Planning Consultants

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DP9

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Dear Mr Khan

Draft New London Plan

Representations by EC Properties LP on behalf of Capital & Counties Properties plc and its subsidiary companies in relation to the Earls Court and West Kensington Opportunity Area

- 1. These representations are submitted by EC Properties LP ("ECP") on behalf of Capital & Counties Properties plc ("Capco") and its subsidiary companies, including Earls Court Partnership Limited ("ECPL"), a joint venture between Capco and Transport for London, who together are bringing forward the regeneration and redevelopment of the Earls Court and West Kensington Opportunity Area ("ECWKOA").
- 2. The representations follow those submitted by Capco in June 2016, responding to the GLA's 'call for sites' and in December 2016 in response to the 'City for All Londoners' consultation document.
- 3. Capco considers the 'Draft New London Plan' to be an important and positive document that rightly identifies the pressure on London to deliver substantial growth especially housing and requires the development of brownfield land, particularly Opportunity Areas such as the ECWKOA, to be intensified and for land in accessible locations to be used efficiently. In particular, Capco supports the Mayor's recognition at para. 2.1.1 that Opportunity Areas are the most significant locations for the delivery of new homes and employment. Capco considers that the significance of Opportunity Areas is becoming ever more critical given the continued protection of the Green Belt and the protection of particular non-residential designations e.g. Strategic Industrial Locations.
- 4. The ECWKOA is one of the most important Opportunity Areas in London. Its redevelopment is being delivered through a public-private partnership with TfL, which will generate significant income for the public sector. It is centrally located and benefits from high accessibility, being well served by excellent transport links.
- 5. The ECWKOA presents an opportunity to deliver on the Mayor's vision set out in the 'Draft New London Plan' and become a template for 'good growth'. Planning permission is already in place to deliver 8,000 new homes, including some 1,611 affordable homes. But, as previously set out in representations to the 'City for All Londoners' consultation, there is the opportunity for a new masterplan to be brought forward and for this to substantially increase the number of new homes and jobs, including more genuinely affordable homes.



Background to the ECWKOA

- 6. The ECWKOA is well placed to assist the Mayor in delivering development that responds positively to 'Good Growth' and 'Healthy Streets' principles set out in the Draft New London Plan. Most importantly, it has the ability to deliver a very significant number of new homes, of varying tenures.
- 7. The ECWKOA is one of the best located Opportunity Areas in London, enjoying a PTAL rating of 6A and with access to three underground stations and one overground station. It extends to approx. 38 hectares and spans the boundary of two London Boroughs; the London Borough of Hammersmith & Fulham ('LBHF') (approx. 29 ha of the Opportunity Area) and the Royal Borough of Kensington & Chelsea ('RBKC') (approx. 9 ha), comprising mainly brownfield land including the site of the former Earls Court Exhibition Centre buildings, the Lillie Bridge transport depot and two housing estates; West Kensington & Gibbs Green Estates.
- 8. Planning permissions are in place for comprehensive development (summarised at **Appendix 1**). Significant progress has been made in the implementation and delivery of development in the Opportunity Area (see 'Development Progress' section below) and substantial investment has been committed. A large part of the redevelopment of the ECWKOA is being delivered through ECPL, a public-private partnership between Capco and TfL designed to deliver housing and generate long term revenue streams for investment in TfL infrastructure.

Approved Development

- 9. The schedule included at **Appendix 1** (also submitted in support of Capco's December 2016 representations to the 'City for All Londoners' document) provides a factual account and demonstrates that planning permissions are in place for the delivery of 8,000 new homes. In addition to this, the approved development includes a mix of offices, hotels, workspace, education and other social infrastructure, including a new destination for leisure and culture. The total quantum of approved development is just over 1.1m sqm.
- 10. Capco notes that housing capacity figures for the sites listed in **Appendix 1** have been included in the site list at Appendix D attached to the Mayor's 2017 London Strategic Housing Land Availability Assessment ("LSHLAA"). However, some of the housing figures included in the LSHLAA table are well below those set out at **Appendix 1** of these representations. DP9 has therefore prepared the table enclosed at **Appendix 2**, which compares the approved number of homes with the LSHLAA figures to enable the Draft New London Plan evidence base to be based on an accurate account of approved development in the ECWKOA. Capco requests that the indicative new homes figure for the ECWKOA, as stated on page 52 of the Draft New London Plan, is reviewed and updated in light of the information provided at **Appendix 1** and **Appendix 2**.
- 11. In summary, the approved development provides for the following planning benefits:
 - a) 8,000 new homes;
 - b) 1,611 affordable homes (including £1.9m in affordable housing contributions);
 - c) 10,000 new jobs;
 - d) 2,250 construction jobs per annum;
 - e) £43.5m of investment in social infrastructure (including new leisure and health facilities and a primary school);



- f) £8.5m contribution for skills and training initiatives;
- g) £38.2m of improvements to local tube stations;
- h) £5.9m of investment in bus service enhancements and bus stops;
- i) £1.3m of investment in cycle hire hubs, parking spaces and lanes;
- j) £50m of Mayoral CIL payments;
- k) £82.7m new homes bonus; and
- 1) £2.5bn construction-related Gross Value Added (GVA).
- 12. In total, the above amounts to a benefits package valued at nearly £500m.

Development Progress

13. Substantial progress is being made on the delivery of development within the ECWKOA. Since the submission of representations to the 'City for All Londoners' document in December 2016, which documented works carried out to demolish the former Earls Court Exhibition Centre buildings and prepare the masterplan site for redevelopment, works have be on-going. The most significant element of the works has been the removal of 61 'portal' beams between March 2017 and January 2018 by the largest Heavy Lifting Crane ever used in London (see Fig. 1 below). The beams, which each weighed between 100 and 1,500 tonnes, had supported the old Exhibition Centre buildings over London Underground lines and their removal will increase the efficiency with which buildings can be constructed on the site.



Fig. 1: Image of the Heavy Lifting Crane used to remove the 61 'portal' beams



14. In addition to the removal of the portal beams, the 'West Brompton Crossing' temporary pop-up retail and food and drink operation has been installed along Lillie Road between the masterplan and Lillie Square sites (see fig. 2 below). The temporary operation has permission to remain until August 2020 as it is located on land either side of the entrance to Empress Place which has been identified to form part of the site for a development of c. 400 new homes (planning application yet to be submitted).



Fig. 2: West Brompton Crossing 'pop-up'

15. The images below and overleaf illustrate the progress already made, including the delivery of new homes on the Lillie Square part of the ECWKOA and demolition/site preparation works on the former site of the Earls Court Exhibition Centre buildings.



Fig. 3: View of Earls Court masterplan site looking west





Fig. 4: View of Earls Court masterplan site looking north



Fig. 5: View of construction progress on the Lillie Square development (looking south from Earls Court masterplan site)

16. Further site enabling works and works in relation to the London Underground lines to prepare the masterplan site for the commencement of early phase development, in addition to the on-going construction of the Lillie Square development, will continue during 2018.



Importance of Opportunity Areas and ensuring Policy SD1 maximises housing delivery

- 17. The Draft New London Plan clearly recognises the critical importance of Opportunity Areas in the delivery of housing as well as other important policy areas the creation of employment, for example.
- 18. Capco wholly supports the pro-development approach that runs as a theme throughout the Draft New London Plan document, especially with regard to Opportunity Areas. But, the approach to Opportunity Areas must be bold. There must be a strong statement of intent in terms of maximising their development output. Policy SD1 supports the delivery of Opportunity Areas, but it could be bolder and stronger in its approach. Capco considers there to be two main areas of possible improvement:
 - i. Draft Policy SD1 A(5) states that development in Opportunity Areas should 'maximise' the delivery of affordable housing. It fails to mention any other form of housing. Given the extensive nature of the housing crisis and housing need that is recognised elsewhere in the Plan, Capco proposes that Policy SD1 must provide more explicit support for maximising housing development generally, as well as noting the importance of affordable housing.
 - ii. Greater responsibility and instruction ought to be placed on the Boroughs to encourage maximised housing delivery and, in relation to draft Policy SD1 B(6), there should to be a presumption in favour of housing (and housing-led) proposals in Opportunity Areas that exceed the indicative minimum housing delivery targets. Such a boldness of approach is vital if the Mayor is to ensure the Boroughs work collaboratively with him to achieve anywhere near the housing numbers required by the Plan.
- 19. In light of the above, Capco proposes the following changes to Policy SD1. These changes are felt necessary to help ensure Opportunity Areas are maximised in respect of housing output. The changes provide a stronger and bolder policy statement that is in keeping with the critical role that Opportunity Areas need to play over the Plan period.

Policy SD1 proposed changes:

SD1 A(5) "ensure that Opportunity Areas maximise the delivery of <u>housing, including</u> affordable housing, and create mixed and inclusive communities..."

SD1 B(6) "<u>seek to meet or, where appropriate</u>, exceed the indicative guidelines for housing and/or indicative estimates for employment capacity set out in Figures 2.4 to 2.12. <u>Boroughs should treat the housing and employment numbers in these Figures as minimums and exercise a general presumption in favour of development that maximises the delivery of housing and employment above the indicative figures provided."</u>

Strategic Direction for Opportunity Areas

20. Capco welcomes the Draft New London Plan's objective to support the focussed delivery of a substantial amount of the new homes and jobs that London needs in Opportunity Areas. But, it is concerned that the content of draft Policy SD1 and its supporting text does not provide the strategic direction that is needed to help guide the formation of policies and identification of development quantums for Opportunity Areas at the local level. It is Capco's view that the draft wording of Policy SD1, while flexible and therefore capable of providing scope for development to make the most effective use of Opportunity Areas, risks allowing the strategic direction that should be provided by the London Plan (and is by the current version) to be passed down to local policy.



- 21. The Plan is currently silent in relation to any strategic guidance to help form the development of the majority of London's Opportunity Areas, including the ECWKOA. Some guidance is provided for a select few Opportunity Areas, but no explanation is provided as to why this is the case and the approach is inconsistent. It is worrying that the Plan provides a narrative and direction for some Opportunity Areas, whilst being completely silent on others.
- 22. It is imperative that the development of Opportunity Areas delivers a substantial proportion of the Mayor's housing and employment targets and it is, therefore, vitally important that their development is at least broadly directed at the strategic level to help guide the formation of local policies, planning guidance/framework documents and future planning decisions. Capco feels strongly that some form of high level strategic direction for each of the Opportunity Areas is necessary to help ensure the new London Plan is as effective as possible, and its effect not watered-down by policies at a local or neighbourhood level. Such strategic direction need not be detailed, but could provide the Mayor's take on the priorities and development principles for each Opportunity Area. This is very much in the interest of the Mayor being able to confidentially rely on the Opportunity Areas performing in respect of housing delivery. Without any strategic direction, there is a clear risk that several Opportunity Areas do not perform to their maximum, risking the overall ability for London's housing targets to be met.
- 23. In light of the above, Capco proposes that the London Plan should include some strategic direction for the ECWKOA as well as other Opportunity Areas for which there is no narrative or explanation currently provided. This could be in a similar format to the guidance set out in Table A1.1 of the current London Plan, which includes a succinct section setting out the Mayor's general aspirations for the nature of development to make the best possible use of the relevant Opportunity Area. This extra level of guidance would be in addition to the minimum housing and employment numbers identified in Figures 2.4 to 2.12 of the Draft New London Plan.

The opportunity to enhance the Earls Court Masterplan

- 24. A masterplan and associated planning permissions are in place for ECWKOA. But, for large-scale projects of this nature, that will be built out over long timeframes and across different political and economic cycles, it is only right that their development output and contribution is kept under review.
- 25. London's housing needs have grown substantially, and political priorities have changed, since the initial masterplan for ECWKOA was conceived. The ECWKOA has significant potential to evolve and respond to London's future needs and there is a positive opportunity to review the approved masterplan achieving higher density, providing more housing and employment to meet needs and delivering further on the principles of 'Good Growth' and Healthy Streets.
- 26. Optimising the development of the ECWKOA would have significant benefits to housing delivery for the New London Plan (both in terms of overall total output as well as mix and tenure including market housing for sale and rent, and a variety of affordable housing tenures). Making the most of Opportunity Areas and realising the full development potential of public land (i.e. TfL Lillie Bridge Depot land) is clearly a fundamental component of meeting London's growth needs and fostering economic prosperity.
- 27. A review process undertaken by Capco has identified the ability to optimise the masterplan, delivering significantly more new homes, including more affordable homes for Londoners, different housing tenures and other public benefits, including more employment opportunities.
- 28. Initial masterplanning work has demonstrated that an optimised masterplan for the ECWKOA would deliver: greater density and more new homes and jobs compared to existing planning permissions; an opportunity to re-focus affordable housing tenures to deliver Homes for Londoners (including



London Living Rent and PRS homes); varied employment opportunities, including flexible workspace; a flexible approach to phasing that would allow for early delivery and development parcels to come forward at different times while ensuring comprehensive development; adoption of market leading energy efficiency and sustainability techniques; and improved open space and social infrastructure provision to support the greater density of development.

- 29. Capco is fully committed to engaging with the Mayor and GLA officers in relation to a review of the approved Earls Court Masterplan, to deliver more homes and, in particular, more genuinely affordable homes. Additionally, Capco, as appropriate, is willing and able to assist in the formulation of the London Plan approach to Opportunity Areas, high density and design/development standards. Some general comments and observations in this respect are set out below:
 - Cumulative impact: Capco is concerned about the cumulative impact of the draft policies on development viability which make development, especially in Opportunity Areas, more challenging to deliver. Capco urges the GLA to properly test the actual costs associated with meeting specific policy requirements on development viability.
 - Density and tall buildings: Capco fully supports a design-led approach to density and tall buildings. But, Capco is concerned that the draft New London Plan especially Policies D2 and D6 do not contain sufficient safeguards to ensure that boroughs maximise the density of development within Opportunity Areas. In a similar vein, Policy D8 does not ensure that Boroughs will not take an overly conservative approach to building heights that could constrain an area's growth potential. The draft Policies should be amended to set an expectation that high density development and tall buildings will be expected in Opportunity Areas. The Policies (and supporting text) must emphasise the ability for Opportunity Areas to create their own urban context and the very essence of their designation is such that transformation of urban form, density and building heights relative to their existing context is to be wholly expected.
 - Approach to daylight and sunlight for neighbouring residents: GLA planning officers will be aware of the risk that a rigid application of the BRE guide would pose to optimising housing densities. Capco is concerned that the Draft New London Plan does not address this risk. Given detailed Policies that have been drafted on other design standards and amenity considerations, it is felt entirely appropriate for the Plan to specifically address daylight/sunlight and the use of the BRE guide. Capco proposes that text is added to Policy D4 stating that an appropriate degree of flexibility should be applied when using BRE guidelines to assess the daylight and sunlight impacts of new development on surrounding properties, as well as within new developments themselves. Guidelines should be applied sensitively to higher density development, especially in opportunity areas, town centres, large sites and accessible locations, where BRE advice suggests considering the use of alternative targets. This should take into account local circumstances; the need to optimise housing capacity; and scope for the character and form of an area to change over time. The degree of harm on adjacent properties and the daylight targets within a proposed scheme should be assessed drawing on broadly comparable residential typologies within the area and of a similar nature across London. Decision makers should recognise that fully optimising housing potential on large sites may necessitate standards which depart from those presently experienced but which still achieve satisfactory levels of residential amenity and avoid unacceptable harm.
 - Affordable housing threshold approach in Opportunity Areas: The supporting text to Policy H6, at paragraph 4.6.13, recognises that a different affordable housing threshold approach may be appropriate for Opportunity Areas. Capco considers this to be essential given the very



challenging nature of most Opportunity Areas and the priority to be afforded to the funding of infrastructure necessary to enable development to come forward. However, Capco is concerned that the approach taken by paragraph 4.6.13, as currently drafted, only envisages a 'flex' upwards – above 35% (or 50% in respect of public land). This is concerning and Capco questions the logic of what is proposed. For Opportunity Areas there ought to be the ability for a bespoke threshold to be set (above or below the threshold levels currently stated) that responds to the specific viability considerations of individual Opportunity Areas (including other public benefits), where this can be appropriately and robustly evidenced.

- *Viability reviews*: Policy H6 and paragraph 4.6.12 set out the Mayor's approach to viability review mechanisms. On major, complex regeneration projects such as the ECWKOA reviews should be downward as well as upward, recognising the significant risk of such projects and the need to respond to economic cycles.
- *Meanwhile use*: Capco supports the principle of Policy H4 on meanwhile use as a mechanism for making the best use of land that is not yet ready for development. However, it is important that the temporary nature of the meanwhile housing use is communicated to residents of the development and the existing surrounding community. This should be reflected in the supporting text of the policy.
- 30. We look forward to receiving confirmation that these representations have been received. Should you have any queries or require any further information on the enclosed, please contact Craig Tabb or Richard Foot of this office.

Yours faithfully,

DP9 Ltd



APPENDIX 1 - ECWKOA SCHEDULE OF PLANNING PERMISSIONS

| Site (Permission Ref.) | Permission Date | Quantum of Development (m ² GEA)* | No. of Homes | Other Approved Land Uses | |
|---|---|--|-----------------|---|--|
| Lillie Square (2011/02000/FUL, superseded by 2013/01213/VAR) | 30 th Mar 2012 (superseded 29 th Aug2013) | 91,743 | 807 | Gym facility (Class D2) | |
| Earls Court Masterplan - RBKC 'OPP 1' (PP/11/01937) | 14th Nov 2013 | 168,333 | 930 | Retail (Classes A1-A5); Offices (B1); Hotel and Serviced Apartments (C1); Leisure/ Education/Health/ Community/ Culture (D) | |
| Earls Court Masterplan - LBHF 'OPP 2' (2011/02001/OUT) | 14th Nov 2013 | 771,334 | 5,845 | Retail (A1-A5); Offices (B1); Hotel and Serviced Apartments (C1); Education/ Health/ Community/ Culture (D1); Leisure (D2) | |
| 1-9 Lillie Road (2013/02620/FUL) | 5 th Mar 2014 | 8,970 | 65 | Retail (Classes A1/A3); Leisure/ Community (D1/D2) | |
| ESB Change of Use (2013/05175/FUL) | 22 nd May 2014 | 57,669 | 340 | Retail (A1-A4) | |
| West Brompton Square (PP/15/00369) | 1 st Apr 2015 | 2,569 | 16** | Retail (A1) | |
| Totals | - | 1,100,618 | 8,000** | - | |

^{*} Excludes 'ancillary' floorspace ** 16 units approved, but site overlaps with OPP1 land, resulting in a net increase of 13 dwellings on the 930 approved under OPP1



APPENDIX 2 – ECWKOA PLANNING PERMISSION HOUSING FIGURES VS LSHLAA APPENDIX D HOUSING FIGURES COMPARISON TABLE

| Gti | GLA FIGURES | | | _ | COF | CORRECT FIG | |
|---|-----------------------|-------------------|-------|---|------------------------------|-------------------------------|--|
| Site | Existing Homes | Proposed Homes | Net | | Existing Homes | Existing Proposed Homes Homes | |
| Car Park Seagrave Rd | 0 | 490 | 490 | | 0 | 0 807 | |
| Empress State Building | 0 | 342 | 342 | | 0 | 0 340 | |
| Lillie Bridge Rail Depot | 0 | 690 | 690 | | Included in EC Ex Cen figure | | |
| 1-9 Lillie Road | 24 | 65 | 41 | | 24 | 24 65 | |
| EC Ex Cen | 760 | 4,053 | 3,293 | | 760 | 760 5,845 | |
| 100-100A West Cromwell (approval that has lapsed) | 32 | 482 | 450 | | 32 | 32 482 | |
| Earls Court Exhibition Cen – K&C | 0 | 930 | 930 | | 0 | 0 930* | |
| Total | 816 | 7,052 | 6,236 | | 816 | 816 8,469* | |

^{*}excludes West Brompton Square planning permission (PP/15/00369) which overlaps the Earls Court Exhibition Centre RBKC site and comprises 16 units (but a net increase of 13 units due to overlap with RBKC site), i.e. RBKC site figure would rise to 943 and overall total figures rise to 8,482/7,666 if included.