

Introduction

Grosvenor Britain & Ireland (GBI) welcomes the opportunity to offer its views on the Mayor's Draft Replacement London Plan (the Plan).

GBI creates and manages high-quality urban neighbourhoods. Our diverse property development, management and investment portfolio includes Grosvenor's London estate of Mayfair and Belgravia, in which it has a £1bn planned investment programme. Other developments include Oxford, Cambridge, Edinburgh, Southampton and Bermondsey in London. GBI is part of Grosvenor Group, a privately owned property group active in some of the world's most dynamic cities.

Vision

We support the broad focus of the Plan, that of Good Growth. We welcome the Mayor's underlying ambition that the capital meets the needs and aspirations of the many. With our far-sighted view and over 300 years of history, we recognise many of the challenges and opportunities that come with the imperative to create and sustain great places: urban neighbourhoods with rich histories that offer a unique lifestyle and home to people of mixed incomes, backgrounds, life stages and jobs; as well as commercial districts that host new jobs and greater opportunities.

We also recognise that the successful delivery of the Plan will depend on funding and support from Central Government, not least in the form of new infrastructure, such as Crossrail 2, and new improvements, such as the upgrade of the Oxford Street district. We believe that national funding will be needed to deliver Good Growth, and we support the Mayor's call for it, to see London flourish as a competitive global city to the UK's benefit.

We also support the Plan's ambition to create high-density, mixed-use places that make the best use of land. Placemaking leadership will be required from our civic leaders to unlock the private capital and coordination needed to create and manage those places and strengthen the character and appeal of London's districts.

Finally, given the Plan's ambition, detail and focus, we recognise a need for the Mayor and borough leaders to collaborate, perhaps more closely than ever and both with each other and with the private sector, to secure its successful implementation. The Plan calls for new urgency, creativity and pragmatism and we look forward to seeing that, particularly given the housing shortage.

We address some more specific policy areas below and have followed, where possible, the order and headings within the Plan itself for ease of reference.

The Central Activities Zone (CAZ)

GBI is committed to the long-term success of the West End in the Central Activities Zone (CAZ). We want to help drive the success of London's economic and cultural powerhouse. The West End faces enormous pressures as a result of London's growth, and fierce international competition. It requires new investment in its infrastructure to meet growing demand. We cannot take for granted its ability to host new jobs and better places.

The 6.34 hectares of the West End generates more GVA per year than any other part of the UK (£51 billion), more than the City of London (£43.9 billion) and almost the same as the whole of Wales (£52 billion). It contains world-leading retail, entertainment, medical, cultural and media industries.

We believe that the economic significance of the West End and its International Retail Centre should be reflected more comprehensively than with the one page of policies proposed in this Plan, with greater emphasis placed on the growth-promoting framework required to unlock the West End's potential, attract private sector capital and support the creation of more jobs and better places. We would think this would more closely align with the Mayor's commitment, with WCC, to transform Oxford Street.

We support the broadening of the area defined as the West End. We would suggest that the description of the uses characterising it be expanded to include offices and retail, notwithstanding the Plan's ambition for the vitality and viability of international shopping and leisure destinations. The West End's role extends beyond that of solely arts, entertainment and culture to create a vibrant, productive centre at the heart of the CAZ for workers, residents and visitors alike.

We would welcome clarity on West End Retail and Leisure Policy Area: its geography, its relationship to the West End cluster and International Centre, and the Mayor's aspirations for it.

Specifically on retail, we believe the Plan should establish the policy flexibility needed to reflect changing market forces and consumer habits. The defining retail experience is no longer limited to purchases; it comes with a place that offers a range of leisure, cultural and civic amenities, sometimes under the same roof. We believe the presumption in favour of traditional Class A1 drives a monocultural retail environment which will over time erode the West End's competitiveness. We believe the use classes order for retail is no longer fit for purpose and should be abandoned.

Specifically on office, we welcome the recognition that the nationally and internationally significant office functions of the CAZ be supported and enhanced, and the need for a presumption against the net loss of office space in any part of the CAZ.

Our analysis suggests that many parts of the West End have substantial untapped potential to host new jobs and growth. In many parts of the CAZ, market changes and a blunt mixed use policy have resulted in a substantial net loss of employment space. Westminster City Council (WCC) has a target of around 77,000 new jobs in the borough by 2036. The additional economic activity implied by this target will require around 2m square metres of new employment space in the next 20 years - three times the amount delivered in the previous 20. Meanwhile, vacancy rates are at a 15 year low.

We support the continued exclusion of permitted development rights for office to residential conversions in the CAZ, and WCC's proposal to apply an Article 4 Direction to achieve this. The successful growth of commercial space in central London demands a flexible planning policy that supports a mix of uses across a district rather than in a single building, requiring in turn land use flexibility, as well as affordable housing swaps and credits. In addition, we support a continued use of strategic policy to ensure that retained local mixed use policies are not applied to enable the maximum area of new commercial space to be created, including retail and cultural uses.

While we see the need for new employment space of all types, form and tenure, we believe the proposed affordable workplace policy goes against the grain of the market, comes with the risk of unintended consequences and is likely to disincentivise landlords from letting space that could otherwise be developed on a flexible basis at reduced rents. Prescriptive planning policy on this count will stymie the office market's ability to meet the requirements of micro, small and even medium-sized businesses.

We welcome the Plan's strong focus on the Mayor's Opportunity Areas. Victoria is one of those areas, and we continue to believe the relocation of the Victoria Coach Station would unlock the area's potential.

Finally, the foreword to the Mayor's second stage consultation on the Transformation of the Oxford Street District commits to addressing issues of growth "in future consultations, such as those on the London and City Plans". Whilst we do not doubt the Mayor's commitment to the delivery of this project and the level of priority it has, we do not see that commitment being honoured in the current draft London Plan. We believe Policy SD4 should acknowledge, and refer to specifically, the proposals to transform the Oxford Street district and provide supportive strategic policy guidance to enable the good growth potential of this district to be realised.

Design

We back the Plan's ambition to create high-density, mixed-use places that make the best use of land. And we welcome the design-led approach proposed to consider schemes for their placemaking value. As long-term creators and managers working at the neighbourhood scale, we look forward to working with the Mayor and other civic leaders to develop a firmer understanding of the components of good placemaking.

In Policy D1 the Plan calls on development to respond to local context through scale, appearance and character. We would like to see an examination of their relationship to policy promoting intensification and densification to ensure that they do not provide local authorities with an opportunity to resist proposals solely on the grounds of local context. It is possible to achieve a densification which responds to the spirit of a local context but this context should not be narrowly prescriptive.

We welcome the focus on healthy living and the way in which biophilic design principles can support the wellbeing of workers, residents and visitors. We support the consideration of new schemes against circular economy design principles. We believe applying those principles to new and existing homes, including throughout the construction period, will be key to the success of the London Environment Strategy and its ambition that London become a zero waste city.

On Fire Safety, we would encourage the inclusion into the scope minor works, specifically conversions and refurbishments which bear a significant proportion of the overall risk - in particular by compromising existing fire integrity. We believe greater clarity is needed on the definition of a Major Development and the benchmark for 'highest fire safety standards'.

Housing

We welcome the Mayor's ambition to drive a step-change increase in new homes and his recognition that London needs all forms of housing from all sources of supply. We believe London's greatest success factor is its ability to attract and retain talent, both nationally and internationally. Key to attracting that talent will be great places that are both dense and liveable. Our civic leaders will be judged by good place-based policy and not only by the number of units delivered, but also by the quality of the mixed urban neighbourhoods created.

We welcome the recognition that the Build to Rent sector (BtR) has untapped potential to bring a vital new form of supply to London, that it operates under a different set of economic and commercial imperatives than housing for sale, and that Discounted Market Rental homes should be considered by planning policy as affordable housing. When considering

the ratio of affordable housing in a Build to Rent scheme, there is an important consideration as to the balance between providing certainty on the amount of affordable housing provision required as well as the level of discount to market rent these units are then subsequently let for. If, for example, a high quantity of affordable housing is mandated, it is likely to mean that the level of discount to market rent of the leases will not be as high in order for a scheme to be viable in comparison to a scenario where the threshold total amount of affordable housing is lower.

The BtR sector in the UK is immature and yet to be fully tested by planning policy. On its contribution to affordable housing we would argue that the data available to justify a 35 per cent threshold is not yet robust. We recognise that this threshold is an option and not mandatory, subject to viability testing, but nonetheless it frames the debate within the public arena and sets an expectation in London which, at this stage, is not supported by reliable evidence. We fear that this could put the growth of this sector at risk which in turn will jeopardise the clear potential of the sector to deliver many of the homes that London needs.

Heritage and Culture

We share the Plan's aspiration to see the heritage of London's built environment enhanced, and as custodians of Mayfair and Belgravia tackle the choices in play day-to-day. We have long argued that for too many years the success of central London and the West End have been undermined by a false trade-off between economic growth, the creation of new jobs and enterprises, and a better experience for residents; or between densification and enhancing the unique character of historic built environment. Heritage policy should not perpetuate that false trade-off.

We welcome the Mayor's strengthened ambition to grow and improve London's cultural offer. We believe planning policy has an important supporting role to play - with for example an unambiguous definition of temporary use and the ability to change uses on a temporary basis without the need for formal consent.

Green Infrastructure and Natural Environment

We agree that a denser city can be a more environmentally sustainable city and welcome the Mayor's ambitions for a catalytic programme to tackle our city-wide environmental challenges. Bold leadership will be needed to secure London's resilience in the face of climate change.

We welcome in principle the incorporation of an Urban Greening Factor into the assessment of new development, but believe its application requires wider testing as its impact on the commercial viability of city centre projects is not yet known. Our initial analysis suggests that 43% of the development area would be required to incorporate green infrastructure which is challenging when trying to achieve the higher density needed to deliver the offices and homes London needs. Moreover, planning policy weight should be given to the quality as well as the quantity of green space, referencing factors such as the contribution to biodiversity.

Sustainable Infrastructure

We support the Mayor's efforts to improve air quality, and back his aspirations to transform Oxford Street with pedestrianisation. We would like to see a stronger commitment to the Oxford Street district with a planning policy framework that supports its growth.

We welcome efforts to improve London's air quality and support the recognition that the wide-scale retrofitting of existing buildings will be key to success. We have an extensive retrofit programme on our London estate and have gained recognition and profile for

pioneering BREEAM Outstanding on a Grade Two Listed residential asset as well as the EnerPhit pasivhaus standard. A sensitive and flexible planning regime will be required, particularly as it applies to heritage properties, to see new technologies such as air source heat pumps, glazing and solar tiles applied to good effect.

Transport

We welcome ambition to enable more journeys by foot and by bicycle, support the Healthy Streets Approach and would back efforts to cut traffic where possible.

On air quality, we support the early implementation of the ULEZ and phasing out of the most polluting vehicles. Air quality and the effects of dangerous levels of poor air quality should remain highest priority until satisfactory levels of NO^x and PM_{10/2.5}'s are achieved. With this in mind, we support efforts being made across London, by the public and private sector, to consolidate freight and deliveries and recognise the contribution this will make not only to air quality but also to the quality of experience for those living and visiting areas currently affected by high levels of delivery and servicing vehicles.

We strongly support the case for Crossrail 2 and significant infrastructure improvements in Victoria. We look forward to working with the Mayor to ensure the delivery of such projects, as well as making the case for their funding at Central Government level.