energy network and site heat network futureproofing and renewable energy. Should the Mayor take over the determination of the application, GLA officers will work with the applicant to address any outstanding matters, to ensure compliance with London Plan Policies 5.2 and 5.13 and Intend to Publish London Plan Policies SI2 and SI13.
- Additional information on surface water drainage and water consumption has been provided and are considered adequately to address the concerns raised at consultation stage.

Transport

- At consultation stage financial contributions were requested towards highways improvement works at the junction of Harrow Road and Westbourne Bridge, Legible London signage and towards a study of potential improvements to enhance the physical condition of Westbourne Bridge to be secured via section 106 agreement. A car parking management plan, details of cycle parking, detailed travel plan, construction logistics plan and delivery and servicing plan were also requested to be secured by condition or section 106 agreement.
- At consultation stage, a financial contribution was requested in order to extend an existing cycle hire docking station on Orsett Terrace. Council officers did not consider this to be feasible due to site constraints. Alternatively, it was suggested that the public realm should include the provision of space for an additional cycle hire station. The specific location, detail and financial contribution towards this docking station was to be resolved as part of the detailed design of the public realm and would be secured by legal agreement.

Should the Mayor take over the application, further discussions are required with the applicant and TfL officers regarding the above matters.

Response to consultation

- Westminster City Council sent out a total of 3,525 neighbourhood consultation letters, notified statutory bodies and local amenity groups, and issued press and site notices. A total of 63 neighbour responses were recieved, 61 of which objected to the proposal and 2 were representations in support. In summary, the objections raised concerns over:
 - Height, massing, material palette, fenestration detailing, design out of character with surrounding buildings;
 - Visual impact on surrounding area;
 - No requirement for gym or further offices;
 - Concerns over management and operation of community facilities within the box;
 - Anti-social behaviour;
 - Loss of light and overshadowing;
 - Increased light pollution and noise;
 - Increase stress on highways and public transport network;
 - Issues with consultation and ease of reviewing documents; and,
 - · Concerns regarding air quality.
- Ward Councillor Cox (Hyde Park ward), Councillor Matthew Green, Councillor Caplan (Little Venice ward), Councillor Maggie Carman, Councillor Carman (Bayswater ward) and Councillor Burbridge (Lancaster Gate ward) have also raised objections to the scheme. The Councillor's concerns generally focused on the proposed height, massing and design of the building and the impact this would have on surrounding residential amenity, views and heritage assets.
- In addition to the two letters of support received by surrounding residents, the Hyde Park East Association, Paddington BID, Councillor David Boothroyd (Westbourne ward) and Councillor Emily Payne also issued their support for the proposal, in terms of the iconic building design and new route through the base of the building.

Statutory and non-statutory comments

- Representations were also received from the following statutory organisations and amenity groups:
 - **London Underground** no objection, subject to a condition for details of design and method statements of foundations, basement and ground floor structures.
 - Historic England less than substantial harm would occur. Should the proposal not meet the terms of national legislation and policy, amendments, safeguards or further information should be secured.
 - Thames Water— comments provided in relation to waste and water.
 - Paddington Waterways and Maida Vale Society: object to the substantial increase in height, bulk and mass of the proposed upper floors which would cause significant harm to surrounding conservation areas.
 - South East Bayswater Residents Association: object to the proposed height, bulk and design which would have an adverse impact on the conservation areas. No demand for the proposed community facilities within the basement.

Bayswater Residents Association: object to height, massing and design.
 Further consideration required regarding amenity impact to the residents of Westbourne Greene.

Consultation summary

67 Should the Mayor take over the application for his own determination, the consultation responses, and the issues raised within them, will be fully considered as part of GLA officers' assessment of the application.

Legal considerations

Under the arrangements set out in Article 5 of the Town and Country Planning (Mayor of London) Order 2008 the Mayor has the power to issue a direction under Article 7 that he is to act as the local planning authority for the purpose of determining the application and any connected application. The Mayor may also leave the decision to the local authority. If the Mayor decides to direct that he is to be the local planning authority, he must have regard to the matters set out in Article 7(3) and set out his reasons in the direction.

Financial considerations

Should the Mayor take over the application he would be responsible for holding a representation hearing and negotiating any planning obligation. He would also be responsible for determining any reserved matters applications (unless he directs the council to do so) and determining any approval of details (unless the council agrees to do so).

Conclusion

Having regard to the details of the application and the development proposed, to the matters set out in Article 7(3) of the Order 2008, to the relevant planning issues, the Council's committee report and reasons for refusal, it is concluded that the nature and scale of the proposed development and the issues raised give rise to a significant impact on the implementation of the London Plan, there are significant effects on more than one London Borough and there are sound planning reasons for the Mayor to intervene and issue a direction under Article 7 of the Order 2008.

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