

My comments

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Object -

Q+A Planning Ltd act on behalf of the London Hotel Group (LHG). LHG own and operate hotels across London. These hotels are operated in partnership with global brands, such as Ibis (AccorHotels Group) and Best Western. They also have ambitious plans to expand their hotel representation in London, taking advantage of the significant growth in tourism and business activity. Recent hotels have opened in Wembley and Croydon.

On behalf of LHG, we support the explicit recognition that the sequential approach (or test) applies to hotel uses as in Part A (1); this is missing in the current version of the Plan. However, we object to the specific wording of the policy because it is inconsistent with the NPPF and is also not effective.

Our first concern surrounds the final part of Part A (1) of policy SD8 which concerns the sequential approach and states *'or (if no sites are available, suitable or viable) on sites on the edges of centres that are, or can be, well integrated with the existing centre, local walking and cycle networks, and public transport'*. Our concern is twofold. Firstly, the sequential test in the NPPF (paragraph 24) does not refer to viability as part of the sequential test. Secondly, the wording omits reference to out of centre sites if town or edge of centre sites are not suitable or available. If there are no suitable or available town or edge of centre sites, then the NPPF allows for out of centre sites to be considered, with preference given to those accessible sites that are well connected to the town centre (see paragraph 24 of the NPPF). There is no justification, nor evidence base, to preclude the appropriate support given to out of centre sites subject to meeting the sequential test.

In Part A (2) of policy SD8, the statement that development plans and proposals should take a town centre first approach by *'firmly resisting out-of-centre development of town centre uses in line with the sequential approach in A(1) above'* is in fact entirely contrary to both A(1) of policy SD8 as well as national policy in the NPPF. This adds an unnecessary complication. If the sequential test is passed and the impact test satisfied (when relevant), there is no in principle reason to refuse permission for out of centre development. Including the test 'firmly resisting' provides an unnecessary addition to the policy which can potentially frustrate policy compliant out of centre schemes, where the sequential test has been met.

Finally, in Part A(3) requires an impact assessment for 'proposals for new, or extensions to existing, edge or out-of-centre development for town centre uses in part A(1) above that are not in accordance with the Development Plan'. However, this requirement is inconsistent with the NPPF given that the requirement to assess impact in paragraph 26 only applies to 'retail, leisure and office development'. This is distinct from the sequential test at paragraph 24 of the NPPF that applies to all town centre uses. The requirement in Part A(3) to assess the impact from all town centre uses would therefore be inconsistent with what the NPPF requires.

For example, in respect of hotel uses, these fall within the tourism development category of uses at Annex 2 of the NPPF under the main town centre uses definition; namely 'tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities'. It is distinct from the leisure uses, which are 'leisure, entertainment facilities the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, night-clubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls). Therefore, there is no requirement to assess the impact of tourism uses (including hotels) on town centres. Introducing this requirement into the London Plan is a significant departure from national policy and the previous London Plan, and we see no evidence for its proposition. Therefore, the text ought to be edited to ensure that the requirement for an impact assessment applies solely to 'retail, leisure and office development' and not all town centre uses, as currently drafted. It is noted that paragraph 2.82 includes the correct approach to impact assessments applying to 'retail, leisure and office development' and thus there is inconsistency between the policy and the supporting paragraph.

Object -

On behalf of LHG, we strongly object to this paragraph and in particular the sweeping statement that *‘Out-of-centre development can be particularly detrimental to town centres, undermining their economic performance, local character, and the accessibility they provide to a broad range of services, and encouraging increased trips by car.’*

Whilst we recognise the need to include a town centre first approach in policy, this paragraph seeks to elevate the need to deliver a town centre first approach beyond what is expected in national policy. No evidence is cited to support this assertion and there has been a requirement to test the impact of out of centre retail development for over 20 years and that development would have only be permitted where the impact was judged as acceptable and thus by definition not detrimental to town centres.

Whilst it is appreciated some out of centre development came forward prior to stronger requirements to test retail impact as introduced in national policy in the mid 1990s, it does not automatically follow that all out of centre development is (or has been) detrimental to town centres. In many cases, such development is a corollary of a lack of sites to meet the commercial requirements of retailers or other businesses that have a ‘town centre use’ definition that would either trade from an out of centre location, or not at all in the area.

Furthermore, the suggestion that developments would be encouraged increased trips by car is an unfortunate over simplification of the reality. More so in London than elsewhere in the Country, some out of centre sites can have high levels of accessibility. It does not follow that out of centre means low accessibility by public transport. Furthermore, in areas where there is a deficiency of a particular town centre use, its delivery on a out of centre site locally might prevent longer distance travel to elsewhere in London, adding to congestion.

Therefore, paragraph 2.8.1 should be deleted.

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On behalf of LHG, we support the overall thrust of policy E10, including its objective to strengthen London's visitor economy and associated employment. However, we wish to object to the wording of the policy since – if not interpreted consistently - it has the potential to frustrate rather encourage growth in London's visitor economy, particularly in respect of the delivery of serviced accommodation.

Our main concern surrounds part (E) of policy E10, which states that *'in outer London and those parts of inner London outside the CAZ, serviced accommodation should be promoted in town centres and within Opportunity Areas where they are well-connected by public transport, particularly to central London'*.

Whilst we don't object to the initial promotion of visitor accommodation in town centres, read in isolation this policy could be seen to preclude hotels on edge of centre or out of centre sites, should no sites in town centres be suitable or available (in other words, the sequential approach as set out in paragraph 24 of the NPPF). Whilst it is appreciated that policy SD8 addresses the sequential test, we consider that it should be recognised in policy E10 that it is not always possible to deliver hotels in town centres, due to the suitability of sites that are available or simply due to the lack of available sites.

LHG operate hotels within town centres, as well as on accessible edge and out of centre sites. When developing hotels, LHG have found that there are often not sites available or suitable within town centre locations. The NPPF is clear that hotels coming forward on edge or out of centre sites should not be precluded, if the sequential test has been applied to a planning application. Applying a rigid approach to the location of hotels in solely town centres is inconsistent with paragraphs 23 and 24 of the NPPF as well as creating an artificial barrier to delivering the needs for new hotels as specified in paragraph 6.10.1. If read in isolation without reference to policy SD8, this could be the interpretation given to the policy. Therefore, for the avoidance of doubt the words 'or edge or out of centre sites, if no town centre sites are suitable and available' and after the words 'town centres' in part E of policy E10.

Our second concern surrounds the support given to apart-hotels at part (F) of policy E10. LHG include apart-hotels in their existing portfolio and also are actively promoting apart-hotel developments. Therefore, we welcome the 'in principle' support given to apart-hotels together with short term lettings. However, we object to the qualification '*whilst ensuring that they should not compromise housing provision (see Policy H11 Ensuring the best use of stock)*' because it is unclear and therefore not effective. Policy H11 concerns ensuring the best use of housing stock and out of the three elements of the policy, only part (C) appears relevant, which states 'Boroughs should take account of the impact on the housing stock of applications for homes to be used as holiday rentals for more than 90 days a year'. This policy therefore appears to relate to the support given to 'short term lettings' rather than apart-hotels. Short term lettings relate to 'air bnb' type operations, which an apart-hotel represents serviced accommodation. This is clear

On this basis, there is clear potential for confusion in part E of policy E10 since it may infer some sort of wider analysis of the impact of an apart-hotel on housing provision in a broader sense than is required by policy H11. Indeed, policy H11 has no relationship at all to proposals for apart-hotels when its definition is understood. An apart-hotel, as defined at Annex 3 in the draft London Plan is as follows:

'Self-contained hotel accommodation (C1 Use Class) that provides for short-term occupancy purchased at a nightly rate with no deposit against damages. This will usually include concierge and room service, and include formal procedures for checking in and out. Planning conditions may limit length of stay for occupiers'

An apart-hotel falls within the C1 use class and is effectively an evolution of the traditional hotel format. Its definition is quite distinct from that of short term lettings, which concerns the holiday rentals reference in policy H11. This distinction is confirmed in paragraph 6.10.4 which refers to alternative forms of accommodation such as 'short term lets', with no reference to apart-hotels. Therefore, we suggest that part E of policy E10 as it stands is misleading and would benefit from revision to make it clear that the qualification given applies on housing provision applies only to the short term lettings support. Therefore, the policy as it stands is ineffective and requires revision.

On behalf of LHG, we welcome the recognition that London needs to ensure that it is able to meet the accommodation demands of tourists who want to visit the capital. We also broadly support the quantitative estimates given that London will need to build an additional 58,000 bedrooms of serviced accommodation by 2041, which is an average of 2,230 bedrooms per annum.

However, we object to the failure of the plan to adequately ensure that there should be a distribution of visitor accommodation across London and a range of different standards and ratings in order to ensure the market is well catered and the wider aspirations on London's tourism market are realised.

In our view, the reason for this failure is the confusion that arises in paragraph 6.10.2 in respect of the difference between demand and need. The first sentence refers to a need to meet the accommodation 'demands' of tourists, whilst the second refers to what London will 'need' to build. The figure subsequent 58,000 bedroom figure cited is based on GLA Economics. Working Paper 88. Projections of demand and supply for visitor accommodation in London to 2050. Despite the title of the paper, the figure presented is a quantitative need (not demand) for London as a whole.

The Paper itself considers demand at a high level, considering the total number of visitors to London and the number of nights that they stay. It then calculates a need by comparing this demand to the existing and projected supply of rooms. The eventual output is global need for London, divided by Borough, with the shares based upon pipeline information from within the AMPM database. From a methodological perspective, the approach appears reasonable and a sensible starting point on which to set out needs for London. However, in our view the London wide figure should only be seen as a guide and the subsequent figures broken down by local authority should be treated with caution. Essentially, this is because the figures are quantitative outputs only. We highlight the following draw backs of only relying on a quantitative output:

- There is no recognition that there are different standards of accommodation – i.e. it is possible that there is a gap in the market for certain standards, which if delivered would enhance consumer choice.
- They do not take into account where existing hotels are located – i.e. the existing supply might be located in an unsustainable location, but because it exists it is serving a market which might be better met in a more sustainable location

- They do not take into other qualitative drivers in an area – such as tourism or employment - that may in effect create a demand that is not reflected in need outputs.

There is also no explicit engagement with the hospitality industry and that would support the analysis.

The NPPF is clear in paragraph 161 that local authorities should use their evidence to the needs for land or floorspace for economic development, including 'both the quantitative and qualitative needs'. In this situation, the London Plan needs to set these out at a strategic level. Given the absence of any qualitative considerations, it is critical that the plan is sufficiently flexible to meet both demand and need.

The GLA will be aware that 'need' is not a development management planning policy test and the whole reason it was removed was to avoid artificial restraint of the market, restricting competition. Therefore, the need figures should not be treated as cap but rather a guide which to inform development plan policies and site allocations. In our experience, some Boroughs in London have been treating the need figures as targets in development management decisions which, once met, have been reached and therefore there is no further need to approve any further visitor accommodation. Adopting such an approach is an artificial constraint on growth and will put a handbrake on London's aspiration for tourism.

At this stage, this paragraph addresses the quantitative element of needs at a strategic level but does not address any qualitative issues. Whilst it is appreciated that the qualitative elements might be more appropriately addressed at a Borough level, the plan should make this clear. Therefore, we suggest that this paragraph is refined to make it clear that that qualitative needs also should be considered when planning for additional visitor accommodation in London.

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On behalf of LHG, we support the encouragement given to Boroughs in outer and inner London beyond the CAZ to plan proactively for new serviced accommodation. However, we object to the statement that this should be 'in town centres to help spread the benefits of tourism to the whole of the capital'. It is accepted that the starting point for encouragement should be town centres, but we are concerned that there are no sites within the town centre, then sufficient support might not be given to edge or out of centre sites. The sequential test is a well-established tool to ensure that town centre uses (such as visitor accommodation) are delivered in the town centre first. However, if the sequential test is not properly recognised in this paragraph, there is a risk that policy compliant schemes that are promoted on sites where there is no suitable or available site will not be given the overarching support expressed in this paragraph.