



November 2017 Draft London Plan

Representations by the London Property Alliance

2 March 2018

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1 Executive Summary

- 1.1 These are the London Property Alliance's ('the Alliance') representations to the November 2017 Draft London Plan. The Alliance is composed of the City and Westminster Property Associations working in partnership. We represent the owners, investors, professional advisors and developers operating across central London. Our membership list is provided in **Appendix 1**.
- 1.2 The Alliance welcomes the broad aspirations and ambitions of the draft London Plan and its commitment to the new concept of "Good Growth". The Alliance is committed to working with the Mayor, and other stakeholders, to support the growth of London.
- 1.3 The Alliance wishes to ensure that the detailed nature of a number of draft policies and the additional requirements that the emerging Plan proposes do not hinder the ability of the Plan to deliver its strategic objectives, namely the delivery of housing for all Londoners and a strong economy alongside necessary social and physical infrastructure, within attractive and sustainable environments.
- 1.4 Evidence suggests that a significant proportion of development proposals would not be able to satisfy the emerging policies whilst remaining viable. Without growth, the Plan will not be able to deliver its strategic objectives. A more holistic approach should be taken, whereby it is recognised that London has competing demands, and as a result, priorities set for delivering the Plan's strategic objectives. This would better deliver the Mayor's commitment to "Good Growth".
- 1.5 These representations set out a number of areas where we suggest that draft policies could be amended to better achieve "Good Growth" whilst avoiding being too prescriptive for a strategic plan. These representations cover strategic matters, and detailed matters where these are considered to threaten the ability of the Plan to deliver its objectives within the Cities of Westminster and London.
- 1.6 The representations are summarised as follows:
- a) Central Activities Zone ('CAZ')** – The role of the CAZ is vital in delivering a strong economy for London, which in turn will help to deliver "Good Growth" across the whole of London. The Alliance supports the continued definition of the CAZ. The draft Plan should strengthen its support for the CAZ and the

critical functions that it delivers for London. Greater support of the CAZ’s retail, office and business uses in particular should be incorporated. Increased flexibility should also be provided for the CAZ in respect of affordable workspace, low cost B1 business space and retail and leisure uses.

- b) Housing** – The Alliance recognises the Mayor’s ambition to deliver more housing. The new targets represent a very significant increase above historic trends. Whilst the Alliance understands the priority for affordable housing to be provided on site, the Plan should be moderated to accept that off-site provision may be acceptable in some circumstances, especially in the CAZ where this leads to a greater quantity/quality of affordable housing being delivered and helps to promote the strategic functions of the CAZ. The role of payments in lieu in some circumstances should also be recognised.

The Alliance is concerned about the approach to review mechanisms, and the risk particularly to commercial development within the CAZ. It is also considered that the approach to tenure split is too prescriptive, particularly for central London boroughs.

- c) Design and Heritage** – The emerging policies on design and heritage are too prescriptive in places. The Alliance is concerned that they may stifle opportunities to maximise the efficient use of land, thereby hindering the ability of the Plan to deliver “Good Growth”. Whilst there should be a focus on delivering attractive and well-designed buildings and public realm, there should be more encouragement to optimise density in appropriate locations, including the CAZ. The level of detail included in the Plan should be reduced with more detail left to local level policies.
- d) Transport** – The Alliance shares the Mayor’s desire to encourage cycling, and to provide suitable and well-located parking. However, there is concern that the proposed cycle parking requirements may be difficult to achieve (particularly on refurbishment and extension schemes) and will have a negative effect on some pedestrian environments, particularly in the CAZ. In addition, it is suggested that a more moderate approach be applied to limited car parking for residential schemes within the CAZ, where this is appropriate

at a local level.

- e) **Sustainability** – The Alliance is concerned that the proposed approach to carbon offsetting and carbon reduction targets will be very challenging. There is concern that the targets are unachievable, and the potential financial penalties could have significant impacts on scheme viability, thereby affecting ability for schemes to deliver other strategic objectives.

2 Introduction

- 2.1 These representations are made on behalf of the London Property Alliance (hereafter as ‘the Alliance’).
- 2.2 The Alliance is made up of property owners, developers, investors and advisors active in the Cities of London and Westminster and neighbouring commercial districts in central London. A copy of the membership lists are enclosed at **Appendix 1**.
- 2.3 The Alliance welcomes the opportunity to respond to the draft London Plan and the engagement of the Mayor, Deputy Mayors and officers to date. We look forward to continuing these discussions and trust that we will be kept abreast of the evolution of the Plan. We would request that the Alliance is invited to participate in any oral hearings on the Plan’s examination.
- 2.4 The Alliance welcomes the broad aspirations and ambitions of the London Plan and its commitment to the new concept of “Good Growth”. Property owners and investors are a key delivery partner for this and our members are keen to continue to work with the Mayor to ensure that London gets growth, not just of the scale that is needed but – as importantly – of the quality that it deserves.

3 Strategic approach and cumulative effect

Background and Context

- 3.1 The Greater London Authority Act 1999 (as amended) ('the Act') sets out the legal framework within which the London Plan is prepared.
- 3.2 The Act states that the Spatial Development Strategy ('SDS') "**should only deal with matters of strategic importance to Greater London**" (section 334(5)). Section 334(3) states that the strategy for spatial development "**includes [the Mayor's] general policies in respect of the development and use of land in Greater London**".
- 3.3 It is clear from this legislative background that the London Plan should be a strategic document, with Local Plans – which are subject to more extensive consultation and examination – setting out detailed policies in general conformity with the Mayor's strategy.
- 3.4 This is a pragmatic arrangement, reflecting the structure of London's governance and the huge variations, across London, of built form, land use, density, environmental constraints and other pressures.

Relationship with national policy

- 3.5 The Alliance notes the recognition at paragraph 0.0.20 that in some cases "**the Plan deviates from existing national policy and guidance.**" This is justified by reference to "**the scale of the Mayor's election victory [which] provides a significant political mandate to use the planning system to deliver his manifesto commitments.**" Paragraph 0.0.22 could be interpreted as constraining the scope of local plans.
- 3.6 We are concerned that the approach outlined in the draft Plan is not consistent with the legislative and policy framework within which the Plan is prepared.
- 3.7 These references should be removed and the Plan should be brought in line with the Act and national policy and guidance.

Strategic focus

- 3.8 The Alliance is concerned that, in some areas, the draft Plan strays beyond strategy into detailed implementation policies. As a result, we consider some policies are non-strategic and the policy wording is too inflexible to be included in a SDS. The Alliance considers that a number of policies and topics should be best left to individual boroughs to address in their Local Plans, where policies could be tailored to reflect the local context and implemented at a local level. Such an approach is considered the optimum to achieve “Good Growth”.
- 3.9 Accordingly, the Alliance considers it inappropriate to apply these non-strategic policies to all developments across London. Indeed, rigidly applying these policies may delay or hinder the town planning and development process and cumulatively have a significant impact on deliverability of development.
- 3.10 Specifically, we consider that the **following draft policies may be excessively detailed or go beyond the strategic role appropriate for a London Plan**. The Mayor should consider **abbreviating them, allowing more flexibility or in some cases removing them altogether**, to enable detailed requirements to be set at a local level.

D2 – Good Design	This is more appropriately addressed at a local level. Procedural matters such as the use of design review panels in the determination of applications should be left to individual planning authorities.
D3 – Inclusive Design	Detailed design matters, such as evacuation procedures, lift provision, etc., are more appropriately addressed through Building Control and, where necessary, within local design policies.
D4 – Housing quality and standards	This sets out detailed and prescriptive development management standards that go beyond those necessary in a

	strategic plan.
D11 – Fire Safety	Detailed design matters are more appropriately addressed through Building Control and, where necessary, within local design policies.
H4 – Meanwhile Uses	Temporary uses of land are not a strategic issue and the inclusion of policy on this topic is unnecessary.
E9(C) & (D) – Hot food takeaways	This is an unnecessary level of detail and a strategic policy on this issue is not required.
E10(G) – Visitor infrastructure	The level of detailed prescription around hotel room design is unnecessary for a strategic plan.
G5 – Urban Greening	We address this in more detail within Section 7.
G8 – Food growing	This is not a strategic matter for London.
G9 – Geodiversity	Further strategic policy on this issue is not necessary.
S11 – Improving air quality	Scope of policy may be too wide / applicable to too broad a range of size of proposals.
S17(B) – Reducing waste and supporting the circular economy	This is an unnecessary level of detail and a strategic policy on this issue is unnecessary. It should not apply

	automatically to all referable proposals.
S15(E) – Water infrastructure	The development management system is not the appropriate mechanism for preventing foul and surface water misconnections.
T2 – Healthy streets	The requirement to assess all new development proposals against the healthy streets indicators adds unnecessary additional detail and complexity.

- 3.11 Further, we are concerned that in some cases the effect of the additional detail that would be required on development management at a local level, and the availability of resourcing, has not been properly assessed.
- 3.12 The Alliance is supportive of the principle of Good Growth, as expressed in Policies GG1 – GG6, but suggest that greater emphasis could be placed on this by replacing policies GG1-GG6 with a single, concise, statement in a single overarching policy focused upon the priority aspects of Good Growth, with much of the detail within Policies GG1-GG6 then addressed within the more detailed policies later in the document.

Cumulative Impact and Viability

- 3.13 Furthermore, the Alliance is concerned about the cumulative impact upon new development of the additional policy requirements that the emerging Plan proposes.
- 3.14 We are particularly concerned about the cumulative impact of the detailed requirements arising from policies, such as those set out above. These would create significant additional burdens upon both local planning authorities and

applicants.¹

- 3.15 London First has undertaken a detailed, focused review of the viability report within the evidence base, which is appended to its representations. This analysis demonstrates that the cumulative effects of the proposed policies are considerable and that a substantial proportion of the development typologies assessed would not be commercially viable. These findings are borne out by, firstly, the experience of our members and, secondly, by the frequent need to undertake financial viability testing on development within central London even under existing policy. The Alliance endorses London First’s concerns regarding the methodology, costs, values and extent of information upon which the viability evidence for the draft Plan is based and agrees that a significant proportion of new developments will not be able to fully satisfy all emerging policy requirements whilst remaining financially viable.
- 3.16 It is therefore inappropriate and clearly wrong for policy DF1 to presuppose that site-specific viability testing will only be necessary in certain circumstances, which paragraph 11.1.3 implies will be limited. **The experience of our members, current practice and London First’s specific analysis of this matter all indicate that site-specific viability testing will continue to be commonplace given the new policies.** Commercial deliverability is likely to vary across the economic cycle, which inevitably will fluctuate over the lifetime of the Plan.
- 3.17 Irrespective of the detailed conclusions on viability it is inevitable that there will competing demands and priorities for limited resources. In many cases, if all policy requirements were to be sought to ensure accordance with the development plan, development would be either impractical, in design terms, commercially unviable, or both. Indeed, the Alliance are concerned that for proposals in the CAZ it will simply not be possible to be “policy compliant” in respect of all of the detailed non-strategic policies, which will significantly challenge viability, and in many instances be unviable.
- 3.18 To address these concerns the Plan:
- a) Should set out a clear hierarchy of priorities. It is essential that the Plan makes choices and provides direction. It is not sufficient for the Plan to simply set out a
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¹ For example, Car Park Design and Management Plans, Circular Economy Statements, Fire Statements, Infrastructure Assessments, Town Centre Strategies, Density Management Plans, etc.

wide range of policy objectives which, individually, may be laudable but which are likely to be, collectively, unachievable in their entirety;

- b) Should allow for policies to be applied flexibly, to take account of the particular circumstances of each case, the complexity and variety of the Greater London market, and changing circumstances over the Plan's life; and
- c) Clearly state in Policies GG4 and GG5 (or the replacement overarching policy), in respect of housing and commercial development respectively, that the Plan's objective is to encourage and enable the development and growth that London needs, not to restrain it.

3.19 These measures, collectively, would ensure that delivery of key policy objectives was prioritised.

3.20 We suggest that Policy DF1 could be amended, and perhaps brought forwards within the Plan, to address this matter. We suggest that it should be focused upon providing a clearer hierarchy of priorities. At present it chiefly provides procedure as to how applications are determined.

3.21 It could, instead, usefully be focused upon Part D and provide a much clearer hierarchy and set of priorities by addressing those other matters on which the current draft text is silent. This should include, as a minimum, the respective priority of the tenure of affordable housing, carbon emissions and payments, urban greening, air quality and design standards, alongside affordable housing and transport infrastructure as currently drafted.

Conclusion

3.22 The Alliance is concerned that the scope of the Plan extends beyond the strategic role envisaged by the legislative framework within which it is prepared and is in-part inconsistent with the Act and national policy.

3.23 Policies that set out extensive and detailed requirements of new development should be amended or removed so that the Plan remains focused on its strategic role.

3.24 The Alliance is concerned about the cumulative effects of the Plan's requirements

on viability which we believe would render a significant proportion of development proposals unviable.

- 3.25 To address this, the Plan should specifically seek to encourage and enable development, through a sensitive approach that supports sensible planning judgements, and set priorities for the allocation of the limited resources available within London.

4 The Central Activities Zone

- 4.1 The continued health and success of the Central Activities Zone ('CAZ') is essential if the wider objectives of the London Plan are to be achieved and the CAZ's contribution to the health of the UK's economy maintained.
- 4.2 It is therefore of vital importance that the draft London Plan's implications for the CAZ are fully considered.
- 4.3 We address specific policy areas in relation to residential and office development that are applicable both to the CAZ and elsewhere in separate sections of this response.

General Comments

- 4.4 The CAZ is the heart of London and contains much that defines London as a World City. In 2012 the CAZ generated an economic output of £139 billion, amounting to almost 10% of the UK's output². It is clearly of national and international importance.
- 4.5 The continued success of the CAZ should be clearly and unambiguously supported by the London Plan. Its health and success is of vital and overarching importance to the future of London and the UK. Accordingly, we welcome the reference to "**supporting and enhancing**" the CAZ's office function in Policy SD4(B).
- 4.6 We suggest that an additional strategic policy relating to the CAZ is introduced to reflect this importance. This could split – and then strengthen – the support for the CAZ currently contained within SD4(A) and (B) from the other more detailed considerations relating to CAZ development set out in SD4(C)-(N).
- 4.7 It could also clearly state the particular importance of ensuring that **all** developments within the CAZ – given its exceptional accessibility – optimise density and make the best use of land, in the same way as is required of residential development by Policy D6. As currently drafted, the Alliance has concerns that the Plan does not contain sufficient safeguards to ensure local authorities do not set too conservatively low

² The Mayor of London, 2016, *Central Activities Zone Supplementary Planning Guidance*. [online] The Greater London Authority. Available at: < https://www.london.gov.uk/sites/default/files/caz_spg_final_v4.pdf > [Accessed 27 February 2018]

densities.

4.8 Policy SDx should therefore read:

“The CAZ is vital to the wellbeing of London as a whole. The continued growth and success of London’s CAZ will be supported. Development that supports the growth of the CAZ should be encouraged, not restrained. All development proposals in the CAZ must make the most efficient use of land and be developed at the optimum density.

The unique international, national and London-wide roles of the CAZ, based on an agglomeration and rich mix of strategic functions as well as local uses, should be promoted and enhanced.

The nationally and internationally significant office functions of the CAZ should be supported and enhanced by all stakeholders, including the intensification and provision of sufficient space to meet demand. The City of London will continue to be promoted as the world’s leading international financial and business centre. The West End, with its rich mix of retail, cultural and commercial uses, is a leading international visitor and business destination in its own right and will also continue to be promoted.”

Spatial Definition and Key Diagram

4.9 We support the continued definition of the CAZ, particularly within the City of Westminster and the City of London. We recognise that other parts of London are also developing the rich mix of uses that has long characterised that CAZ and support the expansion of CAZ in principle.

4.10 Figure 2.16 in the draft Plan sets out a replacement CAZ diagram.

4.11 The identification of the **West End** within the CAZ diagram is welcomed and more detailed comments are set out within the West End section, below.

4.12 The definition of the **Victoria Opportunity Area** should be extended along Victoria Street to include those sites on the street that have not yet come forward for development and to align with the up-to-date definition with the City of Westminster’s

Local Plan.³

- 4.13 The identification of the **City of London**, along its administrative boundaries, within the CAZ diagram is also welcomed. In view of the importance of the City of London to the health of the UK economy, we suggest that the Plan should recognise and explicitly support the City's role as a World Financial and Business Centre. This could be introduced into Policy SD5 and/or Paragraph 2.5.3.
- 4.14 Paragraph 2.4.12, relating to the **specialist clusters of activity**, should be amended to be clear that all these activities collectively contribute to the mix of uses that are of importance to the CAZ overall. Additionally, it should be recognised that the identification of these clusters does not prevent other uses otherwise appropriate within the CAZ from being brought forward within them.
- 4.15 Greater promotion should be given to the **Thames 'North Bank'** and the opportunities for redevelopment along the Northern Riverside.

Balance of uses (Policy SD5)

- 4.16 The Alliance supports the relative prioritisation of residential, commercial and other strategic CAZ functions set out within Policy SD5. This is consistent with the CAZ SPG.
- 4.17 The CAZ is home to approximately 3% of London's population (c. 240,000). In contrast, it makes up almost half of London's Gross Value Added ('GVA') (c. £140bn in 2012) and 9.4% of total UK GVA. Residential accommodation, and in particular existing residential communities, are a feature of parts of the CAZ, including parts of the West End, although – unlike its office, leisure and cultural function – these figures illustrate that the CAZ's residential offer is **not** of the same strategic significance to London and the UK as its economic role.⁴

³ Westminster City Council, 2016. Policy S4 and supporting text and figure, *Westminster City Plan*. [online] Westminster City Council. Available at: <<https://www.westminster.gov.uk/westminsters-city-plan-strategic-policies>> [Accessed 27 February 2018]

⁴ GLA Economics, 2015. *Working Paper 68 - Work and life in the Central Activities Zone, northern part of the Isle of Dogs and their fringes* [pdf] Available at:

- 4.18 Whilst there may, consequently, be some locations within CAZ where some residential development may be appropriate, this should only be outside of the core areas, in locations where there is no risk of residential development compromising the strategic functions of the present day CAZ or its capacity and potential to accommodate the growth of these strategic functions in the future. It is vital that the long-term capacity to accommodate growth is supported, not constrained.
- 4.19 The Alliance suggests that offices and other strategic CAZ functions should, in addition to those areas listed in part C, also be given priority within the commercial areas of LB Camden that are beyond the West End but which have a distinctly commercial character, such as Holborn/Theobalds Road and Euston. This would be consistent with LB Camden’s adopted local plan which identifies these areas as “predominantly commercial.” We suggest Part C is amended, accordingly.⁵

Offices and commercial development (SD4 & SD5)

- 4.20 Our comments on office and commercial development within the CAZ are incorporated within the separate office section, below (Section 5).

Retail (SD4)

- 4.21 We support the introduction, at Policy SD4(E), of policy to support “**the unique concentration and diversity of cultural, arts, entertainment, night-time economy and tourism functions**” as part of the CAZ.
- 4.22 We support the broadened definition of the International Centres to include Oxford Street, Regent Street and Bond Street as well as a wider West End Retail and Leisure Policy Area (‘WERLPA’) at paragraph 2.4.10(a), subject to ensuring breadth of appropriate uses are encouraged across the Centres (see below). The WERLPA is noted as including Covent Garden and Soho and we anticipate would be designated geographically at a local level. Recognising the potential role of the streets ‘one block

<https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/Working%20Paper%2068.pdf> [Accessed 26 February 2018], summarised in **Appendix 3**.

⁵ Camden Local Plan, 2017. Paragraphs 2.30-2.31, *Camden Local Plan* [pdf] Available at: <https://www.camden.gov.uk/ccm/cms-service/stream/asset/?asset_id=3655163&> [Accessed 12 February 2018], paragraphs 2.30-2.31

back' from the traditional retail streets of Oxford Street, Regent Street and Bond Street will contribute to creating a modern and integrated retailing district and the Alliance considers this should also be acceptable in policy. We suggest that the WERLPA is referred to specifically within SD4(F) to recognise its particular importance:

“The vitality and viability of the international shopping and leisure destinations of the West End, comprising both Oxford Street, Regent Street and Bond Street and the wider West End Retail and Leisure Special Policy Area, and Knightsbridge together with other CAZ retail clusters should be supported.”

4.23 We support and welcome the recognition of the leisure role, alongside the shopping role, of the West End and Knightsbridge, within Policy SD4(F). However, the importance of experiential retail, leisure and cultural activities as **part** of the attraction of retail destinations, **including the International Centres**, must be set out more clearly in the Plan. Leisure and culture must be recognised as an essential part of a vibrant, 21st Century international retail offer, rather than distinct from it. This is particularly important in view of the broader definition of the International Centres including the WERLPA now proposed. These other leisure and cultural uses are increasingly important contributors to ‘vitality and viability’ of retail areas, improving dwell times and generating activity in the evening (particularly in the face of online retail competition). This should be acknowledged. We therefore suggest SD4(F) is amended to read:

“The vitality and viability of the West End and Knightsbridge, both as international destinations for a diverse mix of shopping, leisure, cultural and entertainment uses, along with other CAZ retail clusters, should be supported.”

4.24 In this vein, we welcome the recognition of the importance of the night-time economy within draft Policy SD4(E).

4.25 Strategic policy should ensure that leisure uses, mixed uses, and other innovative new uses that may not sit comfortably within established town planning Use Classes are supported within the West End including within the widened International Centres. For the International Centres to continue to succeed, they must offer both world class retail and a first class visitor experience that improves upon that available both in London’s other shopping centres and in other leading world retail destinations. This encompasses transport accessibility, public realm and the quality of the built

environment, and, vitally, other supporting uses such as entertainment and leisure that can provide amenities to shoppers to provide a diverse leisure offer alongside retail.

- 4.26 This should also allow flexibility for the International Centres, and the West End more widely, to be at the cutting edge of accommodating innovative new uses, start-ups and entrepreneurs who wish to challenge conventional assumptions about the categorisation of uses, rather than continuing to rely on Class A1 retail mono-culture in the face of rapidly changing retail patterns.
- 4.27 This is a key strategic issue that the London Plan should address.

The West End

- 4.28 Extensive work has been undertaken by Westminster Property Association ('WPA') and its Members, with the Business Improvement Districts and other stakeholders, to explore the potential of the West End and ensure that this area's unique character continues to be actively promoted and encouraged. This has led to the formation of the West End Partnership ('WEP') which includes the Mayor of London. WEP has agreed a long term vision for the West End.⁶
- 4.29 The Alliance is surprised that the importance of the West End is not recognised more clearly within the draft Plan. Whilst specific policies are devoted to matters such as hot food takeaway and the use of land for growing food, very little is said about the West End, which is of significant strategic importance to the economic health and cultural identity of London as a global city. We urge that this is addressed in the Plan.
- 4.30 It is vital that the **definition** of the West End properly reflects the wide diversity of uses found within it. The West End is described by the key diagram as a collection of 'Arts, culture and entertainment' uses. This ignores the other key aspects of the West End:

⁶ The West End Partnership, *The West End. Vision 2030*. [pdf] The West End Partnership. Available at: <https://westendpartnership.london/wp-content/uploads/2017/10/wep_vision_2030.pdf> [Accessed 27 February 2018]

1. An **office** location. The West End accommodates 120,000 businesses and over 650,000 employees in a business environment of unparalleled diversity and creativity. It produced £51bn of GVA in 2014⁷.
2. A **retail** location. The West End contains one of London’s two International Centres, attracting national and international visitors as well as supporting the area’s resident and working population. It also contains clusters of specialist retail uses.
3. A **tourist** destination. It accommodates many of London’s key tourist attractions, including Buckingham Palace, the Houses of Parliament, Covent Garden and “Theatreland”.
4. A centre for **education**. The West End is home to a number of world leading institutions.

4.31 **It is essential that the definition of the West End is not based solely upon its role in arts, culture and entertainment.**

4.32 We suggest that, rather than being defined as a Specialist Cluster alongside other, more specialist, areas, the West End is identified in a similar way to the City of London, along with a paragraph of explanatory text to SD4 that:

- a) Recognises the particular importance of the West End to the economic, social and cultural identity and well-being of London; and
- b) Acknowledges the range and diversity of uses within it, including those uses listed above as well as arts, culture and entertainment.

4.33 In addition, the **location** of the West End cluster identified in the CAZ diagram should be amended so that it relates to the definition adopted by the West End Partnership, which includes Whitehall, Marylebone and East Marylebone/Fitzrovia (between Oxford Street and Marylebone Road). This would, firstly, ensure that the definition of the West End is consistent with that adopted by the range of stakeholders, including WPA, that are seeking to support the area’s growth and development through the WEP. This would also address a secondary concern that the cluster as currently shown only extends one block to the north beyond Oxford Street and excludes areas of

⁷ The West End Partnership, *The West End. The Case for the West End*. [pdf] The West End Partnership. Available at: <https://westendpartnership.london/wp-content/uploads/2017/10/the-case-for-the-west-end-august-2016_lrsp.pdf> [Accessed 27 February 2018]

Westminster that have a very significant mixed use character (as recognised by, for example, Westminster City Council's definition of 'Core CAZ' in the City of Westminster Local Plan).

- 4.34 This is particularly important when the significant resources being allocated to changing patterns of movement along Oxford Street are considered. For the **Oxford Street Project** to be successful, transport and public realm improvements must act as a catalyst to the development of the Oxford Street District, including the area to the north of Oxford Street, which should be clearly located and defined as part of the West End.
- 4.35 To support the growth of the West End and to sustain its dynamic and wide range of different uses, the draft London Plan should clearly direct that any local policies that would require residential as part of wider commercial developments should not be applied to non-office uses that add to the character and distinctiveness of the area. These should include the retail, entertainment, institutional and hotel uses that are vital to the identity, character and continued success of the West End. This would ensure that any local requirements to provide housing within the CAZ do not prevent other important uses from being delivered and would potentially reduce the cumulative impact of planning obligations. This would be entirely consistent with the approach adopted in Policy SD5, which seeks to ensure that residential development does not compromise the strategic functions of the CAZ by prioritising other CAZ uses. We suggest that Policy SD5 is amended accordingly.

Oxford Street District

- 4.36 The transformation of Oxford Street is a key objective for the West End. The physical transformation of the street itself has the potential to unlock significant additional growth in the area around the Street, which we refer to as the Oxford Street District.
- 4.37 The Oxford Street District is in the heart of the West End. It plays a key role in London's international retail offer as well as being the home to 2.2m sq m

employment floorspace contributing £7.78bn to UK GVA⁸. The plans for Oxford Street West envisage a public sector investment of c. £70m, by TfL and Westminster City Council. In view of the strategic role and importance of the District to London, it is right that proposals for the District should be addressed within strategic policy. This should go beyond a descriptive mention of the proposals as an example of proposals to enhance the environment and heritage of the CAZ, as currently set out at paragraph 2.4.7. The importance of the street in the context of the wider West End and Crossrail stations – Bond Street and Tottenham Court Road – should also be acknowledged in the Plan.

4.38 **Policy SD4** should be amended to include:

- a) Support for the **proposed physical transformation** of the Street itself; and
- b) Clear, directive policy support for a greater intensity of development within the District to capitalise on this physical transformation. This should encompass supporting a wider **range of uses**, greater use through a **wider proportion of the day and evening** and a **greater scale and density of physical development**.

Special Policy Areas

4.39 Part G of draft Policy SD4 rolls forward the previous London Plan’s support for specialised CAZ uses and clusters such as health, law, education and state uses, as well as Special Policy Areas (‘SPAs’) of more localised clusters such as St James’s and Savile Row.

4.40 The wording of Part G, regarding SPAs, is ambiguous and could be interpreted as encouraging the creation of “more” SPAs. Although the explanatory text is clear that they should be defined only in exceptional circumstances, the text of draft Policy SD4(G) should be clarified. We suggest the following revision to address this:

“The CAZ as a centre of excellence and specialist clusters (including functions of

⁸ Publica, Volterra, Gerald Eve. *Oxford Street today: The current context of the Oxford Street area* [online] Publica. Available at: < <https://issuu.com/publicaassociates/docs/oxfordstreettoday-publica-may2017?e=3276820/48507777> > [Accessed 1 March 2018]

state, health, law, education, creative and cultural activities **as well as localised Special Policy Areas** should be supported and promoted.”

Air Quality

4.41 We address this separately within the Design chapter, below.

Conclusion

4.42 We support the continued definition of the CAZ. The continued success of the CAZ should be clearly and unambiguously supported by the new London Plan. We suggest that an additional strategic policy relating to the CAZ is introduced to draft Policy SD4 to reflect this importance. The CAZ's mixed use character should be retained and supported. The vitality and viability of the West End and Knightsbridge is vitally important and policy must allow their retail function to adapt to rapidly changing retail patterns. The West End cluster should be amended to reflect the definition adopted by the WEP. The definition of the West End should also be widened so that it is not based solely upon its role in arts, culture and entertainment. The Plan should more actively support the proposed physical transformation of Oxford Street.

5 Commercial, Employment and Offices

Offices within the CAZ (Policy SD4)

- 5.1 The Alliance welcomes the recognition within Policy SD4(B) of the importance of “**supporting and enhancing**” the nationally and internationally important office functions of the CAZ.
- 5.2 We have proposed further emphasis to this element of CAZ policy (see paragraph 4.8, above). We note that the City of London is specifically identified as a cluster within the CAZ diagram and we propose that policy specifically refers to promoting the City of London’s role as the world’s leading international financial and business centre.

Mixed Use Policy (Policy SD5(I))

- 5.3 Locally-set mixed use policies, requiring a proportion of new office or commercial development, can be a substantial constraint on development capacity. The Alliance therefore **supports** the removal of mixed use policy at a strategic level.
- 5.4 As we have set out above in relation to the West End, mixed use policies should not be applied to other commercial uses, such as retail and hotels, that contribute to the mixed use character and distinctiveness of the West End.
- 5.5 In respect of offices specifically, draft Policy SD5(I) should be strengthened to clearly set out that the use of off-site contributions, land use swaps and land use credits **will** be acceptable as a method of satisfying such local mixed use policies. Meeting mixed use requirements through off-site provision, either as part of a land use swap or package, or through an estate or portfolio approach, is often the most efficient way of minimising the effect of mixed use policies on the deliverability of commercial development whilst maximising the yield/outturn of residential accommodation provided. Strategic policy should be clear that such tools may be used to satisfy local mixed use policy. Their use is recognised already in the CAZ

SPG.⁹

5.6 The Alliance therefore propose that draft Policy SD5(I) is amended as follows:

“Local approaches to mixed use development of offices with housing should ~~take into account the potential to use~~ permit the use of land use swaps, credits and off-site contributions to sustain strategically-important clusters of commercial activities such as those in the City of London, other parts of the commercial core of the CAZ and the Northern Isle of Dogs.”

Office Floorspace Targets (Policy E1 and Table 6.1)

5.7 Table 6.1 of the draft London Plan sets out projections for office employment growth in the period 2016-2041.

5.8 Demand for office accommodation is then derived from these employment projections. Within the CAZ (and Northern Isle of Dogs (‘NIOD’)), a need for 3.5m sq m is identified. This equates to 140,000 sq m (GIA) per annum (‘pa’). This is a considerable increase in the overall employment projection for the CAZ and NIOD when compared to the equivalent figures in the existing London Plan.

5.9 Table 4.1 of the existing Plan projects office employment growth of 8,850 jobs pa in the CAZ and NIOD. The equivalent figure in the new Plan is 14,708 additional jobs pa, a 66% increase. The resultant floorspace projections show a much lower increase, however. This is because the floorspace projections are based on challenging assumptions regarding occupational density and desk-sharing. In particular, it is assumed that:

- a) all new office stock is occupied at a density of 10.9 sq m NIA per desk space;
- b) desk spaces are occupied at a rate of 1.2 per worker; and
- c) NIA is converted to GIA at 80%.¹⁰

⁹ The Mayor of London, *Central Activities Zone Supplementary Planning Guidance*, paras 1.4.14 – 1.4.18 and elsewhere

5.10 Consequently, the annualised projected growth within CAZ / NIOD at 140,000 sq m pa¹¹ is not dissimilar to the 135,000 sq m to 153,000 sq m pa target within the existing London Plan (Table 4.1).

5.11 The Alliance considers that the Plan needs to be clear that this floorspace target should be a **minimum lower figure that is to be exceeded and that boroughs may set higher targets**. This is because:

- a) The assumptions made regarding floorspace density and net-to-gross ratios, in particular, are challenging. Not all development will achieve this level of efficiency and, consequently, additional gross floorspace will be required;
- b) The projected Inner London annualised rate (including CAZ, NIOD and the rest of Inner London) of 184,000 sq m pa would only slightly exceed growth in stock in the Inner London area over the last 15 years, reported at c. 166,000 sq m¹²;
- c) There is, potentially, additional capacity available. Westminster City Council's recent City Plan sets a target of 774,000 sq m of additional Class B1 space between 2016/17 and 2036/37¹³ and work undertaken by the WEP has identified significant additional capacity for employment growth within London's West End, identifying the potential for over 2 million sq m of potential additional commercial floorspace within the West End alone¹⁴; and
- d) Office developments are often office-led with ground and lower ground retail or leisure uses provided. Such uses inevitably have an impact on the delivery of office floorspace on a site, albeit a proportion of employment will be from the retail/leisure uses.

¹⁰ Greater London Authority, paras 9.1.13-9.1.16 *London Office Policy Review 2017* [pdf] Available at: <https://www.london.gov.uk/sites/default/files/london_office_policy_review_2017_final_17_06_07.pdf> [Accessed 5 February 2018] LORP 2017, 9.1.13-9.1.15

¹¹ That is, the 3.5m sqm projection at Table 6.1 of the NLP, annualised across 25 years.

¹² Reported at a total of c. 2.5m sqm in the period 2000/01 – 2015/16, as set out within Appendix 2 of the London Office Policy Review 2017 for the Inner London Boroughs

¹³ Westminster City Council, *Westminster City Plan*, Policy S20

¹⁴ West End Partnership, *The West End. Transforming the Competitiveness of the West End: A Business Case for Investment* [pdf] The West End Partnership. Available at: <<https://westendpartnership.london/wp-content/uploads/2017/10/transforming-the-competitiveness-of-the-west-end.pdf>> [Accessed 1 March 2018]

- 5.12 In view of the historically low level of pipeline supply identified in AMR 13¹⁵ and low vacancy rates, especially in the West End, the Plan should be clear that this is a minimum floorspace figure that should be surpassed to ensure that office supply is not constrained.
- 5.13 We also note that, within Westminster / the key West End office market, office stock has been lost, rather than added to, in recent years. In part this is due to office to residential permitted development rights as well as changes of use in recent years. Nevertheless, Table 9.14 of LOPR 2017 illustrates that Westminster will be expected to reverse this trend and deliver sustained growth in office floorspace.
- 5.14 Constraints on supply should be addressed to ensure that this is deliverable and development is encouraged, not restrained, and office space should be prioritised in the CAZ.
- 5.15 The Alliance suggests that Policy E1(B) is amended as follows:

“Increases in the current stock of offices should be supported:

- i. **within the CAZ; and,**
- ii. **elsewhere, where there is authoritative, strategic and local evidence of sustained demand for office-based activities.**

taking into account—Regard should be had to any local evidence of minimum employment floorspace requirements as well as the projected demand for office-based employment and office floorspace to 2041 in Table 6.1. Table 6.1 is a projection that may be exceeded.”

Affordable Workspace (Policy E3)

- 5.16 Draft Policy E3 addresses affordable workspace.
- 5.17 The Alliance does not consider that policy intervention in respect of affordable

¹⁵ The Mayor of London, 2017. *London Plan Annual Monitoring Report 2015/16*. [pdf] Available at: <https://www.london.gov.uk/sites/default/files/amr_13.pdf> [Accessed 1 March 2018]

workspace is necessary or appropriate within core/established markets within the CAZ. The diverse nature of the CAZ's multiple, varied, office markets make a "one size fits all" policy on affordable workspace inappropriate. The Alliance's strong preference is that the policy should be revised to be clear that it is not usually applicable within the CAZ. It is considered that the approach proposed is not consistent with the clear support set out for office growth and development within CAZ policies SD4 and SD5.

5.18 Without prejudice to this, if an enabling policy is to be retained and the CAZ retained within its scope, it should be clear that:

- a) Boroughs are permitted, but not specifically "encouraged" to consider developing local affordable office accommodation;
- b) Affordable office accommodation should be sought only where specifically required by local policy within an up-to-date Local Plan and not only on the basis of Policy E3; and
- c) Such policies should only be introduced by the Boroughs within the CAZ where there is locally specific evidence that shows a need for policy intervention in order to address evidenced market failures.

5.19 This would ensure that such policies can only be introduced where there is a clear evidence base, tested through the Local Plan examination. Policy E3 should therefore be amended to specifically provide this further clarification, which should in particular provide appropriate flexibility for the CAZ area.

5.20 We set out, below, proposed revisions to Policy E3:

- A. "In defined circumstances Where there is clear, locally specific evidence that shows a need for policy intervention to secure the supply of affordable offices, and that intervention would be commercially viable throughout the office market cycle, Boroughs may introduce Local Plan policies on the use of planning obligations may be used to secure affordable workspace at rents maintained below the market rate for that space for a specific social, cultural or economic development purpose for an agreed time period. These may include policies on site-specific**

locations, or defining areas of need for certain kinds of affordable workspace, for varying periods depending on need. Such circumstances purposes may include workspace that is:

1. dedicated for specific sectors that have social value such as charities or social enterprises
2. dedicated for specific sectors that have cultural value such as artists' studios and designer-maker spaces
3. dedicated for disadvantaged groups starting up in any sector
4. providing educational outcomes through connections to schools, colleges or higher education
5. supporting start-up businesses ~~or regeneration.~~

B. Particular consideration should be given to the need for affordable workspace for the purposes in part A above:

1. where there is existing affordable workspace on-site
2. in areas where cost pressures could lead to the loss of affordable workspace for micro, small and medium-sized enterprises (such as around the CAZ and in Creative Enterprise Zones)
3. in locations where the provision of affordable workspace would be necessary or desirable to sustain a mix of business or cultural uses which contribute to the character of an area.

C. Such policies are unlikely to be necessary within the CAZ, because of the range and diversity of its office markets and its established protection from office-to-residential permitted development.

D. Affordable workspace should be sought only where required by detailed Local Plan policies.

E. Affordable workspace policies defined in Development Plans and Section 106 agreements should include ways of monitoring that the objectives in part A above are being met, ~~including evidence that they will be managed by a workspace provider with a long-term commitment to maintaining the agreed or intended social, cultural or economic impact.~~ Applicants are

encouraged to engage with workspace providers at an early stage to ensure that the space is configured and managed efficiently.

F. Leases or transfers of space to workspace providers should be at rates that allow providers to manage effective workspace with sub-market rents, meeting the objectives in part A. This can be for a lease or license for a limited period.

~~**G. The affordable workspace elements of a mixed-use scheme should be operational prior to residential elements being occupied.”**~~

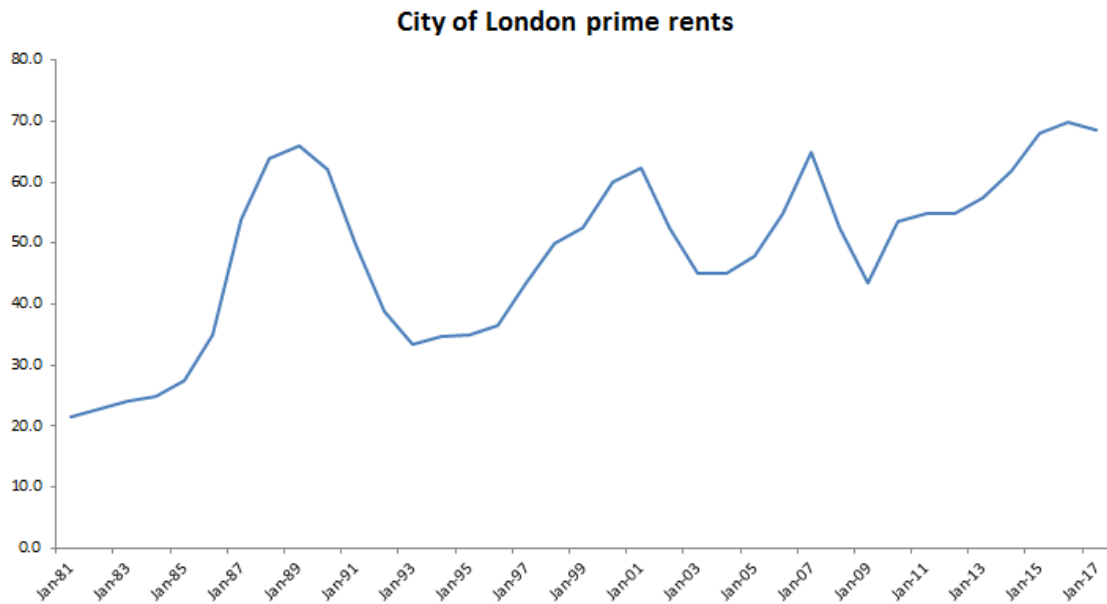
5.21 We set out, below, a detailed justification of this position.

5.22 **Diversity of the CAZ office market.** Within the CAZ (where an exception from permitted development rights to convert offices to homes has existed since 2013), there is little evidence of market failure. There is a wide range of employment typologies, with an associated breadth in terms of costs and rents. Accordingly large parts of the Square Mile and CAZ provide affordable accommodation to Micro, Small and Medium Enterprises ('MSMEs'). The City Core and other parts of the CAZ remain attractive to MSME businesses, because amongst other things, the protection of heritage stock provides a constant supply of affordable workspace.

5.23 Further, given the nature of the space in in some CAZ submarkets, such as the West End, floorplates tend to be smaller and as a result can offer more affordable rental opportunities within these sub-markets. Similarly secondary space in the Square Mile is typically discounted by £20 psf (at around £40 psf). It is evident therefore that the CAZ area is already naturally providing accommodation at circa 20-30% discount below headline rents. It is important therefore that the Mayor's approach to this policy is adequately flexible and accommodating for the CAZ area.

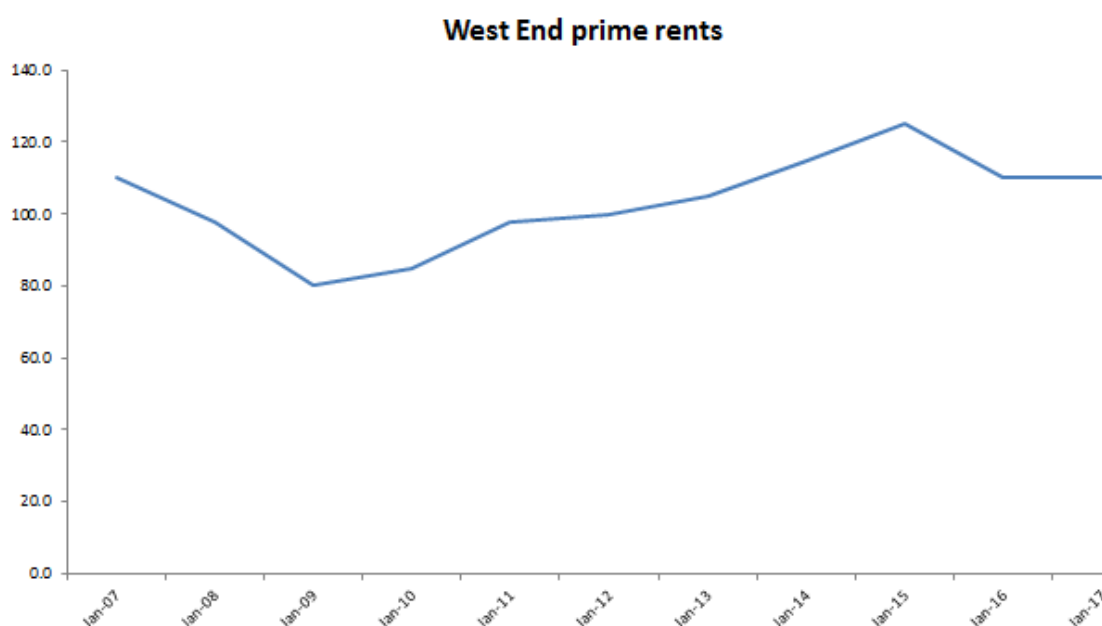
5.24 Unlike other parts of Inner and Outer London, rental levels in the CAZ core commercial areas have remained relatively stable. It is noteworthy, that in large parts of the Square Mile, rental values have changed little in 30 years (Ramidus, 2015, p.64). It is therefore considered that the policy should better recognise the special characteristics of the office market in the CAZ and its various office submarkets.

5.25 No affordable workspace policy is necessary within the CAZ, and particularly not in areas such as the Square Mile where rental levels largely reflects those of the late 1980s. The Alliance considers it is in those areas beyond the CAZ, (where evidence may demonstrate that there is a particular or specific requirement), where the Mayor should more appropriately direct and apply such a policy.



Source: Gerald Eve LLP Research

5.26 In addition, West End prime rents have not risen significantly in the last 10 years, and are predicted to be stable, at least for the next period.



Source: Gerald Eve LLP Research

- 5.27 In addition, rental cost is often not the main driver for MSMEs locating in a particular submarket. Instead MSMEs place greater importance on quality of the design/fit-out, access to transport connections, access to customers, access for staff, future business growth, proximity to peers, and image of an area (public realm, mix of uses, leisure facilities (gym, evening economy)).
- 5.28 **Cyclical Nature of the Office Market.** The draft policy should recognise the cyclical nature of the London office market (which is quite unlike the London housing market). The Central London office sector has historically been the most cyclical in the UK, reflecting the combination of yield shift and large swings in the rental cycle. Hence the need for local flexibility, to account for variations both locally and across market cycles.
- 5.29 Office supply is likely to be potentially vulnerable to an economic downturn post the UK leaving the EU, with a potential that rents will fall further from pre-Referendum levels. Draft policy E3 (and E1 and E2) should ensure that any policy is viable throughout the market cycle.
- 5.30 **Physical constraints.** Office buildings in the CAZ are often designed as a headquarters building, where one company wishes to take all or the majority of the

space in the building. In these circumstances, the provision of on-site affordable workspace would be incompatible with the special characteristics of the CAZ. Accordingly the affordable workspace policy should not be applied where evidence can be provided that on-site affordable workspace would adversely affect the ability to market the building as a headquarters (or equivalent building). It is very likely that UBS (5 Broadgate), Deutsche Bank (21 Moorfields) or Facebook (Rathbone Place) would not have taken space in these large office buildings if circa 10% of the floorspace was earmarked for affordable workspace.

- 5.31 To maintain the special character of the CAZ, which has long included national and international headquarters of leading companies and institutions, such occupiers must be able to continue to find appropriate space. The Alliance is concerned that the inclusion of affordable workspace – as well as adding to costs – would make the CAZ’s office supply less attractive to key potential investors, at a time when it is under particular pressure to remain competitive in the face of competition from other aspirant European financial centres.

- 5.32 **Evidence base.** We have set out, above, our concerns about the cumulative effect of the requirements of the emerging Plan on development viability and the lack of clear evidence.

- 5.33 The new London Plan viability study (December 2017), envisages that affordable workspace comprising 10% of workspace should be offered at 80% of market rent. Whilst this has been tested in the viability appraisal and is purported to be viable amongst other CIL liabilities and S106 obligations, it is important that this level of affordable workspace is not adopted as the benchmark but rather local approaches are tested within Local Plans.

- 5.34 We do not agree with the statement in the viability assessment which states “**the inclusion of affordable workspace makes little difference to viability in most cases**”.

- 5.35 The viability study has not taken proper account of the office submarkets in the CAZ and the nuances that they generate. Even within the relatively small CAZ area, rents across the submarkets vary considerably, and therefore the provision of affordable workspace within these sub-markets can have a large impact on scheme

viability.

- 5.36 Further, the viability study does not appear to take account of the cyclical nature of the office market (in addition to void and rent free periods, which are a particular feature of the commercial market). It is unclear if the viability study has undertaken appropriate sensitivity analysis, to account for likely office market cycles over the Plan period or considered the full range of potential effects of the proposed policy on development values, which will extend beyond simple reductions in headline rents but include higher build costs and higher investment yields (that is, a lower sale price) when sold. We note that rents in the Square Mile are now plateauing, if not dipping.
- 5.37 Appropriate lease terms will need to be negotiated for the affordable workspace and it is therefore likely that startups and some Micro, Small and Medium sized Enterprises (MSMEs) will offer a much less secure income stream, again affecting overall development value.
- 5.38 **Compatibility with mixed use policies.** The Alliance is concerned about the cumulative overall impact of delivering affordable workspace in mixed use schemes where local mixed use policies apply and policy already seeks housing and affordable housing. It is likely that affordable workspace will compete with other priorities such as affordable housing, transport and climate change for the same pot of money. Accordingly, it is important that the policy acknowledge the requirement for affordable workspace is always subject to scheme viability.
- 5.39 The Alliance are concerned that the draft policy may have unintended consequences, given the diverse nature of the office submarkets. It is important that the policy is applied flexibly, so that the policy does not depress office scheme values, such that office supply is curtailed i.e. a commercial scheme is not brought forward and commercial sites become less viable when compared to alternative use schemes.
- 5.40 **Management.** Part D of the policy sets out that affordable workspace should be managed by a workspace provider, with a long-term commitment to maintain the agreed or intended social, cultural or economic impacts. The Alliance consider such a requirement is unduly prescriptive and any local policies should allow the affordable workspace to be managed by the developer/ property owner, should they

choose, rather than requiring the involvement of a third party or registered workspace provider in the management role. This seems realistic given the relatively small proportion of floorspace being contemplated for affordable workspace. This might better integrate the space into the development.

5.41 **Office Design.** The policy should acknowledge that design alone can create appropriate spaces within buildings that would either be deemed to be affordable and / or provide lower cost space.

5.42 Rental levels can vary considerably within an office building. Rents at the lower levels of a building or space which might include poorer aspect or orientation, attract lower rents than the upper levels. The rental difference between the best quality and the more inferior space e.g. lower ground, in the same building can vary by 50%. This illustrates that the market naturally provides a range of space at different price levels – even within the same building – often at a greater level of variation than that being considered within this policy without need for planning policy intervention.

5.43 Developers, owners and their design teams, without exception in the CAZ area, specifically design commercial buildings to be flexible to ensure maximum appeal to the market. Accordingly office buildings often have varying sized floor plates from ground to top floor (responding to the urban context), whilst floorplates are designed to enable sub-division to accommodate a range of potential occupiers, including MSMEs and co-working spaces. Policy could require developers to demonstrate that accommodation is capable of being subdivided to provide smaller units of occupation as smaller units of accommodation are inherently more affordable. The satisfaction of such a policy requirement should negate the need to specifically seek affordable workspace as a planning obligation.

5.44 **Payment in Lieu.** In the event that a policy is retained, it is important that the policy also allows for financial contributions to provide affordable workspace off-site where on site provision is not possible. Where on-site provision is not practical or feasible, and the development meets the defined circumstances whereby affordable workspace is required, then financial contributions should be allowed. This situation arises where an office building is designed for a specific occupier and/or a major pre-let is secured at an early stage. Further it should be acknowledged that serviced office and co-working space providers can provide flexibility and

competitive packages for MSMEs, which should negate the need for the provision of affordable workspace. In these circumstances a payment may be appropriate. This is an important factor when having regard to the planning obligations test set out at Reg. 122 of the CIL Regulations 2010 (as amended).

- 5.45 Further, an ‘affordable’ rent in a high value submarket may be considered affordable only because it is cheaper than similar spaces in the same area. However, it may still cost more than comparable spaces in low-value submarket let at market rent. In such circumstances a payment in lieu, to support provision elsewhere, at a much lower headline rent, may represent a better use of resources.
- 5.46 There is no justification for requiring that the affordable workspace element of a mixed use scheme be operational prior to the residential accommodation being occupied. This will not always be feasible and will cause phasing and cashflow issues.

Low-cost business space (Policy E2)

- 5.47 The Alliance supports the objectives of the policy insofar as the provision of a range of business space, across the value ranges, should be ensured. In our view, this is satisfactorily addressed within Policy E1, which supports improvements to the quality of office space of different sizes and new office provision and the use of Article 4 directions to protect existing office stock.
- 5.48 The Alliance considers that policy E2 should be removed.
- 5.49 Without prejudice to this position, should it be retained, the following changes should be made:
 - a) It should be clear that low-cost B1 business space should only be protected where this is provided for in detailed, local policies comprehensively tested through the local plan process. These should explain where protection is “appropriate” (Part A) and identify the “shortages of lower-cost space” referred to in Part B. This is important given the various submarkets, particularly in the CAZ;
 - b) The policy should relate to the use of land, not to the protection of the existing

individual occupiers. Separate controls on relocation, etc., are provided through the landlord and tenant legislation and will always have been subject to separate commercial negotiation; and

- c) Part C should require developers to demonstrate that accommodation is capable of being subdivided to provide smaller units of occupation as this is the best guarantor of flexibility. Encouraging a proportion of floorspace to be flexible workspace suitable for micro, small and medium-sized enterprises is such a wide-ranging requirement as to be undeliverable. The spatial requirements of a medium-sized enterprise potentially employing up to 250 people will be very different to a micro business seeking a co-working environment. Often co-working providers catering for micro businesses will seek very large, highly efficient, floorplates.

5.50 We set out, below, proposed changes to Policy E2, should it be retained:

A. ~~“The provision, and where appropriate, protection of a range of low-cost B1 business space should be supported to meet the needs of micro, small and medium-sized enterprises and to support MSME firms wishing to start-up or expand.~~

B. Where there is clear local evidence of a shortage of lower-cost space within a defined area, boroughs may introduce local policies within Local Plans that would protect low-cost B1 business space. Such policies would provide that development proposals that involve the loss of existing B1 space (including creative and artist studio space) ~~in areas where there is an identified shortage of lower-cost space~~ should:

1. demonstrate that there is no reasonable prospect of the site being used for business purposes, or
2. ensure that an equivalent amount of B1 space is re-provided in the proposal (which is appropriate in terms of type, specification, use and size), ~~incorporating existing businesses where possible, or~~
3. demonstrate that suitable alternative accommodation (in terms of type, specification, use and size) is available in reasonable proximity to the development proposal ~~and, where existing businesses are affected, that they are subject to relocation support arrangements before the~~

~~commencement of new development.~~

C. Development proposals for new B1 business floorspace greater than 2,500 sqm (gross external area) should consider ensuring a proportion of the space is suitable for subdivision or multi-occupation ~~the scope to provide a proportion of flexible workspace suitable for micro, small and medium-sized enterprises.~~”

- 5.51 Further there is considered sufficient overlap of topics, such that policies E2 and E3 could be combined and accordingly revised to address the comments made above.
- 5.52 We set out, below, a detailed justification of this position:
- 5.53 **Unintended consequences / disincentives.** The policy has the real potential to discourage granting short term leases or otherwise making space available on flexible terms, especially as buildings reach the end of their life-cycle, such that the buildings might be deemed to be providing existing low-cost workspace on site prior to redevelopment.
- 5.54 The provision of such flexible, lower cost accommodation towards the end of a building’s lifespan, would result in Policy E2 (and potentially E3) being applied, which might not have been engaged otherwise. With this in mind, landlords would be reluctant to let such space at lower cost and/or on flexible terms going forward. Landlords should be encouraged, not dis-incentivised, to let secondary or tertiary space in advance of site assembly or future redevelopment as it is an important supply of low-cost, flexible office accommodation. There are examples of space being let as low as circa £25 psf on short term leases in large office buildings in the CAZ, prior to redevelopment.
- 5.55 In addition, the cyclical nature of the office market can impact on office rents, and rent free periods and additionally in downturns creates a more tenant friendly market. In a downturn, tenants with lease expiries or break options should be able to secure far better rent and rent free periods and overall letting packages. In these situations, it should not be deemed that a building is already providing low cost business. This situation is even more pronounced in a market downturn when redevelopment schemes are often delayed or mothballed.

- 5.56 **Application to the CAZ.** Explanatory paragraph 6.2.3 sets out instances where draft policy E2 will apply. The Alliance considers that the policy is likely to be more applicable in areas outside the CAZ, where permitted development rights have resulted in the loss of secondary and tertiary space in recent years, albeit detailed consideration through the Local Plan process should still be required.
- 5.57 In addition, we note paragraph 6.1.5 in support of Policy E1, notes that it is important to ensure that there is sufficient space to support the growth of new start-up companies and accommodate MSMEs, including lower cost and affordable business space. The draft policy needs to recognise the special characteristics of the CAZ, and that the retention or re-provision of “secondary and tertiary space” in the commercial core is not always appropriate.
- 5.58 Within the CAZ, and especially its established office markets, the likelihood is that the demand for lower cost space will always be present. Consequently satisfying criterion B(1) is likely to be very challenging within the CAZ, which could prevent the recycling and renewal of the CAZ’s office stock. This would be contrary to strategic CAZ policy.
- 5.59 The Alliance acknowledges that low levels of availability in the current cycle, coupled with other factors such as the diversity of demand has resulted in a rise in general headline rent values in the CAZ submarkets. Such rises have been greater in the fringe markets though. Yet one does not need to go too far beyond the City Fringe to find low cost workspace. The opportunities presented by improvements in transport infrastructure will ensure that these “beyond the fringe” areas are both accessible and attractive to MSMEs and start-ups. These locations also have more scope to accommodate flexible or innovative new formats. The accessibility of these submarkets, confirms that policy E2 should be applied flexibly in the core commercial areas.
- 5.60 **Serviced offices and co-working.** It is not clear that this policy has been conceived with reference to the rapid growth in the serviced office and co-working markets. A key element of these sectors has been the ability to offer flexible leasing options that enable companies/individuals to take space as and when needed without the pressure of long term commitments. Many MSMEs opt to locate in a serviced office, or take co-working space, due to the ease of occupation, flexibility and practicality. The main difference between a serviced office and a conventional

office is the rental term. Serviced office space is usually on a licence from a month to a year, whereas a conventional office can be anything up to twenty-five years with optional lease breaks should a company wish to vacate sooner. The flexibility of the serviced office allows a business to grow (or shrink) with ease. The serviced office providers are meeting a market demand, whilst providing flexibility and with little concern for overheads such as business rates, service charge, telecommunications etc. Serviced office providers seek flexible floorspace to allow maximum subdivision and flexibility to their tenants. It is considered that the draft policy should positively recognise the serviced office market and allow flexibility where it is being brought forward as part of redevelopment schemes.

- 5.61 **Re-provision of low cost space.** Policy E2(B)(2) seeks to ensure an equivalent amount of B1 space is re-provided in development proposals, which should seek to incorporate existing businesses where possible. The Alliance is concerned that such a policy approach goes beyond established land use planning principles. The planning system and policy can stipulate future land uses, but not future end users of a building or premises. This issue is already addressed in landlord and tenant legislation and is frequently the subject of commercial discussions. Further similar concerns relate to the policy requirement relating to the provision of finding alternative accommodation for existing businesses. Such a policy relating to relocation support cannot be justified in planning policy terms and in any event is, again, where necessary, addressed through landlord and tenant legislation. In addition, this issue is not considered to be strategic.
- 5.62 **Space for MSMEs.** Draft policy E2(C) states that development proposals for new businesses space greater than 2,500 sqm should consider the scope to provide a proportion of flexible workspace for MSMEs. We do not consider this is necessary and encourage its removal.
- 5.63 The Alliance fully supports the production of good quality and flexible office space to the market. However as mentioned elsewhere, office buildings often have varying sized floor plates from ground to top floor (responding to the urban context), with floorplates which are designed to enable sub-division to accommodate a range of potential occupiers, including MSMEs and co-working spaces. The design of commercial buildings should therefore be considered as part of the consideration of this policy. The policy should therefore not specifically dictate that a proportion of the

building is given over to MSMEs, and be applied flexibly to office scheme proposals.

- 5.64 There is no evidence that the absence of suitable office accommodation is constraining the supply of flexible workspace suitable for micro, small and medium-sized businesses. Cushman & Wakefield data¹⁶ suggests that the supply of space in this sector in Central London has almost tripled since 2007 with most of that growth coming in the last few years. Flexible workspace providers are increasingly seeking larger units, with the average size of unit leased in 2017 reported at over 40,000 sq ft, compared with 22,000 sq ft in 2007. WeWork's acquisition at Southbank Place of over 280,000 sq ft in 2017 was widely reported and illustrates the importance of larger buildings to the success of this sector.

Conclusion

- 5.65 The Alliance welcomes policy SD4(B) which recognises the importance of the national and international office functions of the CAZ.
- 5.66 The Alliance considers that further emphasis on promoting the City of London's role as the world's leading international financial and business centre could be provided in Policy SD4.
- 5.67 The Alliance welcomes Policy E1 which recognises the unique agglomeration and dynamic clusters of world class business in the CAZ. In respect of Table 6.1, the Alliance considers it is essential that the annual floorspace target is a minimum figure that should aim to be exceeded.
- 5.68 In respect of affordable workspace (policy E3), the Alliance does not consider that policy intervention is necessary or appropriate within the core/established markets within the CAZ. The Alliance's strong preference is that the policy should be revised to be clear that it is not usually applicable within the CAZ. It is considered that the approach proposed is not consistent with the clear support set out for office growth and development within CAZ policies SD4 and SD5. Without prejudice to this, if an enabling policy it to be retained and the CAZ retained in its scope, the Alliance

¹⁶ Cushman & Wakefield, Coworking 2018 - The flexible workplace evolves [online] Cushman & Wakefield. Available at: <http://www.cushmanwakefield.co.uk/en-gb/research-and-insight/2018/coworking-2018/f> [Accessed 1 March 2018]

proposes a number of amendments to the draft policy.

- 5.69 Similarly, in respect of low-cost business space (policy E2), whilst the Alliance supports the objectives of the policy insofar as the provision of a range of business space across the values ranges should be ensured, but it is considered that this matter is addressed in policy E1. Accordingly it is considered that this policy could be removed. Alternatively, should it be retained, the Alliance seeks a number of amendments to the policy, and in particular it should be made clear that low cost B1 business space should only be protected where this is provided for in detailed local policies comprehensively tested through the Local Plan process.

6 Housing and Affordable Housing

- 6.1 Significant increases are proposed in London’s housing targets. This will require a significant step change from historic rates of delivery. We note that the increases are primarily focused outside of Inner London.

Increasing housing supply (Policy H1)

- 6.2 In view of the overriding importance of increasing the housing supply in London, the Alliance suggests an additional paragraph at the start of this policy to emphasise that the intention of the plan is to encourage, not restrain, housing supply in London. Policy 3.12(A)(c) of the existing Plan currently makes this statement, but is not brought forwards into the new plan.
- 6.3 We have made the same suggestion in respect of Policies GG4 and GG5 (see paragraph 3.18c)).

Delivering affordable housing (Policy H5)

- 6.4 Policy H5(A)(1) refers to requiring residential “and mixed use” developments to provide affordable housing. This should be amended to clarify that this refers to mixed-use developments that include residential development. The policy should be entirely unambiguous that other forms of mixed use development that do not incorporate housing are not expected to provide affordable housing. We suggest the following amended wording for H5(A)(1):

“requiring residential and mixed-use developments that incorporate residential to provide affordable housing through the threshold approach (Policy H6 Threshold approach to applications).”

- 6.5 Development proposals within Central London, especially within the CAZ, more often include an element of off-site affordable housing provision, and/or financial payments towards affordable housing provision. This is instead of on-site affordable housing.
- 6.6 This is because redevelopment sites in core central areas are often highly constrained. Further, the exceptionally high land values within Central London mean

that the opportunity cost of providing affordable housing on-site is very high. Providing affordable housing off-site can often lead to very substantially greater affordable housing outcomes, with substantially more homes being built than if on-site delivery had been insisted upon, with all the associated opportunity costs and inefficiencies. The use of off-site provision can therefore significantly improve affordable housing outcomes. Clearly, a balance still needs to be struck to ensure that the off-site housing is appropriately located and contributes to creating a balanced and sustainable mix of tenures, but this does not necessarily require on-site provision in all cases. Payment in Lieu ('PiL') should also be encouraged in circumstances where neither on-site nor off-site affordable housing provision is appropriate allowing for affordable contributions to be delivered to address a range of sites.

- 6.7 In land use terms, on-site provision can lead to other land uses, which are also vital within the CAZ and which could not be provided or sustained outside of it, being displaced. Draft Policy SD5A notes that “New residential development should not compromise the strategic functions of the CAZ.” The CAZ SPG recognises the need for flexibility in applying requirements for on-site housing or nearby (paragraph 1.4.13). The Alliance considers that this flexibility needs to be applied to policy H5 when considering affordable housing provision in the CAZ.
- 6.8 Likewise, in some cases - especially smaller developments where factors such as small plot sizes, or limited frontage widths make including multiple tenures impractical - PiL will enable better affordable outcomes to be achieved.
- 6.9 Whilst the Alliance understands the priority for affordable housing to be provided on-site, we suggest that Part B of Policy H5 is moderated to accept that off-site may also be acceptable in some instances, particularly in the CAZ, especially when this leads to more or better affordable housing. It should not be necessary to demonstrate exceptional circumstances whenever off-site affordable housing provision is proposed, particularly within the CAZ.
- 6.10 The use and benefit of using affordable housing credits, particularly in the CAZ, is identified within the current adopted London Plan (para 2.45) and the CAZ SPG. The CAZ SPG recognises that affordable housing credits can deliver benefits as in some instances they help to sustain important commercial clusters, whilst delivering a greater quantity and better quality of affordable housing. The way in which

affordable housing credits are delivered – i.e. brought forward in advance of any policy requirements – also assists in delivering affordable housing sooner within development pipelines. It also acts as an incentive for developers to consider additional affordable housing opportunities when delivering schemes, and maximising these opportunities to the fullest (and above policy requirements).

- 6.11 For these reasons, the Alliance considers that land use swaps and affordable housing credits could be constructively used to meet affordable housing policy. This is particularly relevant in central Westminster, where land ownership is relatively consolidated and there may be opportunities to use economies of scale and a land owner/developer’s other holdings to deliver more affordable housing, earlier, than a purely-site specific approach. Policy H5(B) should be amended to make reference to the role that affordable housing credits can play, to incentivise and deliver affordable housing and to promote the strategic aims of the CAZ.
- 6.12 The Alliance is concerned that, as drafted, the policy H5 could disincentivise developers from using off-site and payment in lieu mechanisms to maximise the overall delivery of affordable homes, in contrast to the objectives of the policy.
- 6.13 Policy H5(B) should be clear that the preference for on-site affordable housing relates to affordable housing that is required as a result of the operation of Policy H6. Where housing, whether affordable or not, is required/provided in response to local mixed use policies, Policy SD5(l) should apply i.e. taking into account the potential to use land use swaps, credits and off-site contributions. There should be no requirement within Policy H5 for such housing to be on-site within commercial developments where local mixed use policy gives rise to an affordable housing requirement.
- 6.14 We suggest the following amendments to Policy H5(B):

“Affordable housing arising from the application of Policy H6 should generally be provided on site in order to deliver communities which are inclusive and mixed by tenure and household income, providing choice to a range of Londoners.

Outside the CAZ, affordable housing must only be provided off-site or as a cash in lieu contribution in exceptional circumstances.

Within the CAZ, on-site provision will be preferred. The use of affordable housing credits and off-site provision will be acceptable where it can be shown that this would lead to an improvement to the quantity or quality of residential units provided and continue to contribute to creating inclusive and mixed tenure communities. Payment in lieu will be acceptable where on-site and off-site provision have been shown to be impractical.

Threshold approach to applications (Policy H6)

6.15 Policy H6(A) should be amended so that it is clear that the threshold approach applies to residential development. We propose the following amendments:

“The threshold approach applies to residential development proposals and mixed use development proposals that include residential that are capable of delivering more than ten residential units or which have a combined residential floorspace greater than 1,000sqm.”

6.16 The Alliance considers that the threshold level for the use of the Fast Track Route should be either the local affordable housing target, or 35%, whichever is the lower, to relate to the central London context where the maximum reasonable level has been established at between 25% and 35%.

6.17 The Alliance has previously advised that **review mechanisms** should not be used.¹⁷ **If** they are to be retained, they should:

- a) Not be applied to proposals that achieve the local affordable housing target; and
- b) Not require profit share above a level equivalent to meeting that local target.

6.18 It is likely that some housing and affordable housing development within the CAZ will continue to come forwards as a result of local mixed-use policies as provided for at Policy SD5(I). This type of development will frequently provide a range of on-site and off-site provision, as well as financial payments. In most cases, such schemes would be required to follow the Viability Tested Route, even where the local affordable housing target was met. This, in itself, may discourage commercial

¹⁷ WPA/CPA Response to the consultation on the Mayor’s Affordable Housing and Viability SPG, 28 February 2017, enclosed as **Appendix 4**

development which is contrary to the objectives for the CAZ within SD4.

- 6.19 Use of off-site affordable housing, and payments in lieu, should not automatically trigger the need to follow the Viability Tested Route. Policy H6(C)(1) and paragraph 4.6.14 should be amended accordingly (see our comments, above regarding the relative priorities for on-and off-site provision).

- 6.20 Alternative Use Value ('AUV') should be an acceptable contributory factor in establishing the benchmark land value for development schemes within the CAZ, given the high values associated with other uses permitted by Development Plan policy that do not require affordable housing. For example, an underused site within the CAZ could be redeveloped for a range of potential uses beside residential and the site's value should reflect these, rather being based only on the EUV+ approach. Paragraph 4.6.11 should be amended accordingly to recognise the role of AUV within the CAZ.

- 6.21 Policy H6(C) should provide for greater flexibility in affordable housing tenure types, both in type and proportion, especially within the CAZ. Some variation from the Mayor's preferred mix should be permitted without automatically requiring development to follow the Viability Tested Route.

Scheme Amendments – Section 73 applications and deeds of variation (Policy H6G-J)

- 6.22 The Alliance considers that it is not appropriate for the strategic plan to set out within policy detailed procedural requirements as to how certain types of applications, such as Section 73s, will be determined. S73 applications are common for most large developments progressing through detailed design, including those that have been through the Viability Tested Route. Requiring such schemes to be re-appraised or to prove that there is no change to the 'economic circumstances' of the scheme introduces potential additional uncertainty, cost and delay at a time in the development cycle when physical works are often already underway. The unintended result will be that developers will not submit S73 applications but rather proceed with schemes as they are approved which do not fully adapt to changing market and occupier requirements.

6.23 Sections G – H of Policy H6 should be deleted.

Affordable Housing Tenure (Policy H7)

6.24 It is vital that London continues to provide homes for the key workers needed to maintain its services. To achieve this – particularly in the context of Central London – flexibility on the location, type and tenure terms of new housing is essential.

6.25 The Alliance considers that the proposed approach to tenure split in Policy H7 and elsewhere within the draft Plan is too prescriptive, particularly for central London boroughs.

6.26 The Mayor should not be prescriptive in defining types of tenure and eligibility criteria at the strategic level. For example, the Mayor’s eligibility criterion for intermediate rent of £60,000 per year is too low given high land prices within the CAZ (para 4.7.8).

6.27 There are households in high value areas of the CAZ, with incomes that exceed the eligibility criteria for intermediate rent and/or shared ownership but that are too low to enable them to afford homes on the open market and are therefore unable to access housing that meets their needs.

6.28 There is a particular problem of marginality, for households with incomes that just exceed the relevant income levels.

6.29 The eligibility criteria should therefore not be prescriptive in the Plan, and preferably, far greater flexibility provided to allow locally-set rents and income levels, rather than relying upon the caps within the Plan or Housing Strategy. RPs should be provided with greater flexibility to determine the appropriate mix of tenure and rental levels to meet demand and maximise affordability. A range of rents should be permitted within affordable housing so that a wider range of needs of those that cannot access market housing can be met. A one-size fits all approach across London is not appropriate. A more flexible approach would also increase the overall proportion of affordable housing.

6.30 The explanatory text to Policy H7 should also be amended accordingly.

6.31 The Alliance welcomes the additional flexibility introduced in Policy H7 to allow

boroughs to develop their own preferred tenure mix. It is important that this extends to the detail of eligibility and target rents. The Alliance suggests that Policy H7 is amended as follows to remove reference to the specific tenure types:

“The Mayor is committed to delivering genuinely affordable housing. The following split of affordable products should be applied to development:

- 1) a minimum of 30 per cent low cost rented homes, allocated according to need and for Londoners on low incomes (~~Social Rent/ London Affordable Rent~~)**
- 2) a minimum of 30 per cent intermediate products which meet the national definition of affordable housing, ~~including London Living Rent and London Shared ownership~~**
- 3) 40 per cent to be determined by the relevant borough based on identified need, provided they are consistent with the definition of affordable housing.”**

Housing quality and standards (Policy D4)

6.32 We suggest that some flexibility should be provided in Policy D4 to allow for sensible deviation from these standards in exceptional circumstances. For example, there will be some cases where, due to site orientation and configuration, single aspect north facing dwellings or dwellings with lower levels of daylight cannot be avoided. It may be that other aspects of the design, such as larger unit sizes, or larger communal or amenity areas, could contribute to ensuring that such developments still provide the very good standard of accommodation that Londoners expect.

Conclusion

6.33 Whilst the Alliance understands the priority for affordable housing to be provided on-site, we suggest that Part B of policy H5 is moderated to accept that off-site may also be acceptable in some instances, particularly in the CAZ, especially when this leads to more or better affordable housing. It should not be necessary to demonstrate exceptional circumstances whenever off-site affordable housing provision or a cash contribution is proposed in the CAZ. Payment should also be encouraged on sites where it is more appropriate than delivery of affordable housing on-site or off-site.

- 6.34 The Alliance also considers that land use swaps and affordable housing credits may also be constructively used to meet affordable housing policy. Policy H5(B) should be clear that the preference for on-site affordable housing relates to affordable housing that is required as a result of the operation of Policy H6. Use of off-site affordable housing, and PiL, should not automatically trigger the need to follow the Viability Tested Route.
- 6.35 The requirement for review mechanisms, particularly mid and late-stage review mechanisms, would introduce significant additional risk into commercial-led mixed use schemes. As drafted, an open-ended profit-share mechanism that covers both residential and commercial elements would create substantial additional risk for those promoting commercial development. This would be contrary to emerging CAZ policy.
- 6.36 The Alliance considers that the proposed approach to tenure split in Policy H7 and elsewhere within the draft Plan is too prescriptive, particularly for central London boroughs. Whilst the Alliance welcomes the additional flexibility introduced in Policy H7 to allow boroughs to develop their own preferred tenure mixes, it considers that the proposed approach to tenure split in Policy H7 and elsewhere within the draft Plan is too prescriptive, particularly for central London boroughs.

7 Design and Heritage

Local Context

7.1 Policy D1 should be amended to remove the references to local context within Part B(1). This is highly subjective and could be applied to limit the scale of development to that of the existing area, which would not deliver the density and growth that is required.

7.2 We suggest Policy D1(B)(1) is amended as follows:

“~~[Development design should:] respond to local context by delivering deliver~~ buildings and spaces that are positioned and of a scale, appearance and shape that responds successfully to the identity and character of the locality, including to existing and emerging street hierarchy, building types, forms and proportions.”

7.3 Paragraph 3.1.2 should also be amended accordingly. This would be consistent with Policy D2(B) which seeks to ensure the most efficient use of land is made, to optimise development on all sites.

Design Scrutiny

7.4 The Alliance does not consider it appropriate for the Plan to set out within policy the procedural steps that Boroughs should follow in giving pre-application advice and determining applications, or indeed on the content of planning applications. Policy D2(F) & (G) should be amended to remove the references to design review early in the planning process. It is for the Boroughs to set out their preferred processes for pre-application engagement, depending upon their resourcing, skills and local engagement. There is concern that over-reliance on design review will exasperate the problem that many boroughs lack the skills, resource and experience to deliver design reviews.

7.5 The Alliance recognises that design review panels are successfully used in some parts of London and suggest that their use elsewhere is more appropriately encouraged within the supporting text to Policy D2, rather than required by the

policy itself. Design review may be best focused upon establishing key principles for sites, rather than risk becoming bogged down in lengthy discussions over matters of detail.

7.6 Without prejudice to this recommended change, the criteria for establishing where design review is necessary should be reconsidered. As drafted, Policy D2 would require design review where buildings are over 30m, when there is no prevailing local definition of tall building. This should be removed. This is because neither the Cities of London or Westminster have a local definition of tall buildings. This means that, if this policy was applied as drafted, a significant number of proposals for larger (and often non-residential) developments over 30m within both Cities, that would not normally be considered or perceived as “tall buildings” would, nevertheless, fall into this definition of tall buildings and so require design review. The Alliance does not consider this to be appropriate or necessary.

7.7 The Alliance suggests the following amendment to Policy D2(F)(2):

“[if they] propose a building defined as a tall building by the borough (...), or that is referable to the Mayor on grounds of height and is significantly taller than the surrounding area where there is no local tall building definition or that is more than 30m in height.”

7.8 Whilst the Alliance welcomes the aims of policy D2H to maintain design quality through from planning to the completed scheme, we do not consider it appropriate for the Plan to include, at Policy D2(H)(4), the retention of architects secured by legal agreement. This may go beyond the scope of s106 of the 1990 Act and CIL Regulation 122.

7.9 The wording of the policy is stronger than Paragraph 3.2.10, which refers to securing ongoing involvement (as architect or design reviewer) via a condition, which is a power that Boroughs already have. We consider that Policy D2(H)(4) should be removed.

Public Realm

7.10 The Alliance reserves the right to comment on the implications of Policy D7(G) and Paragraph 3.7.9, and its ability to be secured via legal agreement, for a date when

the Public London Charter is available. We await the opportunity to comment on this new Character document.

Heritage

7.11 The Alliance welcomes the recognition of the need to consider the benefits of development to economic viability, accessibility and environmental quality when preparing development strategies (Policy HC1(B)(4)).

7.12 The Alliance strongly recommends the introduction of additional policy text into HC1 to recognise these potential benefits at development management stage. This would ensure that the potential benefits of development – including its contribution to addressing London’s housing supply – are properly taken into account when undertaking the balancing exercises required by the NPPF and the statutory tests.

7.13 We suggest an additional paragraph of text:

“In determining planning applications for development that potentially affects the significance of heritage and designated heritage assets, the social, economic and environmental benefits of the proposal (including, but not limited to, the development’s contribution to addressing London’s need for more housing, affordable housing and commercial space) may be treated as public benefits of significant weight when weighing the benefits of development against any heritage harm.”

7.14 The Alliance supports the aim to protect archaeological assets, however the sentence in paragraph 7.1.11 should be amended as follows:

“The physical assets should, where possible and appropriate, be made available to the public on-site.”

Strategic and Local Views (Policy HC3)

7.15 Policy HC3(G) encourages Boroughs to continue to designate “important local views” in their local plans. The Alliance recognises that there is a continuing role for locally-designated views.

7.16 However, paragraph 7.3.6 states that “Local views should be given the same degree of importance as Strategic Views.” This is entirely inappropriate and the Plan should provide for a hierarchy of importance, recognising that London’s most important and distinctive views are subject to a very high level of protection within the London View Management Framework. It would not be appropriate to extend the same level of protection to all locally designated views; this could very significantly affect London’s capacity to grow. In practice, the sensitivity of the Local Views will vary from view to view, as will each view’s resultant sensitivity and capacity to accommodate change.

7.17 The final sentence of paragraph 7.3.6 should be deleted.

Urban Greening (Policy G5)

7.18 The Alliance supports the principle of this policy, however the policy is non-strategic and detailed and we are concerned that it cannot be properly applied to CAZ sites.

7.19 No evidence has been supplied to demonstrate that the proposed urban greening factors can be successfully applied to central London development, whilst still delivering developments that accord with other policies.

7.20 The worked example at paragraph 8.5.4 of the draft Plan sets out how the Urban Greening Factor can be applied in a real life scenario. This example is unsatisfactory as it is not representative of schemes in central London locations, such as the CAZ. In the CAZ it would be expected that the footprint of a site would be maximised (potentially both in the existing and proposed scenario) rather than occupying 600sqm of the 1000sqm site area as stated in the example. If a scheme is to maximise the site’s potential (which is required by other policies and, frequently, by good design principles), it would provide full site coverage.

7.21 In such locations, there is often no opportunity to add these urban greening factors into the design and the limited space is competing with other policies. For example, the opportunities for green walls would be restricted in the CAZ due to the proximity of neighbouring buildings and external walls. While green walls can look attractive in the short term, medium to long term maintenance often proves exceedingly difficult in comparison to lateral planting. Similarly, the possibility of incorporating green roofs is limited due to the lack of available space and the conflicting policy

requirements including PV panels, amenity roof terraces and other design and conservation considerations.

- 7.22 Therefore, the Alliance consider policy G5 and the target scores cannot realistically be applied in central London locations, including the CAZ, given the high density nature of development and other policy considerations which need to be incorporated and compete for available space in the design. It may also be inappropriate within Conservation Areas and for developments involving listed buildings.
- 7.23 In addition, policy G5 potentially adds significantly to cost of development. The deliverability of the policy does not appear to have been tested against residential and commercial schemes in the CAZ.
- 7.24 Whilst the Alliance supports urban greening in principle, it is important that policy is sufficiently flexible to adequately deal with development constraints presented in the CAZ. A prescriptive policy, setting a seemingly arbitrary target, is not considered appropriate for the CAZ. It is considered that design detail relating to the potential for urban greening on buildings should be left for local planning authorities to consider and determine.
- 7.25 We suggest that Policy G5 is removed, or amended to provide for a different approach within the CAZ.

Sunlight and Daylight

- 7.26 The Plan does not address Sunlight and Daylight. Sunlight and daylight can often constitute an unnecessary constraint on the optimisation of site capacity, especially within Central London. The BRE Guidelines generally used often do not lead to sites being optimised and are not always well-suited to city centre locations. This fact is acknowledged in the BRE Guide. An Inspector, in the recent Whitechapel Estate appeal decision (reference APP/E5900/W/17/3171437, 21 February 2018 and enclosed as **Appendix 2**) agreed that **“blanket application of the BRE guide optimum standards, which are best achieved in relatively low-rise well spaced**

layouts, is not appropriate in this [city centre] instance.”¹⁸ This is also an application that was supported at Stage 1 and Stage 2.

- 7.27 The Alliance suggests that additional policy could helpfully be provided to encourage a more site-specific approach to sunlight and daylight and its effect on residential amenity, including using similar typologies of other sites / developments as comparables. This approach was endorsed by the Whitechapel Estate Inspector.¹⁹
- 7.28 We suggest the inclusion of the following additional policy.

“Policy D14 – Sunlight and Daylight

A. New development should avoid causing unacceptable harm to the amenity of surrounding land and buildings, particularly in relation to privacy and overshadowing and where tall buildings are proposed. An appropriate degree of flexibility should be applied when using BRE’s 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, urban environments, town centres, large sites and accessible locations, where BRE advice suggests considering the use of alternative targets which depart from the more generically applicable provided. This should take into account all relevant local circumstances and be evaluated as part of the delivery of appropriate levels of amenity within the local environment; the need to optimise residential or commercial capacity; and scope for the character and form of an area to change over time

B. The degree of harm on adjacent properties and the daylight targets within a proposed scheme should be assessed drawing on broadly comparable residential, mixed use and/or commercial typologies within the area and of a similar nature across London. Decision makers should recognise that

¹⁸ Appeal Reference APP/E5900/W/17/3171437, Paragraph 108.

¹⁹ Ibid. paras. 109 - 111

fully optimising housing or commercial potential on large sites and where regeneration is to take place, may necessitate standards which depart from those presently experienced, but which still achieve a satisfactory provision of amenities and avoid unacceptable harm.

- C. BRE’s guidelines on assessing daylight and sunlight should be applied sensitively to higher density development in a city centre, particularly in central and urban settings, recognising the London Plan’s strategic approach to optimise housing output and the need to accommodate additional housing supply in locations with good current and projected transport accessibility. In those areas, quantitative guidance on daylight and sunlight should be derived after careful consideration and by demonstrating how the levels within the proposal measure against broadly comparable (and successful) urban grains in higher density areas within London.”**

Air Quality (Policy SI1)

- 7.29 The Alliance supports introducing reference to improving air quality within Policies SD4.
- 7.30 As set out elsewhere, regarding cumulative impact, we do consider it essential that there is a clear and comprehensive assessment of the potential cumulative impact of additional air quality planning policy requirements on development. In some cases – very much depending upon the form and content of both the development proposed and the existing land uses on a site – achieving air quality positive can impose a significant additional cost upon development.
- 7.31 A clear statement is required regarding the relative priority to be placed upon securing air quality neutral / positive within the CAZ, with respect to other priorities.
- 7.32 We are concerned that Policy SI1, which relates to air quality in more detail, does not distinguish clearly between development of different sizes. A large-scale, strategic development within an Opportunity Area will have a very different effect upon air quality to a proposal for minor alterations to an existing building. The requirements of Policy SI1 will not be achievable for all small scale proposals. The

policy should distinguish between development of different scale more clearly.

Conclusion

- 7.33 The Alliance considers that reference to “local context” at policy D1(B)(1) could potentially limit the optimisation of development sites; it is therefore proposed this policy is amended.
- 7.34 The Alliance recognise that design review panels are successfully used in some parts of London, however, the Alliance does not consider it appropriate for the Plan to set out within policy the procedural steps that Boroughs should follow in giving pre-application advice and determining applications. An amendment to Policy D2(F)(2) is proposed to reflect the often large scale nature of buildings in the Cities of London and Westminster.
- 7.35 The Alliance supports the principle of the urban greening policy, however the policy is non-strategic and detailed and we are concerned that it cannot be properly applied to CAZ sites.
- 7.36 The Plan does not address sunlight and daylight; the Alliance suggests that additional policy could helpfully be provided to encourage a more site-specific approach to sunlight, daylight and its effect on residential amenity.

8 Transport

8.1 The Alliance welcomes the strategic approach of the Plan to increase the number of trips in London made by foot, cycle or public transport. As in the current London Plan, the draft Plan seeks to facilitate a shift towards more sustainable modes of transport through the use of maximum car parking standards for development. Similarly, minimum cycle parking standards are set for different development types to encourage cycling. The Alliance supports this approach.

Cycle Parking (Policy T5 & Table 10.2)

8.2 Draft Policy T5 sets out the proposed approach to removing barriers to cycling and creating a healthy environment in which people choose to cycle, including the application of minimum cycle parking standards.

8.3 The Plan proposes a significant increase in long-stay cycle parking requirements for offices within the 'Higher Minimum Cycle Parking Standards' areas. It is proposed to increase from 1 space per 90 sq m of office development, to 1 space per 75 sq m of office development (long-stay).

8.4 The Plan also proposes a doubling of the short-stay cycle parking requirements for retail development within the 'Higher Minimum Cycle Parking Standards' areas. This applies to all retail use classes (A1-A5).

8.5 The Alliance share the Mayor's desire to encourage cycling, and to provide adequate cycle parking which is fit for purpose, secure and well-located. However, there is concern that the increase in cycle parking requirements will prove overly onerous and difficult to achieve (particularly when based upon gross area).

8.6 The requirements to provide 1 cycle parking space per 75 sq m of office development will require a significant space provision and will be difficult to achieve particularly on smaller development schemes, or those that envisage refurbishment and extension, rather than comprehensive redevelopment. In addition, taller buildings on smaller footprints often struggle to accommodate significant levels of bicycle parking at below ground levels. This should be acknowledged in the policy, with flexibility allowed for such schemes.

8.7 The current London Plan **cycle plan requirements for office development** have in

some instances proven difficult to achieve in confined central London sites. The space take for such extensive cycle parking is significant and can often require additional basement excavation or similar works which do not represent the best use of scarce urban land and can have consequential impacts on financial viability, especially when taken cumulatively with other requirements on new development. It is strongly recommended that cycle parking standards are based on net floorspace areas rather than gross external areas. This would better relate cycle parking to actual users of the building and also allow a smoother transition to these new higher cycle parking standards.

- 8.8 The Alliance is concerned that the proposed approach to **short-stay cycle parking** is not always appropriate for the CAZ. Within much of the CAZ there is exceptional pressure upon the public realm to accommodate growing volumes of foot traffic. Considerable resources are being spent to remove unnecessary clutter and expand footways to accommodate this, to ensure that pedestrian movement is prioritised.
- 8.9 Whilst visitor cycle parking may be of some use in more suburban locations with less public transport accessibility, within the CAZ most trips are by public transport and started and completed on foot. In particular, visitor trips to retail and leisure destinations, such as Oxford Street, will generally be on foot.
- 8.10 For **residential** development, the increase in cycle parking standards, particularly the increase in requirements to 1.5 space per unit, is very likely to result in oversized, underused cycle parking.
- 8.11 Whilst cycling is a sustainable transport mode and should be encouraged in preference to car use, improving pedestrian movement should be the overarching priority within the CAZ. The Alliance does not therefore consider it appropriate to reallocate space from already congested footways to use for visitor cycle parking within the CAZ. Providing significant visitor cycle parking within the public realm is often not practical and will lead to unnecessary clutter and reduced capacity for foot traffic. It is very important therefore that the short stay cycle parking standards are applied flexibly, with site specific circumstances dictating whether they can be applied in each and every case.
- 8.12 Whilst the Alliance welcomes flexibility around short-stay cycle parking that is proposed in Part B of the proposed policy, in particular the potential for re-allocation

of space from other uses such as on-street car parking, it is anticipated that this will be difficult to apply in practice. Frequently provision of visitor cycle parking will depend on the allocation of space within the public highway, at the discretion of the local highway authority rather than the developer, especially if required within 15m of the main site entrance. The policy may not, therefore, be deliverable.

8.13 Both long and short stay parking requirements can be particularly challenging to meet in smaller scale refurbishments and changes of use, where physical reconfiguration may be limited and there may not be opportunities to reallocate significant amounts of floorspace at, for example, basement level to cycle parking particularly if competing for plant space. The cycle parking standards need to be applied flexibly in such circumstances and the draft policy amended to acknowledge that it may not always be possible to apply long and short stay parking standards for smaller scale refurbishment and change of use schemes.

8.14 Without prejudice to this, should the headline standards be retained as proposed, the policy should be clear that the proposed cycle parking requirements should be applied only to redevelopment schemes. The standards should be applied flexibly for refurbishment and change of use developments where complying with the standards may prove impractical and or unfeasible.

8.15 We suggest that policy T5 is amended to address this, with an additional paragraph:

“These standards should be applied flexibly to smaller scale development, particularly to changes of use or refurbishment / minor extension proposals where limited works are proposed, particularly below ground.

Lower levels of short stay cycle parking will be acceptable within the Central Activities Zone where creation of additional on-street cycle parking would add to either visual cluster or pedestrian congestion.”

8.16 The Alliance also suggests that the policy should acknowledge the potential of, and encourage, innovative and alternative cycle parking solutions which will enable developments to provide cycle parking more efficiently.

Car Parking

8.17 The Alliance acknowledges that car ownership in London is declining, and that residents in central London are less likely to have cars than in Outer London.

Nonetheless, there are a very wide range of housing types provided in central London, reflecting the range of the central London housing market, and requirements for car parking which can vary significantly.

- 8.18 The Alliance considers that a more moderate approach should be adopted for residential schemes, which gives local authorities the flexibility to allow some limited provision of car parking within Inner London, where this is considered appropriate at the local level bearing in mind the circumstances of the site, and in the context of Paragraph 39 of the NPPF. Paragraph 39 of the NPPF was specifically introduced to address the inflexibilities of policies that set maximum parking standards.²⁰

Funding transport infrastructure through planning (Policy T9)

- 8.19 The Alliance is keen to ensure that adequate transport infrastructure is provided to support new development and recognises the role that new development has in funding this. The Alliance is supportive of Crossrail 2 and is keen to ensure that MCIL2 is used to bring forwards the development of this vital project.
- 8.20 Nevertheless, we are concerned at the range of other potential transport projects that Policy T9(C) could require development to contribute towards, in addition to local and London-wide CIL charges, affordable housing and the other requirements of the Plan. This policy provides little certainty to developers on the potential extent of planning contributions and is of some concern, especially given the potential cumulative impact and the lack of convincing viability evidence. The capacity of development to contribute to new infrastructure and other planning objectives is not unlimited.
- 8.21 The focus of the policy should be upon the use of CIL, which is raised to fund the infrastructure required, with planning obligations to secure financial contributions used only in exceptional circumstances.

²⁰ Written Ministerial Statement by the Secretary of State for Communities and Local Government, 25 March 2015. HCWS488

Conclusion

- 8.22 The Alliance share the Mayor's desire to encourage cycling, and to provide adequate cycle parking which is fit for purpose, secure and well-located. However, there is concern that the increase in cycle parking requirements will prove overly onerous and difficult to achieve, particularly on smaller development schemes, or those that envisage refurbishment and extension, rather than comprehensive redevelopment. This should be acknowledged in the policy, with flexibility allowed for such schemes.
- 8.23 The Alliance is concerned that the proposed approach to short-stay cycle parking is not always appropriate for the CAZ. It is very important therefore that the short stay cycle parking standards are applied flexibly, with site specific circumstances dictating whether they can be applied in each and every case.
- 8.24 The Alliance supports a more moderate approach to parking for residential schemes within the CAZ, which would give local authorities the flexibility to allow some limited provision of car parking where this is appropriate at the local level.

9 Reducing greenhouse gas emissions

9.1 The Alliance has examined in detail the potential increase in financial contributions arising from the proposed approach to zero carbon development at Policy SI2, in order to understand the impact resulting from an increase in the cost of the London Wide Carbon Price per tonne combined with the existing zero carbon requirements for non-domestic buildings from 2019 onwards.

Background

9.2 Existing policy would require non-residential developments to be 'zero carbon' from 2019 as outlined in the Sustainable Design and Construction SPG, and the existing London Plan Policy 5.2 Minimising Carbon Dioxide Emissions.

9.3 The evidence base for the London Carbon offset price has been prepared by Aecom to inform the policy SI2, which has assessed a breadth of potential prices for carbon offsetting. This has also examined a range of offsetting initiatives (such as district heating/better insulation) and how these can be provided and how onerous this might be for development in comparison.

9.4 While the Aecom report is thorough in its assessment of what carbon savings projects can be delivered through different carbon prices, the study tends to focus on residential development, and in addition its analysis of procedural matters in terms of how carbon offsetting payments are collected (i.e. how the clauses are structured) in different London Boroughs is considered insufficient. This could have been further examined, particularly in situations where Boroughs do not have a Carbon Offsetting Fund (and the problems arising through section 106 pooling restrictions, which is currently the case in the City of London where no carbon fund has been set up).

9.5 The Aecom report highlights that zoning of carbon prices could be useful (that mimic the Mayoral CIL1 charging zones), although this is not reflected in policy S12. The draft policy is not clear whether or not the Mayor intends to use zoning for carbon pricing; whether the Aecom recommendation has been dismissed and why; what the implementation of any new carbon price would look like; and whether or not this is something that would be explicitly dealt with by further supplementary planning guidance as is the case at present. Clarification is sought on these points.

Theoretical carbon offsetting calculations

- 9.6 Set out below are a selection of recent City of London and City of Westminster schemes, which we have reassessed in the light of draft policy SI2. A calculation has been undertaken on the basis that a development would be liable to pay £95 per tonne for 30 years of carbon that is not met through on site reductions, as per policy SI2. This also uses the calculation methodology within the 2013 Building Regulations Part L to find the Notional Emissions Rate (kgCO2 per annum).
- 9.7 This calculation also assumes that no off-site credits are applied to any of the Be Clean, Be Lean, Be Green reduction amounts, which is highlighted as a way to achieve 'Zero Carbon' within the wider London context. The first table considers a new carbon price based on a 100% reduction in emissions against the baseline of the notional building at **£60 per tonne** for 30 years:-

City of London			City of Westminster		
		Increase			Increase
6-8 Bishopsgate	79,990 sq m Office		Oxford House	14,162sq m Office	
As submitted	£ 275,004.00		As submitted	£ 150,012.00	
Under New London Plan	£ 2,349,772.80	£ 2,074,768.80	Under New London Plan	£ 603,648.00	£453,636.00
24-30 West Smithfield	10,312 sq m Hotel		Brick Street	6,987sq m Hotel	
As submitted	£ -		As submitted	£ 76,788.00	
Under New London Plan	£ 847,392.00	£ 847,392.00	Under New London Plan	£ 590,265.60	£ 513,477.60
Emperor House	15,948 sq m Student Accommodation		Marble Arch Place	18,305 sq m Residential	
As submitted	6,168sqm office £ 121,842.00		As submitted	12,737 sq m Office £ 30,834.00	
Under New London Plan	£ 839,020.80	£ 717,178.80	Under New London Plan	£1,043,348.40	£ 1,012,514.40

15 Minorities	18,425 sq m Office			Royal College of Surgeons	10,466.7 sq m Educational		
As submitted	£ -			As submitted	£ 33,444.00		
Under New				Under New			
London Plan	£ 484,665.60	£ 484,665.60		London Plan	£ 407,942.40	£ 374,498.40	

9.8 The second table below considers a new carbon price based on a 100% reduction in emissions against the baseline of the notional building at the new high rates proposed of **£95 per tonne** for 30 years:-

City of London				City of Westminster			
Increase				Increase			
6-8 Bishopsgate	79,990 sq m Office			Oxford House	14,162sq m Office		
As submitted	£ 275,004.00			As submitted	£ 150,012.00		
Under New				Under New			
London Plan	£ 3,487,944.00	£3,212,940.00		London Plan	£ 896,040.00	£ 746,028.00	
24-30 West Smithfield	10,312 sq m Hotel			Brick Street	6,987sq m Hotel		
As submitted	£ -			As submitted	£ 76,788.00		
Under New				Under New			
London Plan	£ 1,257,847.50	£1,257,847.50		London Plan	£ 876,175.50	£799,387.50	
Emperor House	15,948 sq m Student Accommodation 6,168sqm office			Marble Arch Place	18,305 sq m Residential 12,737 sq m Office		
As submitted	£ 121,842.00			As submitted	£ 30,834.00		
Under New				Under New			
London Plan	£ 1,245,421.50	£ 1,123,579.50		London Plan	£1,563,655.50	£1,532,821	
15 Minorities	18,425 sq m Office			Royal College of Surgeons	10,466.7 sq m Educational		
As submitted	£ -			As submitted	£ 33,444.00		
Under New				Under New			
London Plan	£ 719,425.50	£ 719,425.50		London Plan	£ 605,539.50	£572,095.50	

- 9.9 It is clear from the above tables that the carbon offset price alongside the requirement to meet a zero carbon target will have a significant adverse impact on the viability of schemes post the final publication of the Plan. The Alliance is very concerned this this financial impact has not been properly assessed alongside the other financial viability implications of the other policies in the Plan. The concern is compounded by the fact that it is challenging for commercial schemes to achieve the existing target, particularly within the context of development constraints in central London. Thus delivering 100% reductions on site looks totally unrealistic at this stage. The Allaince also notes that the evidence base document prepared by Aecom, and the Plan provide no detail on what acceptable off site allowable solutions are and how zero carbon can be achieved through carbon equivalence, or financial equivalence. This is a key omission that should be addressed. Doing so would allow more flexibility in delivering meaningful reduction of carbon emissions in London.
- 9.10 Within the context of a 100% reduction on baseline emissions, the Alliance considers it is important that the draft policy provides flexibility where ‘be green’ energy initiatives cannot be feasibility provided on site i.e. PV’s not being viable due to design and sunlight constraints, within Conservation Areas or areas of significant overshadowing.
- 9.11 The policy should be clear that analysis of carbon emissions should relate to emissions from the operational phase. SI2(A) should be amended.
- 9.12 The threshold proposed for the application of this policy (‘Major development’) is considered too low. This potentially captures relatively small scale extensions and changes of use where little or no physical work or alterations to plant are proposed that would create an opportunity for significant carbon savings. The threshold needs to be amended so that developments that have the potential to deliver significant carbon savings are required to do so, without being onerous or undeliverable by being applied to other forms of development where there is little or no change to the efficiency of existing built fabric. Policy SI2 should be amended to clarify that:

“For the purposes of this policy, Major development is taken to mean new build development in excess of 1,000sqm. Energy efficiency and carbon reduction measures sought on refurbishments and changes of use will be proportionate to the extent of the physical works proposed to the existing building. Where little or no physical changes are made it will not be appropriate to seek to achieve significant carbon savings.”

Conclusion

- 9.13 Draft Policy SI2 is not clear on whether or not the Mayor intends to use zoning for carbon pricing and what the implementation of any new carbon price would look like, or whether or not this is something that would be explicitly dealt with by further supplementary planning guidance as is the case at present.
- 9.14 The carbon offset price of £95 per tonne alongside the requirement to meet a zero carbon target for commercial developments will have a significant adverse impact on the viability of schemes post the final publication of the Plan.
- 9.15 The Alliance is concerned that this financial impact has not been properly assessed alongside the other financial viability implications of the other policies in the Plan.
- 9.16 The threshold proposed for the application of this policy ('Major development') is too low. This potentially captures relatively small scale extensions and changes of use where little or no physical work or alterations to plant are proposed. An amendment to Policy SI2 is sought.

Appendix 1

List of London Property Alliance members 2018

<i>3D Reid</i>	<i>Barr Gazetas</i>	<i>Buro Four</i>
<i>8build</i>	<i>BBG Real Estate Advisers</i>	<i>C C Land Management and Consultancy UK Limited</i>
<i>Ableprop</i>	<i>BDG Sparkes Porter LLP</i>	<i>Cadogan Estate</i>
<i>Academy Consulting Solutions Ltd</i>	<i>BDO LLP</i>	<i>Campbell Architects</i>
<i>AECOM</i>	<i>BDP</i>	<i>Canary Wharf Group PLC</i>
<i>AKT II</i>	<i>Belgrave Communications</i>	<i>Caneparo Associates Limited</i>
<i>Alchemi Group</i>	<i>Beltane Asset Management</i>	<i>Capco Covent Garden</i>
<i>Allford Hall Monaghan Morris</i>	<i>Bennetts Associates</i>	<i>Capita</i>
<i>Allsop LLP</i>	<i>Berkeley Group</i>	<i>Cavendish Communications</i>
<i>Almacantar</i>	<i>Berners-Allsopp Estate</i>	<i>CBRE Ltd</i>
<i>Amazon Property</i>	<i>Berwin Leighton Paisner</i>	<i>Charles Russell Speechlys</i>
<i>Amshold Group Ltd</i>	<i>Bidwells</i>	<i>Child Graddon Lewis Ltd</i>
<i>Anquila Corporation c/o London & Oriental</i>	<i>Bircham Dyson Bell LLP</i>	<i>Church Commissioners</i>
<i>AP Thompson Built Environment Consultancy</i>	<i>Blackstone</i>	<i>CityWest Homes Limited</i>
<i>Arcadis LLP</i>	<i>BMO Real Estate</i>	<i>Clivedale Ventures Ltd</i>
<i>Argent</i>	<i>BNP Paribas LLP</i>	<i>Cluttons LLP</i>
<i>Arup</i>	<i>Boodle Hatfield</i>	<i>CMS Cameron McKenna Nabarro Olswang LLP</i>
<i>Ash Mill Developments Ltd</i>	<i>Bouygues UK</i>	<i>Colliers International</i>
<i>Ashurst</i>	<i>Brecher</i>	<i>Colville Estate Ltd</i>
<i>Astrea Asset Management Ltd</i>	<i>Brimelow McSweeney Architects Ltd</i>	<i>Comm Comm UK Limited</i>
<i>Aukett Swanke</i>	<i>British Land</i>	<i>Core Five</i>
<i>Aviva Investors</i>	<i>Broadgate Estates</i>	<i>CORE Offices Real Estate LLP</i>
<i>AXA</i>	<i>Brookfield</i>	<i>Coverdale Barclay Ltd</i>
<i>Balfour Beatty</i>	<i>Buckley Gray Yeoman</i>	<i>Craig Ewan</i>
<i>BAM UK Ltd</i>	<i>Built Environment Communications Group (BECG)</i>	<i>Cratus Communications</i>
	<i>Burgess Salmon LLP</i>	

List of London Property Alliance members 2018

<i>Crosstree Real Estate Partners</i>	<i>Evans Randall Investors</i>	<i>Grafton Advisors</i>
<i>Cundall</i>	<i>Eversheds Sutherland</i>	<i>Graham Construction Ltd</i>
<i>Curtin&Co</i>	<i>Exemplar Properties Ltd</i>	<i>Great Portland Estates PLC</i>
<i>Cushman & Wakefield LLP</i>	<i>Exigere Project Services Limited</i>	<i>Greater London Properties</i>
<i>D2 Private Ltd</i>	<i>Eyre Estate</i>	<i>Greycoat Real Estate LLP</i>
<i>DAC Beachcroft LLP</i>	<i>Faithful+Gould</i>	<i>Grosvenor</i>
<i>Daniel Rinsler & Co</i>	<i>Farebrother</i>	<i>Grosvenor Securities Ltd</i>
<i>Daniel Watney LLP</i>	<i>Farrer & Co LLP</i>	<i>Grove End Housing</i>
<i>Dar</i>	<i>Fathom Architects</i>	<i>GVA</i>
<i>Darling Associates</i>	<i>Feilden+Mawson LLP</i>	<i>H Planning</i>
<i>Dechert</i>	<i>Flanagan Lawrence</i>	<i>Hadley Property Group</i>
<i>Delancey Real Estate Asset Management Ltd</i>	<i>Foggo Associates Limited</i>	<i>Hayes Davidson</i>
<i>Deloitte Real Estate</i>	<i>Foster and Partners</i>	<i>HB Reavis UK Ltd</i>
<i>Dendy Byrne</i>	<i>Foster and Partners</i>	<i>Helical</i>
<i>Derwent London PLC</i>	<i>Four Communications</i>	<i>Herbert Smith Freehills LLP</i>
<i>DLA Architects</i>	<i>Freeths LLP</i>	<i>Hermes Real Estate Investment Management Ltd</i>
<i>DLA Piper UK LLP</i>	<i>Fried, Frank, Harris, Shriver & Jacobson LLP</i>	<i>Heyne Tillett Steel</i>
<i>Dolphin Living</i>	<i>FTI Consulting</i>	<i>Hilson Moran</i>
<i>Dominvs Group Ltd</i>	<i>Galliford Try Building</i>	<i>Hines UK Ltd</i>
<i>DP 9 Ltd</i>	<i>Gardiner & Theobald LLP</i>	<i>Hoare Lea</i>
<i>dRMM Architects</i>	<i>Gascoyne Holdings Ltd</i>	<i>HOK Cube Architects</i>
<i>Dukelease Properties Ltd</i>	<i>General Demolition Limited</i>	<i>Howard de Walden Estates Ltd</i>
<i>Elliott Wood</i>	<i>Gerald Eve LLP</i>	<i>Howard Kennedy</i>
<i>Emrys Architects</i>	<i>GL Hearn</i>	<i>hurleypalmerflatt Ltd</i>
<i>EPR Architects Ltd</i>	<i>Gleeds</i>	<i>Hush Project Management & Consulting Ltd</i>
<i>Equals Consulting</i>	<i>GMS Estates Ltd</i>	<i>Iceni Projects Limited</i>
<i>European Land</i>	<i>GN2 LLP</i>	
	<i>Gordon Ingram Associates</i>	

List of London Property Alliance members 2018

<i>Indigo Planning</i>	<i>Linklaters LLP</i>	<i>MJP Architects</i>
<i>Ingleby Trice</i>	<i>Lockton Real Estate</i>	<i>MOLA</i>
<i>ISG PLC</i>	<i>Lodha Developers UK Ltd</i>	<i>Momentum Transport Planning</i>
<i>J Peiser Wainwright</i>	<i>Loftus Family Property</i>	<i>Monmouth Dean</i>
<i>Jackson Coles LLP</i>	<i>London Communications Agency</i>	<i>Montagu Evans LLP</i>
<i>Jefferson Sheard Architects</i>	<i>London Real Estate Advisors LLP</i>	<i>Morgan Sindall</i>
<i>JLL</i>	<i>London School of Economics and Political Science</i>	<i>MSMR Architects</i>
<i>JM Architects</i>	<i>Lothbury Investment Management</i>	<i>Muxworthy LLP</i>
<i>John Robertson Architects</i>	<i>M & G</i>	<i>Nash Bond</i>
<i>Kajima Properties</i>	<i>M3 Consulting</i>	<i>Norges Bank Real Estate Management</i>
<i>Keystone Law</i>	<i>Macfarlanes LLP</i>	<i>Norton Rose Fulbright LLP</i>
<i>KJ Tait Engineers</i>	<i>Make Architects</i>	<i>O and H Properties Limited</i>
<i>Knight Frank LLP</i>	<i>Malcolm Hollis LLP</i>	<i>Oakmont construction Ltd</i>
<i>Knight Harwood</i>	<i>Maples Teesdale LLP</i>	<i>Oliver Burns</i>
<i>Kohn Pedersen Fox Associates (International) PA</i>	<i>MATT Architecture</i>	<i>Osborne</i>
<i>KPMG</i>	<i>Mayer Brown International LLP</i>	<i>Oxford Properties</i>
<i>Laing O'Rourke</i>	<i>McLaren Construction Ltd</i>	<i>PCW Planning and Development</i>
<i>Landmark Chambers</i>	<i>MDA Consulting</i>	<i>PDP London</i>
<i>Landmass</i>	<i>Meinhardt (UK) Ltd</i>	<i>Pegasus Planning Group Ltd</i>
<i>Landsec</i>	<i>Memery Crystal LLP</i>	<i>Pell Frischmann</i>
<i>Langham Estate Management Ltd</i>	<i>Merchant Land</i>	<i>Pellings</i>
<i>LaSalle Investment Management</i>	<i>Michael Elliott LLP</i>	<i>Pemberton Greenish</i>
<i>Legal & General Property</i>	<i>Mishcon de Reya</i>	<i>PGIM</i>
<i>Levy Real Estate LLP</i>	<i>Mitsubishi Estate London Ltd</i>	<i>Pilbrow & Partners</i>
<i>Lifschutz Davidson Sandilands</i>	<i>Mitsui Fudosan</i>	<i>Pinsent Masons</i>
		<i>PMB Holdings Ltd</i>

List of London Property Alliance members 2018

<i>Ponte Gadea Group</i>	<i>Sheppard Robson</i>	<i>Tishman Speyer</i>
<i>Potter Raper Partnership</i>	<i>SHH Architects</i>	<i>TLT LLP</i>
<i>Price and Myers LLP</i>	<i>Signet Planning</i>	<i>TP Bennett</i>
<i>Pringle Brandon Perkins+Will</i>	<i>Simmons & Simmons LLP</i>	<i>Trehearne Architects</i>
<i>Proskauer rose (UK) LLP</i>	<i>Simon Bowden Architecture</i>	<i>Tuckerman</i>
<i>PSP Investments Europe LP</i>	<i>Sir Robert McAlpine Ltd</i>	<i>Tuffin Ferraby Taylor</i>
<i>Publica Associates Ltd</i>	<i>Skanska UK</i>	<i>Turley</i>
<i>Qatari Diar</i>	<i>Soho Estates Ltd</i>	<i>Turner and Townsend</i>
<i>QCIC Ltd</i>	<i>Soho Housing Association</i>	<i>U and I Group PLC</i>
<i>Quadrant Estates</i>	<i>Squire and Partners</i>	<i>Urbanest UK Ltd</i>
<i>Quantem Consulting LLP</i>	<i>St Anselm Property Company Ltd</i>	<i>Vail Williams LLP</i>
<i>Quod</i>	<i>Stanhope PLC</i>	<i>Vitcorp Limited</i>
<i>RadcliffesLeBrasseur</i>	<i>Steer Davies Gleave</i>	<i>VolkerFitzpatrick Ltd</i>
<i>REDEVCO</i>	<i>Stiff+TrevillionArchitects</i>	<i>W.R. Berkley Corporation</i>
<i>Regal London</i>	<i>Stow Securities PLC</i>	<i>waltonwagner</i>
<i>Remarkable Group</i>	<i>TateHindle Ltd</i>	<i>Waterman Group</i>
<i>Residential Land</i>	<i>Taylor Vinters LLP</i>	<i>Wedlake Bell</i>
<i>Ridgeford Developments Ltd</i>	<i>Taylor Wimpey Central London</i>	<i>Westbrook Partners</i>
<i>Robert Bird Group</i>	<i>Telereal Trillium</i>	<i>Western Heritable Investment Company Ltd</i>
<i>Robinson Low Francis</i>	<i>The Crown Estate</i>	<i>Wilkinson Eyre</i>
<i>Rolfe Judd</i>	<i>The Mercer's Company</i>	<i>Winckworth Sherwood</i>
<i>Rooks Rider Solicitors LLP</i>	<i>The Pollen Estate</i>	<i>Woods Bagot</i>
<i>RPS Group</i>	<i>The Portman Estate</i>	<i>Workman LLP</i>
<i>Savill</i>	<i>Thomas & Adamson</i>	<i>Wragge Lawrence Graham LLP</i>
<i>Scott Brownrigg</i>	<i>Thomas & Thomas Partners LLP</i>	<i>WSP</i>
<i>Second London Wall Project Management Ltd</i>	<i>Tideway Investment Management Ltd</i>	<i>WYG</i>
<i>Shaftesbury PLC</i>		<i>YardNine</i>

Appendix 2



Appeal Decision

Inquiry held on 21-24 November, 28-30 November and 6 December 2017

Site visits made on 30 November, 1 and 5 December 2017

by Brendan Lyons BArch MA MRTPI IHBC

an Inspector appointed by the Secretary of State

Decision date: 21 February 2018

Appeal Ref: APP/E5900/W/17/3171437

The Whitechapel Estate, Site between Varden Street and Ashfield Street, London E1 2JH

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a refusal to grant planning permission.
 - The appeal is made by Cross Property Investment SARL and Cross Property Investment West SARL against the decision of the Council of the London Borough of Tower Hamlets.
 - The application Ref PA/15/02959, dated 16 October 2015, was refused by notice dated 17 October 2016.
 - The development proposed is described as demolition of all existing buildings and redevelopment to provide 12 buildings ranging from ground plus 2-23 storeys (a maximum 94m AOD height), comprising 343 residential dwellings (Class C3), 168 specialist accommodation units (Class C2), office floorspace (Class B1), flexible office and non-residential institution floorspace (Class B1/D1), retail floorspace (Class A1-A3), car parking, cycle parking, hard and soft landscaping and other associated works.
-

Decision

1. The appeal is allowed and planning permission is granted for demolition of all existing buildings and redevelopment to provide 12 buildings ranging from ground plus 2-23 storeys (a maximum 94m AOD height), comprising 343 residential dwellings (Class C3), 168 specialist accommodation units (Class C2), office floorspace (Class B1), flexible office and non-residential institution floorspace (Class B1/D1), retail floorspace (Class A1-A3), car parking, cycle parking, hard and soft landscaping and other associated works at The Whitechapel Estate, Site between Varden Street and Ashfield Street, London E1 2JH, in accordance with the terms of the application Ref PA/15/02959, dated 16 October 2015, subject to the conditions set out in the schedule attached to this decision.

Preliminary matters

2. The planning application form stated that the application was submitted by Londonewcastle on behalf of the two companies now listed as appellants in the heading above. It was confirmed at the Inquiry that Londonewcastle were acting only as development managers and were not party to the appeal.
3. The description of proposed development set out above follows the amended version agreed during consideration of the application and now included in the Statement of Common Ground ('SCG') agreed for the purposes of the appeal by the appellants and the Council.

4. It was agreed at the Inquiry that several basement level plans listed in the SCG were mutually inconsistent in the layout shown. Amended versions of five plans¹ were provided and the schedule of plans was revised. As the amendments involve a relatively minor adjustment to the internal arrangements at basement level only, I consider that no other parties' interests would be prejudiced by taking them into account in my decision.
5. Before the Inquiry closed, a Supplementary SCG² was submitted to address matters of affordable rents and housing land supply, which are considered later in this decision. The document also records agreement that the Draft London Plan, which was published during the Inquiry for the purposes of consultation, did not raise any new issues requiring additional evidence, and that very limited weight could be afforded to the new Draft, given the very early stage in its preparation. Having regard to the guidance of the National Planning Policy Framework ('NPPF') on the weight to be given to emerging plans³, I accept that agreed position.
6. The second reason for refusal of the application concerned the lack of planning obligations to ensure mitigation of the impacts of the proposed development. The appeal was accompanied by a draft planning obligation in the form of an agreement under Section 106 of the Town and Country Planning Act 1990 (as amended) to be completed by the landowners, the mortgagee and the Council. Negotiations on the terms of necessary obligations continued during the course of the Inquiry, including the potential need for a unilateral undertaking to run in parallel with an agreement. By the close of the Inquiry, a single form of agreement satisfactory to all parties was finally settled, so that the Council's objection on this ground was now addressed. Additional time was allowed following the close of the Inquiry for the agreement to be signed and submitted as a properly executed deed⁴. The provisions of the agreement and their bearing on the appeal are considered later in this decision.
7. The proposal was deemed to be an Environmental Impact Assessment ('EIA') development under Schedule 2 of the Town and Country Planning (Environmental Impact Assessment) Regulations 2011 and the application was accompanied by an Environmental Statement ('ES') dated October 2015, prepared in accordance with those Regulations. The ES was supplemented during consideration of the application by Addendum volumes dated February 2016 and May 2016, and the Townscape, Heritage and Visual Impact Assessment ('THVIA') that makes up Volume 2 of the ES was supplemented in November 2015, February 2016 and May 2016. The full ES now comprises all of these additions and amendments.
8. Since the appeal was submitted, the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 came into force on 16 May 2017. Regulation 76 of the 2017 Regulations includes transitional arrangements for qualifying applications and appeals. I have considered the appeal in accordance with these Regulations and I am satisfied that it meets the requirements of the transitional arrangements. Therefore the Town and Country Planning (Environmental Impact Assessment) Regulations 2011 will continue to apply to this appeal. I am satisfied that the proposal is EIA

¹ Plans no. 1264-A-BE-099A, 1264-A-BFG-099A, 1264-A-BHa-099A, 1264-A-BHb-099A, 1264-A-BI-099A

² ID 32

³ NPPF paragraph 216

⁴ ID 36

development and that the ES is adequate for the purposes of those Regulations. In reaching my decision I have had regard to the ES and all other relevant environmental information.

9. As well as an initial visit to familiarise myself with the site and surrounding area, I carried out a further unaccompanied visit to see the site after dark, as requested by the appellants. Following a formal inspection of the site and the local area accompanied by representatives of both main parties, I made further unaccompanied visits to see a number of other locations agreed by the parties.

Site context and appeal proposal

10. The appeal site is located just to the south of the Royal London Hospital ('RLH') in a wedge of the city contained by the main arteries of Whitechapel Road and Commercial Road. The site, amounting to some 1.27 hectares, has historically formed part of the RLH estate but is now in private ownership. The site comprises the majority of an urban block bounded to the west by Turner Street and to the east by the rear of houses fronting onto Cavell Street, to the north by Ashfield Street and to the south by Varden Street. Philpot Street, part of which has been planted over, forms a pedestrianised route through the centre of the block, and the site also includes a length of this former street space to the north of Ashfield Street.
11. Part of the block is occupied by buildings that date from the original layout of the tightly built grid of streets in the early nineteenth century. There are also some replacement buildings of the later nineteenth and early twentieth century. However, a large proportion of the block was redeveloped in the 1950s, 60s and 70s to provide facilities for the RLH, comprising staff and student accommodation, research laboratories and a school of nursing. The appeal proposal seeks to demolish and replace a number of buildings of this type.
12. The south-western corner of the block lies within the Myrdle Street Conservation Area ('CA') but only one 4-storey commercial building, No. 38 Turner Street, is included in the appeal site. The bulk of the London Hospital CA lies to the north of the block, but a very small component of the appeal site falls within it, comprising one of a short row of late nineteenth century houses, No.80 Ashfield Street, and the 2-storey former garage behind it, No.80a, which is now in office use. However, the CA also extends into the heart of the block to include Grade II listed terraces on the west side of Philpot Street and the north side of Walden Street, as well as a pair of listed houses at 46-48 Ashfield Street. The appeal site is drawn up to the front boundary of these houses. There are other listed buildings nearby on both sides of Newark Street, including the Grade II* former St Augustine's church, and several locally listed houses, some of them within the Ford Square Sidney Square CA, which directly abuts the appeal site to the east.

Appeal proposal

13. In the western half of the site, it is proposed to replace 6 blocks originally built as nurses' and staff accommodation and ranging in height from 5 to 7 storeys, and also No.38 Turner Street. In the eastern half of the site, the 10-storey Y-shaped John Harrison House, built as staff living quarters but now partly in office use, would be replaced, together with a 3-storey research laboratory

- block fronting onto Ashfield Street, and No.80a. A large area that has been occupied by temporary cabins for RLH use would also be redeveloped.
14. The proposal would predominantly provide new housing, made up of a mix of 286 market units and 57 affordable units, together with 168 small specialist units available either to staff working in the NHS, the RLH and Queen Mary University of London ('QMUL') or for short-term occupation by patients and their families.
 15. The proposed replacement buildings would comprise, on the western half of the site: Building A, a 4-storey over basement block fronting onto Ashfield Street and to contain 34 specialist studio apartments; Buildings B1 and B2, respectively of 9 and 7 storeys over basement facing Turner Street and to provide 40 market apartments and a ground floor retail/food unit flanking a new pedestrian link to Walden Street; Building C, to form a 5-storey over basement frontage to Varden Street and to contain 9 affordable duplex apartments and 74 specialist studio units; Building D1, a 10-storey over basement block at the corner of Philpot Street and Walden Street, to house 31 market apartments above a retail/food unit; Building D2 to form a row of 6 houses along the south side of Walden Street, of 3 storeys over basement in height.
 16. On the eastern half of the site, John Harrison House would be replaced by Building E, a distinctive tower block rising to 20 storeys and providing 85 market apartments, a ground floor retail/food unit and gym and a basement swimming pool. Adjoining Building E, Building F would form a 5-storey over basement frontage to Varden Street, continuous with Building G, the rear part of which would rise to 9 storeys. These blocks would provide 50 affordable apartments. The commercial unit to the rear of houses on Ashfield Street would be replaced by the 4-storey over basement Building Ha, which would comprise 12 market apartments. Ashfield Street would be fronted by Building Hb, comprising 6 storeys of office/institutional space with a basement able to provide a lecture theatre or offices. The street frontage would be completed by the directly adjoining Building I, which would be a 24-storey over basement tower, comprising 60 specialist studio units on the lower floors and 112 market apartments above.
 17. At the heart of the site, the space of Philpot Street would be laid out as a well-planted pedestrian route, to form a 'green spine' through the scheme. It is proposed that this treatment could also extend into areas fronting the two main buildings on the opposite side of Philpot Street not in the appellants' ownership, namely the School of Nursing with its distinctive 'pillbox' front and Floyer House student accommodation. Private gardens would be provided to the rear of buildings in the western half of the site and a residents' communal garden/play space enclosed by the buildings to the east.
 18. The masterplan for the scheme and the buildings on the eastern half of the site together with Building A were designed by one firm of architects, and the other buildings on the western half were designed by a second firm.

Main Issues

19. Arising from the reasons for refusal of the planning application and the evidence presented to the Inquiry, I consider the main issues in the appeal to be:

- The quality of design of the appeal proposal and its effect on the character and appearance of the area and on the wider townscape;
- The effect on heritage assets and their settings;
- The effect on living conditions of neighbouring residents, having regard in particular to daylight and sunlight, outlook and privacy;
- The quality of living conditions for future residents of the development, having regard in particular to daylight and sunlight, overshadowing, outlook and privacy.

Reasons

Policy context

20. The development plan for the purposes of the appeal comprises the policies of the London Plan⁵ ('LP') of March 2016, and the London Borough of Tower Hamlets Local Plan, made up of the Core Strategy ('CS') adopted in September 2010, and the Managing Development Document ('MDD') adopted in April 2013.
21. LP policies of particular relevance to the appeal include: Policy 7.5 on the quality of the public realm; Policy 7.6, on quality of architecture and design of buildings and places; Policy 7.7, which deals with the location and design of tall and large buildings; Policy 7.8 on the conservation of heritage assets; Policy 3.5 on the quality and design of housing developments. CS policies of greatest relevance include Policy SP10, on the protection of heritage assets and the promotion of good design and Policy SP12 on positive placemaking. Of the MDD policies, the most relevant are: Policy DM25 which seeks to protect and improve residential amenity; Policy DM26 on building heights; DM27 on the preservation and enhancement of heritage assets.
22. The City Fringe Opportunity Area Planning Framework ('OAPF') adopted in December 2015 forms Mayoral Planning Guidance that supplements LP and Local Plan policies in respect of the area around the northern and eastern fringes of the City of London, which are seen as a key focus for growth and regeneration. Whitechapel lies within the Core Growth Area and is identified as the main London component of the Med City initiative that seeks to promote a world-class life-sciences research cluster. The strategy is to avail of development opportunities that lie close to the area's existing medical and research institutions, and within easy reach of the soon to be opened Crossrail station. The appeal site is identified as one such opportunity, centred on a north-south 'linear park' to form the spine of a potential Med City campus extending from Whitechapel High Street through the original RLH building.
23. The OAPF draws upon the earlier Whitechapel Vision Masterplan ('WVM') which was adopted in December 2013 as a supplementary planning document to the Local Plan in anticipation of the arrival of Crossrail and the completion of the new RLH buildings. The WVM sets out a vision for the entire local area based on 6 'Key Place Transformations', one of which is the Med City Campus centred on the 'Green Spine'. The appeal site's contribution⁶ is to include a high density

⁵ The London Plan: The Spatial Development Strategy for London Consolidated with Alterations Since 2011, March 2016

⁶ WVM p29

new residential quarter to accommodate family-sized especially affordable homes and specialist housing, with opportunities for office and research space associated with QMUL, other institutions and RLH, and with active ground floor uses addressing the Green Spine. The key urban design principles include a landmark building to the east of Philpot Street and the reopening of a key route along Walden Street.

Proposed uses

24. The Council's case at the Inquiry was couched in terms of disappointment that the appeal proposal would be largely residential in nature and would not be targeted at delivery of the life-sciences research aspiration of the OAPF and WVM. Whilst this concern was touched upon in the Council's officer report on the planning application, it was not an issue that was critical to the recommendation for refusal of planning permission. The report explained that the main non-residential component, Building Hb, would be likely to be used for RLH admin offices and that the lecture theatre might not be required, but that lack of take-up was beyond the applicants' control.
25. It is not disputed that the space proposed would be suitable to support research or education-based use, and representations on behalf of QMUL state that they had not ruled this out. The space would remain available for possible future use either by institutions or SMEs and any medical-related use in the interim, if implemented, can be seen as supporting the area's core function.
26. Different paragraphs of the OAPF and WVM place slightly differing emphasis on the relative primacy of Med City and residential uses over the wide area to the south of Whitechapel Road. However, the most detailed guidance on the appeal site, in the WVM, clearly leads on the provision of housing, with potential opportunities for offices and research space. The Council accepts that both guidance documents support residential development. The SCG records that, as set out in the Council's officer report, the principle of proposed land uses is consistent with the LP and Local Plan objectives for the site and with both the OAPF and the WVM. The nature and mix of proposed uses did not form part of the reasons for refusal and I find no reason to reach a different conclusion.

Design, character and appearance

27. The history of the area's development is well set out in the THVIA. The growth and expansion of the RLH in particular has resulted in an historic pattern of increasing intensification of development south from Whitechapel Road. The recently built main RLH building represents the culmination of this in terms of size and scale, with its massive form and height equivalent to 25 residential floors. The impact of this building has been transformational in physical terms as well as in confirming the importance of the location as a community facility, employment provider and centre of education and research. These are the factors, along with the arrival of Crossrail, that have inspired the area's inclusion in the OAPF and the ambitions of the WVM.
28. The changes that have taken place on the appeal site and its immediate surroundings over the past 50 or so years are part of the same pattern of intensification. The history of the site shows that there was already from early times evidence of buildings of more institutional character and scale than the nearby terraced housing, with the religious and school buildings on the east

side of Philpot Street being the most obvious example. The 1930s view⁷ following the construction of Floyer House shows buildings of considerable presence on both sides of the street.

29. The buildings added from the 1950s onward form part of a continuous evolution of the site and its environs. There is no dispute that these are not buildings of high architectural quality. The formulaic design of the 5 to 7 storey blocks gives little impression of a considered response to the individual circumstances of each site and they have poor interface with the public realm. John Harrison House and the School of Nursing provide a more distinctive response but enclose space in a rather arbitrary way. Private external spaces are not amenable to active use and both they and the more public spaces appear to receive a relatively basic level of maintenance. I agree with the main parties that there should be no objection in principle to the loss of any of the health-related buildings proposed for removal, whose replacement provides an opportunity for considerable enhancement.
30. There also can be little objection to the principles set out for this task by the masterplan, based on repair of the urban block with well-defined active frontages defining permeable routes and open spaces, including creation of the Green Spine. Instead the Council's objection arises from the application of these principles to arrive at the proposed design, with the prime concern that perceived overdevelopment would be harmful to the character and appearance of the area.

Tall buildings: Policy and principle

31. The role of tall buildings is central to the Council's concern. It is now argued that four blocks (Buildings B1, D1, E and I) should fall within the definition of "tall buildings" envisaged by LP Policy 7.7 and MDD Policy DM26⁸ as "...those that are substantially taller than their surroundings, (and) cause a significant change to the skyline ...". At 9 storeys and 10 storeys respectively, Buildings B1 and D1 are of a different order to Buildings E and I, which in my judgement are those that would be commonly regarded as "tall buildings". Were John Harrison House to remain on the site, neither of the lower buildings would have been significantly taller than its surroundings. Nevertheless, as both buildings would marginally exceed the GLA notification limit, they can be taken as tall buildings for the purposes of policy compliance.
32. LP Policy 7.7 calls for a plan-led approach to the location of tall buildings, with Local Development Frameworks ('LDFs') to identify areas appropriate, sensitive or inappropriate for such structures. The Council's Local Plan has not yet classified locations in those specific terms, but MDD Policy DM26 states that building heights will be considered in accordance with the town centre hierarchy, ranging from Preferred Office Locations identified by the CS, through Other Preferred Locations, district centres, neighbourhood centres and areas outside of town centres. This goes some way towards meeting the LP stipulation.
33. There was much difference of opinion at the Inquiry over the appropriateness of a retail-led designation such as a district centre being the determining factor and whether the appeal site should be seen as lying within a less tightly

⁷ THVIA Fig 3.30

⁸ The definition is taken from former CABE/English Heritage 2007 Guidance on Tall Buildings

defined district centre suggested by Fig 11 of the WVM. I agree with the appellants that a literal interpretation of the two diagrams that would place the appeal site on an equal footing with an outer suburban area does not make sense. The area to the south of RLH has been positively identified for high density development around a major spine route and close to a main public transport hub. If the WVM vision is realised, the zone along the Green Spine would effectively be elevated in status.

34. In any event, LP Policy 7.7 goes on to state that tall buildings should generally be limited to sites in (amongst others) opportunity areas and town centres. As the appeal site lies within the City Fringe Opportunity Area, it therefore has in-principle development plan support as a suitable location. The Council also accepts that MDD Policy DM26 does not rule out proposals sites at the lower end of the hierarchy, so long as they can be shown to meet the LP and MDD criteria. Therefore, it is not a matter of rigidly interpreting Policy DM26 to conclude it is out of date, as suggested by the appellants, but of assessing the proposals against the relevant policy criteria.
35. Similarly, while the Council draws attention to the differently phrased guidance on building height used by the OAPF and the WVM for different sectors of the Whitechapel area, I find nothing in either document to suggest that tall buildings would not be appropriate in principle. In fact, the WVM guidance on landmark buildings⁹ states that their importance may be reflected through high quality taller buildings, which in the context of the new RLH building provide an opportunity to positively contribute to the new built form and character of Whitechapel. By my reading this can apply both to the north and to the south of the RLH.

Buildings E and I

36. One of the core planning principles of national policy as set out in the NPPF is always to secure high quality design. The Council's case places emphasis on the LP requirement for buildings, including tall buildings, to be of the "highest quality architecture"¹⁰. This applies throughout the capital, so that it does not render the appeal site particularly special in this respect, as the Council now seem to suggest. However, the requirement is repeated by the WVM, and the need to address the many facets of quality design, as outlined by national and local policy, is highly relevant to the appeal.
37. The appellants have clearly embraced the issue of design quality in bringing forward the development proposal. The initial brief to a competitive selection of leading architects, which was provided to the Inquiry, calls for "a scheme of the highest architectural standards, setting a benchmark for the local environs"¹¹. The ambition is endorsed by the award of the masterplan commission to a practice with a proven track record of design of major projects, and reinforced by the later addition of a second eminent firm to bring a different perspective to the western half of the site, and an award-winning landscape architect to lead on open space design.
38. The design rationale is set out in detail in the comprehensive Design and Access Statement ('DAS') and has been expanded upon in evidence. These

⁹ WVM p14

¹⁰ LP Policies 7.6B, echoed by Policy 7.7C

¹¹ ID 16 p2

confirm the designers' commitment to achieve the highest standards. Independent appraisals of design quality have been carried out at pre-application stage by the Greater London Authority ('GLA') and by the Council's own Whitechapel Design Review Panel, and again by the GLA through referral of the planning application. The design approach has been supported, with any initial reservations about the relative height of the two taller buildings effectively addressed by the reduction in height of Building I to below the height of the RLH. Significant weight can be attached to the GLA assessment that the amended proposals would accord with LP design policies.

39. In my view, both Building E and Building I represent accomplished solutions, in the abstract, to the design of a tall building. Building E would be highly distinctive in its stepped form, with its pattern of slightly distorted horizontal layers softened by greenery, and its striking white curved masonry elements. Building I would have a lightness of impact derived from its elegantly framed façade treatment and the vertical and horizontal disposition of the different components of the tower. The issues arise from the relationship between the two buildings and their relationship with their context, both existing and proposed.
40. There is no dispute that Building E would be suitably located for the landmark function sought by the WVM, and I consider that the building would amply fulfil that role, due to its distinctive treatment and its height. I accept that the 1930s buildings in the area identified by the architects do provide some precedent, albeit at a much more modest scale, for the effectiveness of a form and façade treatment in deliberate contrast to the predominant earthy brick tones and rectilinear forms of the surroundings. As proposed, the building would provide a memorable image to mark the southern limit of the pedestrianised Green Spine, which contrary to the Council's view I consider to be a point of some significance. While it is true that a lower building might fulfil a similar role, this does not in itself provide a strong argument against the proposed design, whose proportions benefit greatly from the height proposed.
41. Building I is described as a more contextual building, whose primary attribute would be to mediate the bulk of the RLH building. This role was said to have emerged as a result of design analysis. In the light of evidence that no studies were carried out to explore lower density solutions, it appears that the genesis of the tower might equally lie in the need to meet the brief for maximum housing density. But that does not negate the potential benefit of placing a more elegant building next to the south side of the RLH block. I acknowledge the Council's case that mediation of the RLH is not a requirement of the WVM or any other policy document. However, all parties recognise the dominant bulk of the RLH building, whose bland rather amorphous slab-like mass looms in views from the south. The building's civic status and ability to influence wayfinding do not adequately justify its visual dominance. The introduction of a further building with a slender vertical proportion would provide a beneficial foil to the hospital's mass.
42. I accept that from certain limited viewpoints to the south, especially from the junction of Philpot Street and Commercial Road¹², Building I and Building E would be seen close together, and appear due to perspective to be taller than the more distant RLH. But even in the static view (if less so in the modelled

¹² THVIA View 6

- image) the eye would distinguish the very different character of the two towers and the relative closeness of Building E, which would, as shown by the submitted moving image study¹³, become much more prominent as the viewer moved north. In other views and movement routes from the south, the separation and different form of the two buildings would be more readily distinguished, as well as the relationship with the height of the hospital.
43. In these views, the relatively neutral treatment of Building I would contrast successfully with the exuberance of Building E, emphasising its landmark role. Both together would provide a more interesting built form and skyline than currently offered by the RLH.
44. The Council raise particular concern about views from the east and west, fearing that the scale of the buildings would be unduly dominant in the typically low-rise surroundings of the site. I agree with the appellants that care needs to be given to reliance on static images. Thus, for example, in the modelled view east along Ashfield Street¹⁴, Building I appears in isolation, but from the opposite footway only a few metres away, the RLH would be clearly visible and both buildings would be seen together. The same would be true of the modelled view along Newark Street¹⁵. People moving through the wider area would be well aware of the scale of the RLH. They would encounter occasional views of either or both of the proposed buildings, just as they do now of the RLH block, and also of more distant tall buildings.
45. When such views are looking from smaller-scale environments, such as some streets to the west of the site, the presence of taller buildings in the view would not necessarily be harmful to the experience of the more domestic-scaled setting. This is well illustrated by the modelled views east from Fordham Street¹⁶ and at closer range from Varden Street¹⁷. The Council draws attention to the view east along Walden Street, where Buildings I and E would be seen above Buildings B1 and B2¹⁸. However, the domestic character of Walden Street has already been radically altered by the institutional scale medical school buildings along one side and by the bland 7 storey front of Clare Alexander House closing the view. The appeal proposal would represent change of a different type, but the perception of taller development in depth would have no more adverse effect on the best qualities of the original buildings. Similarly, in the view west from Sidney Square¹⁹, the RLH already looms large above the domestic buildings. Buildings I and E would add further height in the view, but with an interesting counterpoint of form and materials, without compromising the appreciation of the different scale of the square.
46. At closer range, the base of Building E would be stepped out to respond to the scale of Varden Street, and the modelled images²⁰ suggest that the building would provide a generous interface with the public realm at street level. The building's longer flank would begin to re-enclose the space of Philpot Street

¹³ Moving Study 3

¹⁴ THVIA View 12

¹⁵ THVIA View 13

¹⁶ THVIA View 31

¹⁷ THVIA View 8

¹⁸ THVIA Views 10 and 11

¹⁹ THVIA View 4

²⁰ THVIA View 22

along its traditional line but in a distinctive contrast from the buildings opposite which would not detract from their identity²¹.

47. Closer range views of Building I along Ashfield Street in both directions are strongly influenced by the scale and treatment of the RLH Pathology building, which has already transformed the character of the street, as well as by the larger presence of the main RLH block. This would apply particularly to views from the north sides of Ford Square²², where City towers can also be seen closing the vista. The building would undoubtedly be a very significant addition to the street scene, but would not appear unduly dominant, and its projecting base would respond to the scale of the new and existing buildings around it. The building would be tight up to the street line, in a very urban way, but it is not clear that anything would be served by setting the frontage back from the street face. The overhang would provide a reasonable semi-sheltered, albeit north-facing, space to foster a human scale at street level²³.
48. For these reasons, I do not accept the Council's contention that new development on the appeal site, in the context of planned transformational change, must reflect the original character of development in the area. I find that the two tallest buildings would not be harmful to pre-existing local character, which could co-exist with significantly taller development on the appeal site. I note that the Council appears to have come to the same view in permitting the proposed development at Whitechapel Central, which is another WVM "key place transformation" just to the east of the RLH.

Eastern site

49. The other buildings on the eastern half of the site would be significantly closer in scale to their immediate surroundings. Buildings F and G would form a continuous frontage with the base of Building E, and would redefine the street space of Varden Street at a scale commensurate with that of Silvester House opposite. The buildings' location at the back of a widened footway would not create an intense sense of enclosure, as feared by the Council. The set-back frontage of Silvester House provides a poor precedent. The taller rear element of Building G would not be unduly prominent in the street scene or in views from the east.
50. The Council accepts that Building Ha would have limited impact on character and appearance of the area because of its location within the perimeter block, where it would be in scale with adjoining buildings. Building Hb would maintain the existing street face on Ashfield Street, but at a scale that would acknowledge the RLH Pathology block opposite, while providing a transition from the existing terrace to the adjoining Building I²⁴.

Western site

51. At the other end of Ashfield Street, Building A would repair the gap in the street line formed by the existing building. The building would not attempt to replicate the delicacy of treatment of the listed pair at Nos. 46-48 but would restore their context as part of a terraced street, without dominating them in

²¹ THVIA Views 16, 23

²² THVIA View 2

²³ THVIA View 1

²⁴ THVIA View 1

- scale, and would represent an enhancement over the existing situation. The precise choice of materials can be agreed by means of a condition.
52. The remaining buildings in the western half of the site form a group, of differing forms and heights but strongly linked by an overall consistency of style and materials. The treatment of this group would help to establish a strong identity for the site that would represent a contemporary interpretation of the local sense of place.
53. Buildings B1 and B2 would largely succeed in their intention to provide a gateway to the site from the west. As an asymmetrical pair, stepped in plan and in height, they would provide a strong intervention in the street scene that would serve to mark the location as an important node in the movement network. The Council's concerns about excessive height of Building B1 at the back of the footway would not be borne out, and the active use of its ground floor unit could animate the small public space in front of Building B2.
54. The WVM calls for Walden Street to be re-opened as a key route, but there is no suggestion that this needs to be for vehicular traffic. Therefore, although restoration of the full width of the original street would help to restore the local grid, this is not a prerequisite. The proposed response of a constricted pedestrian way between buildings, that would open out to the wider former street space within the scheme is in my view a legitimate solution, with traditional precedents in Inner London. The opening between buildings and the presence of the new development beyond would be clearly visible from the west²⁵ and would not be uninviting or potentially unsafe, being faced by active uses on each side.
55. Building C would echo Buildings F and G in restoring a street frontage to Varden Street, in scale with Mellish House and the flank of Porchester House. In contrast to the existing blank perimeter wall, the row of house entrances would animate the street frontage, with the overhanging upper floors helping to define the semi-private zone above the basement lightwells. The front elevation would be pulled back to align with the main gable of the adjoining Zoar Chapel, whose setting between larger neighbours would consequently be considerably improved, contrary to the Council's assessment²⁶.
56. The lower portion of Building D1 would play a valuable role in restoring the line of Philpot Street, helping to reinstate the continuity between the listed terraces and Porchester House and turning the corner into Walden Street, with animated ground floor use. Despite the irregularity of the pattern of window openings, the vertical proportions and earthy tones of the masonry panels would provide a reasonably contextual response to the measured rhythm of the existing facades. However, even this lower element of the building would be considerably taller than the existing and would tend to visually overpower its neighbours. The addition of a further 5 storeys in the upper part of the building would in my view compound the uncomfortable relationship, with the flank of the upper floors appearing very prominently above the listed terraces in views south along Philpot Street²⁷. Rather than "hold" the listed terrace, as put by the appellants, the taller building would tend to dominate. Moreover, the

²⁵ THVIA Views 10 and 11

²⁶ THVIA View 8

²⁷ THVIA Views 17 and 19

- orthogonal shape of the upper element, only slightly set back, would tend to counteract the good work done by the lower floors in following the street line.
57. The existence of former larger scale buildings in this location provides some justification for a somewhat taller building, as part of the historic pattern of intensification outlined earlier in this decision. But other justification would be less convincing, particularly given the proposed building's residential rather than public or institutional use. Building E would be more than capable of marking the southern extent of the site, without any need to form a gateway, and Building D1's contribution to mediating the bulk of the RLH would be limited. It was also accepted at the Inquiry that the intention of providing graded mediation of height from the hospital down to Building C and back up to Building B1 would not be readily appreciated from the ground. In my assessment the treatment of the western side of the street would be an unduly assertive intervention.
58. The height of Building D1 would also loom large in views west along Walden Street²⁸. Although here it would serve to contrast with the intimate scale of the new street space, in the same way as Buildings B1 and B2 at the opposite end, its height and bulk would appear unduly dominant. However, the reinstatement of an unbroken frontage along the south side of the street would be highly beneficial, and the form of Building D2 as a terrace of houses entirely appropriate to the context. I do not endorse the Council's concerns over the treatment of the terrace, which would provide a striking contemporary interpretation of this form of housing as a counterpoint to the listed houses opposite. Although there would be a lack of ground floor openings other than entrance doors, the distinctive bay windows would provide good passive surveillance of the street.
59. The street would become more like a mews in character, but this would be consistent with the pattern of change over time and with the street's new role as a main pedestrian route. The slight narrowing of the street from its historic width would also be consistent with this new role. In that context, the introduction of some planting within the street space would provide a satisfactory link to the main Green Spine.
60. The delivery of the Green Spine as a major route from the town centre to the south and a focus for the Med City campus is one of the key objectives of the WVM vision. The appellants' proposal, based on acclaimed models of linear public spaces, would involve a lattice of paved paths interspersed by densely packed sustainable planting. It is clear that the proposal would need further refinement as the scheme progresses to accommodate evolving circumstances. In particular, the appellants' separate application for the renovation and restoration to full residential use of the listed terraces would include the recreation of small private gardens to the street²⁹. If approved, this would help greatly to relieve any tension between the sinuous nature of the main scheme and the formality of the Georgian-influenced terraces. There would also be possible inability to secure agreement with the RLH over the inclusion of the street space in its ownership to the front of Floyer House and the School of Nursing. Variations on the design to allow for these eventualities have not been shown, but on the basis of the evidence provided I have confidence that the

²⁸ THVIA View 20

²⁹ ID 18

treatment of the Philpot Street space could successfully meet the WVM aspirations for the Green Spine.

61. The landscape architecture evidence also gave confidence that the courtyard garden in the eastern side of the scheme could be an attractive well-used space.

Conclusion on design and character and appearance

62. The OAPF and the WVM set out a vision to transform the Whitechapel area. Delivery of the vision thus represents, in the terms of NPPF, an opportunity to “improve the character and quality of the area and the way it functions”³⁰. The appeal proposal would deliver the site’s contribution to the vision and cannot be classed as “poor design” for which permission should be refused.
63. The above analysis has necessarily taken each building and space in turn. But the appellants rightly stress the need to consider the scheme as a totality. Evidence for the Council has sought to suggest that this is an infill site, requiring a highly contextual approach to the sensitive insertion of new development. But the reality is that the vast majority of the site identified by the WVM is included, with the omission of the School of Nursing and the Wingate Building balanced by the inclusion of the lab block on Ashfield Street. The site does provide an opportunity for a comprehensive redevelopment.
64. For the reasons set out above, I find that, despite my reservations about the impact of Building D1, the design of the scheme as a whole would provide a considerable improvement over the site as it currently exists and would achieve the policy objective of transformational change while having sufficient regard to the character and appearance of the wider area.
65. For those reasons, I consider that the appeal proposal would comply with the building design criteria of LP Policies 7.6 and 7.7 and of CS Policy SP10 and MDD Policy DM26, with the placemaking objectives of LP Policies 7.4 and 7.5 and of CS Policy SP12 and MDD Policies DM 23 and DM24, and with the guidance of the OAPF and the WVM.

Heritage assets and their settings

Law and policy

66. In considering proposed development affecting a conservation area, Section 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990 imposes a duty to pay special attention to the desirability of preserving or enhancing the area’s character or appearance. A similarly worded duty under Section 66 of the Act requires special regard to be had to the desirability of preserving a listed building or its setting. Successive court judgments have re-affirmed the importance of these duties. Their application of these judgments to the circumstances of an individual case means that “considerable and importance and weight” must be given to the desirability of preservation or enhancement in any balancing of the merits of a particular proposal.
67. National policy guidance set out in the NPPF³¹ confirms the great weight in favour of the conservation of “designated heritage assets”, such as conservation areas and listed buildings. The particular significance of any

³⁰ NPPF paragraph 64

³¹ NPPF Chapter 12

heritage assets likely to be affected by a development proposal should be identified and assessed, including any contribution made by their setting. Any harm should require clear and convincing justification. A balanced judgement should be made on the effects on any “non-designated heritage assets”, such as buildings on a local list.

68. The concept of the setting of a conservation area is not enshrined in the legislation and does not attract the weight of statutory protection. The NPPF advises that the setting of a heritage asset can contribute to its significance. Opportunities should be sought for new development within conservation areas and within the setting of heritage assets that would enhance or better reveal the significance of the heritage asset. Proposals that preserve those elements of the setting that make a positive contribution to or better reveal the significance of the asset should be treated favourably³².
69. The Council now seeks to place emphasis on this last point, but the corollary to this (i.e. that proposals that do not take such opportunities should be treated unfavourably) is not explicitly stated by the NPPF, and this paragraph does not introduce any separate test over and above the main test of balancing harm against benefits.
70. As relatively recently adopted plans, the heritage policies of the LP and the MDD, in particular LP Policy 7.8 and MDD Policy DM27, are consistent with the NPPF approach, and embrace the concept of balancing harm against public benefits.

Significance of heritage assets: direct effects

71. The heritage assets likely to be affected by the proposal are comprehensively catalogued in the THVIA. I am satisfied that the submission meets the standard of description of heritage significance sought by the NPPF³³. This was not contested by the Council at the time of the planning application, which is when any lack of analysis should have been rectified. The GLA also found the THVIA analysis adequate. The case now made that the appellants have somehow proceeded on a lack of understanding of significance is not borne out.
72. The appeal proposal would have direct effects on two CAs and on buried archaeology, as well as on the setting of a number of listed buildings and non-designated heritage assets.

Myrdle Street Conservation Area

73. The character of the Myrdle Street CA is of densely built housing from the late eighteenth century onwards fronting onto a tight grid of streets. The survival of so much of the original character of these streets gives the area its significance. The small portion of the CA to the east of Turner Street is not typical of the great majority of the area, being made up of apparently commercial buildings of the first half of the twentieth century rather than terraced housing, such as that directly opposite. These buildings therefore illustrate the evolution of the area over time with a greater variety of uses and larger scale.

³² NPPF paragraph 137

³³ NPPF paragraph 128

74. No.38 lies at the edge of this group. The building is not of great architectural interest, in a stripped rather Art Deco style, but it is a work by a named architect, whose other local works have been taken by the appellants as precedents for the contrasting treatment of Block E. However, it is of historic interest by marking the fact that Walden Street previously continued through at this point as part of the grid.
75. Replacement of the building by a block (Building B2) that would not acknowledge the former corner would mean the loss of that historic interest. Whatever the design merit of the new building, its set back location would expose part of a blank gable to No.34 that would be uncharacteristic of that building. I consider that there would be some minor harm to the significance of the CA, ranked at the lower end of "less than substantial".

London Hospital Conservation Area

76. The London Hospital CA is predominantly made up of original and nineteenth century RLH buildings, together with some terraces of housing and the former church. Its significance lies in the historic importance of the RLH and its growth and expansion, together with the domestic environs it spawned. The Council's published CA Appraisal notes the need for re-assessment once the new RLH complex is complete. But as a result of development already carried out, the short terrace of houses on Ashfield Street, and No.80a behind them, have become rather isolated from any other historic fabric in the CA area.
77. The terrace retains its domestic character, but No.80a is atypical. It has minor historic interest as an example of commercial development of a backland plot. Its replacement by the low-rise domestic Building Ha would retain the dense pattern of development and would preserve the character of this part of the CA.
78. The new treatment of the Philpot Street space to form the Green Spine would also lie mainly within the CA. The street space here has previously been poorly landscaped in a nondescript fashion. The proposed new treatment would not directly reflect historic precedent, but would have the potential to form a contemporary set piece that would enhance this part of the CA.

Philpot Street burial grounds

79. The eastern half of the site includes two burial grounds associated with former chapels, and not used since the mid-nineteenth century. The Greater London Archaeological Advisory Service ('GLAAS') has advised that the burials should be regarded as a regionally significant undesignated heritage asset of archaeological interest. The appellants have explained why complete re-design to avoid disturbance of the remains would not be feasible, and the main parties have agreed that impacts could be mitigated by full recording of the area of interest, to be secured by a condition, which GLAAS had advised should be imposed in the event of permission being granted. In this instance, I am satisfied that the full investigation of the site, supplemented by local identification of the site's interest, would be the most appropriate outcome.

Significance of heritage assets: setting effects

80. I agree with the Council that the heritage assets whose settings would be most directly affected are the Grade II listed Philpot Street and Walden Street terraces and pair of houses at 46-48 Ashfield Street.

43-69 Philpot Street

81. The listed Philpot Street terraces are slightly later in date than their “Georgian” style suggests. They are of great historic interest as evidence of the original development of the hospital estate, with their scale and matching treatment giving a good indication of the status intended for Philpot Street compared to other more modest streets nearby. Their architectural interest derives mainly from their well-proportioned fronts, which combine with very finely detailed elements such as window openings and frames to produce a great delicacy of effect.
82. While the side streets form part of the terraces’ setting, the most important context is provided by Philpot Street itself. The single list entry for the two terraces notes their symmetry to each side of Ashfield Street. To that extent, they have a degree of self-containment that does not rely on continuity with adjoining buildings, and the majority of their significance rests in the terraces themselves. There is also the historic evidence that the terrace form did not continue in matching form to the south of Walden Street. However, as street-front buildings, the terraces’ significance does depend to a degree on the setting provided by the other frontage buildings.
83. At present the form of Philpot Street is eroded on the east side and particularly to the south of Walden Street. As outlined earlier, I find that Building E would start to repair the street enclosure and that its height and form would be so distinctive that it would be seen as a stand-alone feature that would not adversely affect the setting of the terraces diagonally opposite.
84. On the west side, despite the poor alignment of Dawson House, that block and the neighbouring Porchester House do maintain some continuity, allowing the listed terraces to be appreciated in a relatively unbroken and similarly scaled frontage. As outlined earlier, the proposed lower part of Building D1 would have some considerable merit in reinstating the original street line, but would itself appear uncomfortably taller and greater in scale than the listed terrace, while the value of the improved street enclosure would be compromised by the height and assertive form of the upper part of the building.
85. In my assessment, there would be an adverse effect on the setting of the listed terraces. Nevertheless, they would retain their form and integrity of treatment, and would continue to illustrate the character of the original street. The harm to their significance would be considerably less than substantial.

39-49 Walden Street

86. The Walden Street terrace forms a continuous group with the Philpot Street terraces. It shares their historic interest of illustrating the original pattern of development of the hospital estate, but in the form of a much more modest street. The terrace’s architectural interest is also considerably less, without the same ambition to impress or quality of façade treatment. However, it remains a terrace of some quality that together with its rebuilt non-listed neighbours makes a strong street frontage.
87. The setting of the terrace has been adversely affected by the loss of its facing terrace on the south side of the street and the open aspect to the rear of the housing blocks, and also to the rear of Clare Alexander House closing off the

west end of the street. The immediate setting makes negligible contribution to the heritage significance of the terrace.

88. The insertion of a row of houses in Building D2 would reinstate the form of the street, albeit at a slightly closer distance. But this benefit would be diminished by the adverse impact of the height and dominance of Building D1.
89. Beyond Building D1, current views out of the street are enclosed by the bulk of John Harrison House. Buildings E and I would form taller and wider replacements in the view but would be clearly appreciated as contrasting elements, set away from the terrace. In the other direction, the opening of a gap between slightly taller buildings at the west end of the street to allow pedestrian access would also be an improvement over the existing situation. The character of the terrace would not be adversely affected by the more enclosed and proposed softer treatment of the street space.
90. Taken together, the changes to the setting of the terrace would not adversely affect its significance other than the intervention of Building D1, which would cause a minor degree of harm, considerably less than substantial.

46-48 Ashfield Street

91. As the surviving remainder of a terrace on Ashfield Street continuous with the Philpot Street group, this pair of houses also shares the historic interest of illustrating the original pattern of development of the area. Although much smaller in size, the houses also share some of the delicacy of treatment of their Philpot Street neighbours. The buildings' setting as part of a generally small-scale street scene contributes to their significance, but the immediate setting has been adversely affected by the removal of the adjoining houses, which has left No.48 with a crude blank gable, exposed to view by the setback frontage of Horace Evans House.
92. As earlier outlined, I consider that the siting of Building A to abut No.48, hiding the gable and recreating the street frontage, would be a significant benefit. I acknowledge that the new building would be taller than its neighbour and of a slightly larger, but still domestic, scale. Its lower window-wall ratio would contribute to a heavier appearance. But the Council's assessment of the building as "elephantine" in quality cannot be sustained. Subject to the final choice of materials and details, the building would make a successful addition to the street scene.
93. In the other direction, Building I would reinforce the change to the wider setting already made by the RLH. The changes to setting would not adversely affect the buildings' significance.

Other listed buildings

94. The effect on the setting of other listed buildings would be considerably less direct than on those considered above. In general the issue would be of taller buildings appearing above the roofscape or in sporadic views along east-west streets. As I have outlined, I agree with the appellants that the assessment of the impact of such views must be balanced by the appreciation of the presence of the RLH building, even if it is not prominent in a particular framed view. An example is the listed group at the west end of Newark Street, whose significance is reinforced by their immediate setting next to St Augustine's church, but not greatly by the wider setting to the east. The appearance above

the roofline of the rather elegant top of Building I, perceived as a foil to the RLH, would change the setting but without detracting from significance.

95. The evidence does not indicate any other listed building where an adverse impact on setting would have a harmful impact on heritage significance.

Conservation areas

96. The changes to the setting of the surrounding conservation areas would also principally relate to the appearance of the taller proposed buildings in relatively remote views.
97. The effect of these changed views on the main part of the Myrdle Street CA would not be harmful to its character, which would be robust enough to absorb the impact of tall buildings in views across the site from the west, just as it already has the effect of views of the RLH. The character of the CA has already adapted to changes within the CA itself such as the School of Medicine and Blizzard Building, which would be key elements in the view of Buildings B1 and B2 along Walden Street. There would be no further harmful effect.
98. The Ford Square Sidney Square CA is centred on the two green spaces and the tight streets to the north. The significance of the area derives for the relatively intact original quality of the squares themselves and of the terraced housing surrounding and linking them. As outlined earlier, views out from the CA are already heavily influenced by the dominant form of the RLH block and by the large scale of some of the ancillary buildings. The inward-looking serenity of the two spaces would not be overcome by any adverse impact, and would not be harmed by the presence of further tall buildings in these views. The character of the CA would be preserved.
99. Many views of the appeal proposal from the main body of the London Hospital CA would be screened by the RLH complex, which would also be a prominent component of all other views. However, the harm to the setting of the Philpot Street terraces due to the relationship with Building D1 would also have a harmful impact on the significance of the CA, but at a level very much less than substantial.

Non-designated heritage assets

100. Non-designated heritage assets in the vicinity of the site mainly comprise some pockets of locally listed terraced housing, including 39-43 Ashfield Street facing Building A, and 67-81 Cavell Street, backing onto Building Ha. All of these buildings are located within a CA and no additional issues arise in respect of the effect of change to setting on their heritage significance, which would not be harmed. The same would be true of other buildings not formally included on the local list but identified by the SCG as being of heritage interest. These would include Zoar Chapel, whose setting would be improved by the alignment of proposed Building C, and 80-82a Ashfield Street, which would be adjoined by Building Hb on the street front and by Building Ha to the rear. These houses are of interest as a slightly later type of housing to most within the immediate area, and slightly larger in size. The lab building to be replaced makes little or no contribution to the houses' significance. Building Hb would be taller than the houses and would provide an intermediate step up to the height of Building I, but neither building would overwhelm its neighbours, whose significance would not be harmed.

Conclusion on heritage assets and their settings

101. The direct impact on the fabric of heritage assets would be very limited. I have concluded that the loss of 38 Turner Street would cause very minor harm to the significance of the Myrdle Street CA. The harm to the archaeological interest of the burial grounds could be appropriately mitigated by full investigation and recording.
102. The appellants have argued that the development of London as a world city has necessarily involved the successful co-existence of heritage assets with major re-development. Whitechapel is clearly an area of the city with strong heritage interest, which has been sustained despite considerable change to the east and west. The area itself is now identified by the Council for transformational change, with improved public transport. There will inevitably be a tension between the imperative for higher densities and the need to conserve heritage value. But in general, I consider that the heritage assets in and around the appeal site would be able to co-exist with the proposed development despite the very high degree of change that would result.
103. The national Planning Practice Guidance advises that substantial harm to significance is a high test, so that it may not arise in many cases³⁴. Those cases would be likely to involve physical harm to fabric. In the present case, the Council have consistently argued that harm to significance of many of the affected heritage assets due to anticipated changes in setting would be at the top end of "less than substantial" (i.e. just below "substantial"). In my view this is based on a considerable overestimate of the contribution to the significance of those assets made by setting and the potential for harm from the appeal proposal.
104. In fact I have found only one other instance of less than substantial harm, in relation to the impact of Building D1 on the significance of the Philpot Street and Walden Street terraces. These instances of harm must be weighed against the anticipated public benefits, to which I return below.

Living conditions: neighbouring residents

105. Ensuring a good standard of amenity for all existing occupants of land and buildings is one of the core planning principles of the NPPF³⁵. This is reflected in LP³⁶ and Local Plan³⁷ policies. The appeal site is bordered by residential uses along the eastern and southern edges of the urban block, on Cavell Street and Varden Street, but also within the block in the Walden Street terrace and along Philpot Street in some of the terraced houses and in the flats at Porchester House.

Daylight

106. The ES contains an analysis of daylight and sunlight impacts of the proposed development³⁸, which was updated during consideration of the planning application, and the Council's decision on the application was informed by an independent appraisal of that report. For the appeal, the appellants

³⁴ PPG paragraph 18a-017-20140306

³⁵ NPPF paragraph 17

³⁶ LP Policies 3.5, 7.6, 7.7

³⁷ CS Policies SP10, SP12; MDD Policy DM25

³⁸ ES Chapter 7: Daylight, Sunlight and Overshadowing, with addenda

commissioned a new full study, whose calculations of predicted effects were used in evidence to the Inquiry by both main parties.

107. It is agreed that the starting point in the assessment of the effect on residents' living conditions arising from daylight and sunlight should be the Building Research Establishment 2011 publication *Site layout planning for daylight and sunlight: A guide to good practice*, ('the BRE guide') whose author gave evidence at the Inquiry on behalf of the Council. Use of this methodology is demanded by the supporting text to MDD Policy DM25³⁹ and by the Mayor of London's Housing SPG of March 2016.
108. The BRE document offers guidance on generally acceptable standards of daylight and sunlight, but advises that numerical values are not to be rigidly applied and recognises the importance of the specific circumstances of each case. Inner city development is one of the examples where a different approach might be justified. This is specifically endorsed by the Housing SPG, which calls for guidelines to be applied sensitively to higher density developments, especially in (among others) opportunity areas and accessible locations, taking into account local circumstances, the need to optimise housing capacity, and the scope for the character and form of an area to change over time. This approach is clearly relevant to the appeal site. The area's identification for transformation through high density housing development indicates high scope for its form and character to change over the short and longer term. I agree with the appellants that blanket application of the BRE guide optimum standards, which are best achieved in relatively low-rise well spaced layouts, is not appropriate in this instance.
109. The SPG advises that the daylight impact on adjacent properties should be assessed drawing on "broadly comparable residential typologies within the area and of a similar nature across London"⁴⁰. The comparable typologies put forward on behalf of the Council primarily comprise low-rise traditional street profiles, based on one location close to the site and notional reconstructions of streets bounding the site. The precise measurements used are challenged by the appellants, but more important is that the locations modelled do not cover areas of significant redevelopment. By contrast, the comparable areas analysed by the appellants include a range of examples comprising both traditional urban streets and recently permitted areas of significant development spread across Central London.
110. I acknowledge the Council's reservations about this exercise, including the subjective nature of the sites' selection, and their possible difference in context from that of the appeal site. There is also limited information on the extent to which any daylight harm might have been balanced by other benefits in the decision to grant permission for the recent schemes. An exception to this is the Whitechapel Central site, for which details of the Council's own decision making were provided⁴¹. I am also aware of the danger of a "race to the bottom", if subsequent decisions were to whittle away at desirable standards.
111. Nevertheless, in my view the comparable typologies analysed by the appellants come much closer to the intention of the SPG than the Council's reliance on locally found conditions, without any element of new development

³⁹ MDD paragraph 25.5

⁴⁰ SPG paragraph 1.3.46

⁴¹ ID 5

at higher density. The studies are useful in providing a relatively broad brush view of residual daylight levels likely to be found on completion of development similar in scope to the appeal proposal, as well as of levels in valued historic settings.

112. The figures show that a proportion of residual Vertical Sky Component ('VSC') values in the mid-teens have been found acceptable in major developments across London. This echoes the Mayor's endorsement in the pre-SPG decision at Monmouth House, Islington⁴² that VSC values in the mid-teens are acceptable in an inner urban environment. They also show a smaller proportion in the bands below 15%. Even if there were some discrepancy in the appellants' figures for this lower band at Whitechapel Central, which is disputed, the VSC outcomes for the appeal proposal would in general be very similar to those of the other major schemes. The appeal proposal would therefore appear to be in compliance with the LP as amplified by the SPG and as it is being interpreted by the Mayor. The GLA responses to the planning application did not raise any concern about neighbours' amenity.
113. I acknowledge that a focus on overall residual levels could risk losing sight of individual problem areas. It is accepted that light is only one factor in assessing overall levels of amenity, but I consider that the trade-off with other factors, such as access to public transport or green space, is likely to be of more relevance to an occupier of new development than to an existing neighbour whose long-enjoyed living conditions would be adversely affected by new buildings. However, I also consider that Inner London is an area where there should generally be a high expectation of development taking place. This is particularly so in the case of the appeal site, where the WVM and the OAPF have flagged the desirability of high density development. Existing residents would in my view be prepared for change and would not necessarily expect existing standards of daylight and sunlight to persist after development.
114. Turning to the buildings of greatest concern to the Council with regard to loss of daylight, the evidence shows that at the rear of 67-79 Cavell Street, where the use of the affected rooms is unknown, residual VSC levels would be in the mid-teens, other than in the house partly set behind the adjoining Wilton Court to the south, where the ground floor figure would be slightly lower. At Wilton Court itself, all living room windows and the smaller number of bedrooms would retain VSC levels in the mid- to high-teens, except to one ground floor living room close to an internal corner. I agree with the appellants, as the Council appear to have accepted at Whitechapel Central, that the SPG indicates that kitchens smaller than 13sqm should not be regarded as habitable rooms for this exercise.
115. That would also apply to the small kitchens set behind overhangs, whose windows would be the most affected at Silvester House and Mellish House. The first and third floors, which would mimic the effect without the overhang, would show residual VSC values virtually all in the mid-to upper-teens, with some above 20%.
116. At Porchester House, windows to some rear-facing small kitchens and bedrooms would experience significant reductions in VSC values owing to the tight enclosure by the flanks of Buildings C and D1. The BRE guide advises that light to bedrooms is less critical. In this case, as these would be small second

⁴² ID 6

bedrooms and the living room and main bedroom of each flat would continue to receive reasonably good light, the harm to living conditions would not be unacceptable, and this was acknowledged in the officer report on the planning application.

117. Floyer House provides short-term accommodation, which I accept is less sensitive in daylight terms, and is in any event intended for redevelopment. But other than for a very few rooms, reasonable VSC values would be retained. The Walden Street terrace would no longer be faced by open space and its front rooms would experience significant reduction in light, but above basement level retained VSC values would be in the teens.
118. The VSC calculations are supplemented by No Sky Line ('NSL') and Average Daylight Factor ('ADF') data, which tend to confirm that light levels would remain adequate to provide acceptable living conditions. The Council acknowledge that losses to other buildings would be of lesser significance, and I have not found any, either alone or cumulatively, that would amount to an unacceptable impact.

Sunlight

119. With regard to sunlight, the number of existing rooms potentially affected would be considerably lower, owing to the need only to consider windows facing within 90 degrees of due south. The BRE guide also advises that effects on bedrooms and non-habitable rooms are of reduced significance.
120. The appellants submit that their analysis shows that only 11 of 349 rooms would raise potential concern, but 7 of these are basements. The parties agree that the most significant effects would be on the west-facing rear elevations of 67 Cavell Street, where windows are already partly screened, and living rooms at Wilton Court. The Council also draws attention to a room the rear of 43 Philpot Street.
121. As in the matter of daylight, the guidance on loss of annual and winter sunlight is not to be rigidly applied. Emphasis on the level of retained sunlight rather than degree of change would be justified. On balance, I accept the appellants' conclusion the proposal's overall effect on sunlight would not be significantly adverse.

Other impacts

122. The officer report on the planning application did not raise any detailed concerns about adverse effects on existing residents due to loss of outlook or privacy, but noted that adverse effects on daylight and sunlight could be an indicator of over-intensive development. However, the effects on outlook and privacy from Buildings B1, C, D1, E, F, G, Ha, Hb and I were examined and found acceptable.
123. I consider this to be a fair assessment and do not endorse the concerns newly raised in evidence to the Inquiry. In particular, I do not agree that Building D1 would unacceptably impact on outlook from the Walden Street houses and cause overlooking to the rear of these and houses on Ashfield Street and Philpot Street. Any residential gardens in this block are likely to be already overlooked and any marginal increase, including from Building B1, would still be in keeping with the dense inner urban context. The same would apply to any overlooking from Buildings E and I, which because of their height,

would potentially overlook a broad swathe of housing. Because of its projecting base and curved form, Building E would not appear over-dominant from Joscoyne House.

Conclusion on living conditions for neighbouring residents

124. LP Policy 7.6Bd requires new development to avoid causing “unacceptable harm” to amenity. MDD Policy DM 25 seeks to protect and where possible to enhance the amenity of surrounding residents, and to avoid “an unacceptable material deterioration” of lighting conditions in existing habitable rooms and “an unacceptable loss of privacy...or unreasonable overlooking...or sense of enclosure”.
125. I conclude that the proposal would result in some significant individual reductions in daylight and sunlight levels, but that this is almost unavoidable in achieving the policy requirement for high density development in a confined urban setting. The new buildings would for the most part be comparable in height with the existing and would re-define traditional street frontages. Retained levels of daylight and sunlight would be adequate and comparable with existing and emerging urban conditions. The effects would appear very comparable with those recently allowed by the Council at Whitechapel Central. There would be minimal adverse losses of outlook and increases in overlooking. Taken as a whole, the proposal would not result in unacceptably harmful effects on living conditions and would comply with the development plan in this respect.

Living conditions: future residents

126. LP Policy 7.6Bf requires new development to provide high quality indoor and outdoor spaces. MDD Policy DM25 seeks to provide for amenity of future residents in similar terms to those for existing residents.

Daylight and sunlight

127. The need for flexibility in applying BRE guidelines applies equally to the consideration of light levels in the proposed accommodation and outdoor spaces. The Housing SPG requirement to consider broadly comparable residential typologies as well as local circumstances remains equally appropriate.
128. The appellants’ analysis suggests that 77% of all proposed habitable rooms would comply with the relevant minimum standards of ADF recommended by BS 8206-2⁴³ and referenced in the BRE guide. This would rise to 84% if shared living/dining room/kitchens were rated at the lower standard of 1.5% ADF, which I consider a reasonable approach. I also accept that small studios for staff and students, particularly those for short-term occupation, can reasonably be tested against a lower standard. I note that overall NSL compliance would be 82%.
129. The Council draw particular attention to Building E, where balcony overhangs would result in reduced daylight to some bedrooms. I accept the appellants’ case that this is an instance where a future resident would balance the amenity offered by the balcony with the lower daylight in the bedroom, and would not regard the accommodation as sub-standard.

⁴³ BS 8206 Lighting for buildings: Part 2. Code of practice for daylighting

130. The reduced levels in accessible flats in Buildings F and G would also appear to be due to windows being set behind recessed south-facing balconies. Again there would be a trade-off between the enhanced external space and privacy on the street front offered by the layout, against reduced daylight levels. Even though it should not be assumed that a wheelchair user would necessarily be housebound, I agree that this would be an adverse consequence of the location and treatment of the Varden Street frontage. However, I also recognise that in a context of tight urban streets the VSC necessary to achieve high ADF levels will in places be difficult to achieve. In Block C, it appears that accessible studios would have lower light than their neighbours because they would be at an internal corner, but they would benefit from being next to the lifts. The appellants' analysis shows that most units in Block C would comply fully if balconies were not provided, which is a design choice.
131. The Council's view is that the proportion of rooms meeting the BS standard would be unusually low in a new development, particularly one with tall buildings. However, the appellants' comparison data suggests that when measured against the other broadly comparable urban redevelopment schemes, the appeal proposal scores remarkably consistently. Whitechapel Central would be only marginally more compliant, with 84% of rooms meeting the ADF target, or 87% with the lower target for shared space. The Council's assessment is based on the undoubted experience of its expert adviser, but it has not produced evidence of comparable new high density development in a tight urban context where significantly better outcomes have been achieved.
132. With regard to sunlight provision in the proposed accommodation, the appellants conclude that 72% of the relevant rooms would meet the BS recommended target for Annual Probable Sunlight Hours ('APSH') and 91% the winter target. The Council's analysis focuses on the performance of main living rooms, to conclude that only 47% of these would meet both annual and winter targets, and a further 14% winter only. However, when account is taken that a further 33% would be north-facing, the percentages appear considerably more successful.
133. The role of recessed balconies appears to be a factor in the annual performance, with attention also being drawn to the need to avoid excess solar gain, which is not factored in to the BRE guide, while the balconies themselves could continue to receive direct sun even when the interiors did not.
134. It is accepted that sunlight to the open space on the site as a whole, which is largely made up of the former street spaces of Philpot Street and Walden Street would meet the BRE guideline for sun on the ground at March 21. The courtyard space surrounded by the buildings to the east of Philpot Street would be well shaded across its southern half on that date and during the colder months of the year. The Council's concern in evidence was based on an assumption about the location of play provision, but the space identified by the appellants for play (comprising the central lawn and a soft paved area with rock features) when tested would address that concern and would comprise both shaded and sunlit zones in accordance with good practice. The small communal spaces to the rear of Buildings B1 and B2 would also be quite well shaded but their use by residents would not be unduly compromised. In terms of residents' living conditions much would depend on the amenity offered by the successful layout and management of the Philpot Street space, but the

overall provision of sunlit space should be adequate. The comparison with the other permitted schemes would be quite consistent.

135. MDD Policy DM25 1c aims to ensure “adequate levels daylight and sunlight for new residential developments”. The supporting text states that the Council “will seek to ensure that the design of new development optimises the levels of daylight and sunlight”⁴⁴. This implies recognition that daylight and sunlight are matters to be balanced against other issues. Given the acceptance of very similar performance at Whitechapel Central, and the particular circumstances arising from design decisions, I consider that the appeal proposal would provide adequate levels of daylight and sunlight.

Other impacts

136. Only limited concerns in respect of outlook and overlooking were raised in the officer report. These have been supplemented in evidence to the Inquiry.

137. With regard to outlook, the Council raises specific concern about units within Building C. But the two rooms in each of the duplex units looking into a front basement lightwell would be secondary bedrooms, so that outlook would be less critical and the proposed arrangement would be adequate. Studios on upper floors would directly face the rear of Building D2, but not at an unacceptably close distance, and would have their privacy enhanced by the recessed balcony detail. The private gardens between these two buildings would be overlooked, from each building and by some windows to the rear of Building D1, but to a degree consistent with the urban context.

138. Windows dependent on outlook onto the space between Buildings B1 and B2 would again be second bedrooms, with other rooms also facing to front or rear. The impact of confined outlook would therefore be less critical. While the space would be tight, the outlook would not seem oppressive to occupiers. However, despite some staggering of window positions, there would quite direct overlooking, which might require reliance on blinds or curtains.

139. Ground floor units in Buildings F and G would adjoin the footway but this relationship is not uncommon in the surrounding area. Being raised above street level and with main living room windows set behind enclosed balconies would ensure that their privacy would not be compromised. Ground floor windows at Building A would also be raised to improve privacy.

140. The west elevation of Building Ha would be directly adjacent to the rear of Building Hb. Mutually disturbing overlooking could arise but could easily be avoided by use of curtains or blinds in either or both buildings, or by treatment of the rear windows of Building Hb. Access to the communal space from the upper units of this building would be rather circuitous, even if passage through Building I were allowed, but would not mean a serious failing in overall living conditions.

141. While there would be some instances of less than ideal relationships, taken as a whole the proposal would not result in unsatisfactory outlook, privacy or access to open space.

⁴⁴ MDD para 25.5

Conclusion on living conditions for future residents

142. For the reasons set out above, I conclude that the proposal, despite certain localised weaknesses, would result in a good overall standard of amenity for future residents, as advised by national policy, and would comply in this respect with LP Policy 7.6 and MDD Policy DM25.

Other matters

Housing land supply

143. The appellants' initial case had claimed support from a concern that the Council could not demonstrate a five-year supply of deliverable housing land, in accordance with NPPF policy requirement⁴⁵. Particular criticism was made of the Council's reliance on a set of confidential sites seen as likely to come forward for development. The Supplementary SCG agreed at the Inquiry addresses the matter. While the appellants continued to question the Council's estimate of available land supply, it was agreed that this did not merit detailed interrogation at the Inquiry, but that substantial weight should be given to the provision of additional new housing, irrespective of the local land supply position. I accept the agreed position.

Affordable and specialist housing

144. The proposal would provide 343 units of conventional housing (class C3) to replace the existing 43 units (mainly originally nurses' accommodation) on the site. Of these 57 units would be for social rent. In addition, there would be 168 specialist units (class C2), with either short- or long-term occupancy restricted to RLH, QMUL and NHS-related staff and students and to patients and their families.

145. The affordable units would equate to 21% of habitable C3 rooms, against a policy target of 50%⁴⁶. But if the specialist units are also taken into account, as the appellants suggest, the proportion of affordable units goes up to 44% of the total units or 33% by habitable room.

146. The re-provision of specialist housing is required by development plan policy⁴⁷ but the Council accept that the proposed accommodation would be of higher quality and space standards than the existing. The proposal's viability was assessed at application stage and was found to be the maximum viable provision. It has now been agreed in the Supplementary SCG that, notwithstanding the Council's endorsement of the Mayor of London's Affordable Housing and Viability SPG of August 2017, the appeal proposal represents a unique mix of affordable and specialist housing whose viability would be put at risk by any revision to predicted returns, which would require a full re-assessment. I accept that the proposal would comply with the development plan policies in respect of affordable and specialist housing provision.

Wingate Building

147. Objections to the planning application and to the appeal have been raised by QMUL as operators of the research facility in Wingate House at the junction of Ashfield Street and Turner Street, between Building A and Building B1.

⁴⁵ NPPF paragraph 47

⁴⁶ CS Policy SP02

⁴⁷ LP Policy 3.14; MDD Policy DM5

Although the representations made are not entirely consistent, the concerns fall broadly into 2 areas: firstly on the risk of complaints from future residents having the potential to impact on the operation of the facility, and secondly the potential for adverse impacts from construction activity.

148. The importance of the facility to the Med City initiative has been specifically endorsed by the GLA in its responses to the application, and I have no reason to doubt the value of the work carried on there and the need to minimise disruption to it. However, the balance of the evidence suggests that there would not be an undue risk of complaints due to noise, including any night-time emergency generator use, and that this matter could be addressed by a condition. This is an environment where the RLH is busy 24 hours per day and future tenants are to be advised of the likelihood of some disturbance. Similarly, on the issue of odours arising from research activity, the studies carried out suggest that there would not be significant risk of nuisance and complaint. Any patient privacy issues appear capable of being dealt with by normal management means.
149. With regard to construction impacts, the balance of the evidence suggests that the use of suitable techniques, for example in the placement of piles, could avoid harmful impacts. Provision can be made for full involvement of neighbours, particularly QMUL, in liaison procedures over construction environment management processes.
150. Therefore, I agree with the main parties that, subject to such arrangements and to necessary conditions, impact on the operation of the Wingate Building would not sustain a reason to reject the appeal proposal.

Planning obligation

151. Under the completed Section 106 agreement, the appellants and other landowners and mortgagee provide covenants in respect of the provision, disposal, tenure, occupancy and rent levels of the affordable housing, and the provision, occupancy and rent levels of the specialist housing. A review mechanism would allow any enhanced value to be captured and directed to improved affordable provision.
152. Further covenants would include: financial contributions amounting in total to £559,253, towards employment and skills training, carbon offset projects and monitoring of the obligation; payment of the Mayoral Community Infrastructure Levy ('CIL') and any outstanding contribution to Crossrail; ensuring the development would be car-free; support for local employment and purchasing initiatives; submission and implementation of a Travel Plan; the provision and maintenance of publicly accessible areas; provision of apprenticeships during the construction and occupation phases of the development targeted at local residents; compliance with a Code of Construction Practice; good neighbour provisions, comprising liaison with RLH and QMUL, and advice to occupiers on the noisy nature of medical uses; delivery of highway works. The Council covenants to apply financial contributions to the identified purposes or to return them.
153. The agreement is supported by Summary Justification Statement⁴⁸ which sets out the policy basis for each of the covenants and their compliance with

⁴⁸ ID 24

Regulations 122 and 123 of the CIL Regulations⁴⁹. The obligation was amended during the course of the Inquiry to confirm that carbon offset projects would not comprise infrastructure within the meaning of the Planning Act 2008 and the Regulations, so that the issue of pooled contributions would not arise.

154. Subject to that clarification, I am satisfied that that each of the covenants would be fully supported by adopted LP or Local Plan policy as amplified by supplementary guidance, and would meet the tests for obligations set by Regulation 122(2) and echoed by the NPPF⁵⁰, in that they would be necessary to make the development acceptable in planning terms, would be directly related to the development, and would be fairly and reasonably related to it in scale and kind. The obligation can therefore be taken into account in a decision to allow the appeal proposal.

Balance of considerations

155. The Council acknowledges that the proposal would result in a number of public benefits, but questions the weight to be afforded to some of these.

156. In my view, the foremost public benefit would be that the proposal would deliver the transformational change to the appeal site sought by adopted planning policy and supplementary guidance, and would play a key role in the delivery of the WVM and OAPF vision for Whitechapel. The replacement of existing mediocre buildings and poorly presented public realm by carefully considered new buildings that would re-create street edges and define open spaces would be a significant benefit. In particular the establishment of a significant length of the Green Spine would be likely to provide a public space of high quality that would start to achieve the desired objective of a memorable green route through the heart of the WVM area, animated by well located retail/food uses. Access to the spine route would be reinforced by the re-opening of Walden Street as an attractive pedestrian link, would help to stitch the site back into the network of surrounding streets.

157. It is common ground that the provision of new housing should be given substantial weight. The provision of affordable housing to the maximum viable level can also be taken as a positive benefit. To this must be added the very significant benefit of the provision of specialist housing to an acknowledged improved standard. While the re-provision of specialist housing is a policy requirement, the key benefit here would be the placement of the accommodation within an affordable rent regime, which does not apply at present, and the limitation on occupancy to health-related staff and students. In particular, the ability for existing tenants to move onto the new regime would be extremely useful in maintaining continuity of experienced staff. The new specialist housing would thus make an important contribution to the achievement of Med City objectives for the area.

158. While the actual take-up has yet to be finalised, the provision of new space suitable for office or research use must also count as a potential Med City benefit.

159. Set against these would be the one instance where I have taken issue with design decisions, in respect of adverse effect on the setting of the Philpot Street and Walden Street terraces. Even allowing for the considerable weight to

⁴⁹ Community Infrastructure Levy Regulations 2010 (as amended)

⁵⁰ NPPF paragraph 204

be given to the desirability of preserving listed buildings and their settings, and the preservation and enhancement of conservation areas, I find that the public benefits of the proposal would significantly outweigh this heritage harm and the minor harm arising from the loss of 38 Turner Street and the Philpot Street burial grounds.

160. The appeal proposal would provide a striking intervention comprising a variety of memorable buildings and spaces. Taken as a whole, I consider for the reasons set out above that the proposal would comply with national and local policy, and that the balance lies in favour of its approval.

Conditions

161. A draft schedule of conditions was included with the Council's evidence and was subject to negotiation between the parties during the course of the Inquiry. By the close of the Inquiry broad agreement had been reached on a revised schedule, and further amendments were put forward during discussion at the event. Subject to some of those and some other amendments in the interests of greater precision and enforceability, I consider that the proposed conditions are reasonable and necessary and would comply with the tests set out in the NPPF⁵¹.
162. In addition to the standard condition on commencement of development, a condition is needed to specify the approved plans in the interests of certainty and to confirm the approved form of development. Removal of permitted development rights is required to ensure that matters critical to the approval of the development are not subject to later uncontrolled change.
163. Approval of a phasing plan is necessary to ensure that development is carried out in a logical and timely manner in order to secure delivery of planned outputs and to minimise adverse effects on local residents and infrastructure. Minimisation of the same effects justifies approval and implementation of demolition and construction environmental management plans, both overarching and for each phase of work.
164. The protection of neighbours' living and working conditions also requires planning conditions to control hours of construction work, dust management, and piling techniques,
165. Conditions are needed to protect the living conditions of future residents with regard to noise including plant noise, treatment of cooking extract ventilation, availability of lifts, remediation of contamination, wind mitigation measures, implementation of security measures, approval of a delivery and servicing plan, and opening hours for the shop and food units. A mix of accessible units is necessary to provide for the needs of all sections of the community.
166. Approval of full details of drainage, including SuDs measures, is necessary to ensure the satisfactory drainage of the site and prevent flooding. Other conditions needed to maintain and improve the quality of the local environment include those on water supply impact, biodiversity enhancement and protection of nesting birds, air quality from mechanical extraction, waste management, and energy efficiency

⁵¹ NPPF paragraph 206

167. In order to ensure the quality of the permitted development and protect the character and appearance of the area, conditions are needed on the approval of materials and building details, including shopfronts, on the design and storage of any cleaning gantries, and on final details of landscape design and of management of landscaped areas.
168. In order to mitigate harm to heritage significance, a condition is needed to secure a scheme of archaeological investigation and the subsequent recording of any excavation, with publication of results. The need to better reveal the significance of heritage assets justifies the provision of a memorial marking the the Philpot Street burial grounds.
169. It was agreed at the Inquiry that a draft condition on the size of commercial units should be replaced by one clarifying the permitted uses as A1, A2 or A3, in the interests of certainty, and also to require approval of any outdoor areas to be used ancillary to the use of the shop units, in order to protect residents' living conditions and ensure free flow of pedestrian traffic.
170. Conditions on the provision of cycle parking and the provision and restricted use of car parking are needed to promote sustainable modes of travel.
171. Details of crane usage are required in the interests of public safety, especially given the regular use of the helipad on the RLH roof.

Conclusion

172. For the reasons set out above, and having taken account of all matters raised in writing and at the Inquiry, together with the terms of the Section 106 agreement, I conclude that the appeal should be allowed and planning permission granted subject to the conditions set out in the attached schedule.

Brendan Lyons

INSPECTOR

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DOCUMENTS SUBMITTED AT THE INQUIRY

- 1 Addendum to Dr Littlefair's Proof of Evidence
- 2 Opening Submissions on behalf of the Appellants
- 3 Opening Submissions on behalf of the Local Planning Authority
- 4 Report to Strategic Development Committee 24 August 2016:
Application No.PA/15/01789 Whitechapel Central site (extract)
- 5 Report to Strategic Development Committee 24 August 2016:
Application No.PA/15/01789 Whitechapel Central site (complete)
- 6 GLA Representation Hearing Report 8 February 2016
Application No. P2015/3136/FUL Monmouth House, Islington
- 7 RLH, Buildings E and I 'View Shed' Diagram
- 8 Note confirming Appellants
- 9 London Plan 2016 pp 93-97
- 10 Buildings E and I 'View Shed' Diagrams
- 11 M Wunderlich letter of instruction
- 12 Draft Planning Obligation (Track changes version)
- 13 Draft Planning Obligation (without changes)
- 14 Draft Schedule of Conditions
- 15 Draft Unilateral Undertaking
- 16 Invitation to Architects for Concept Scheme Proposals Sept 2013
- 17 R Coleman: Additional Townscape Photographs
- 18 Philpot Terrace application plans
- 19 Committee Report (extract): Application No. 2017/3847/P
Camden Goods Yard, Chalk Farm Road, Camden
- 20 Inspector's Report (extract): Examination of Further Alterations to
London Plan November 2014
- 21 Accompanied Site Visit: proposed route
- 22 Draft Planning Obligation (Track changes version)
- 23 Draft Planning Obligation (without changes)
- 24 Summary Justification of Heads of Terms of S106 Agreement
- 25 Schedule of Draft Planning Conditions (amended)
- 26 Draft Supplementary Statement of Common Ground
- 27 Draft Planning Obligation (Track changes version)
- 28 Draft Planning Obligation (without changes)
- 29 Examples of precast masonry
- 30 Closing Submissions on behalf of the Local Planning Authority
- 31 Amended Schedule of Plans
- 32 Signed Supplementary Statement of Common Ground
- 33 High Court Judgment: Barwood Strategic Land II LLP v East
Staffordshire Borough Council and Secretary of State for
Communities and Local Government [2017] EWCA Civ 893
- 34 Government Legal Department Skeleton Argument (extract)
- 35 Closing Submissions on behalf of the Appellants

DOCUMENT SUBMITTED AFTER THE INQUIRY

- 36 Certified copy of signed Section 106 Agreement dated
20 December 2017

Appeal Ref: APP/E5900/W/17/3171437

**The Whitechapel Estate, Site between Varden Street and Ashfield Street,
London E1 2JH**

Schedule of conditions Nos. 1-34

1 Time Limit

The development hereby permitted shall begin not later than three years from the date of this decision.

2 Approved Plans

The development hereby permitted shall be carried out in accordance with the following approved plans:

1264-A-M-002, 1264-A-M-003, 1264-A-M-004, 1264-A-M-005,
1264-A-M-006;

1264-A-EX-100, 1264-A-EX-101, 1264-A-EX-102, 1264-A-EX-103,
1264-A-EX-104, 1264-A-EX-105, 1264-A-EX-106, 1264-A-EX-107,
1264-A-EX-108, 1264-A-EX-109, 1264-A-EX-110, 1264-A-EX-120 A,
1264-A-EX-200, 1264-A-EX-201, 1264-A-EX-202, 1264-A-EX-203;

1264-A-M-099 A, 1264-A-M-100, 1264-A-M-102-TYP,
1264-A-M-116-TYP, 1264-A-M-124, 243.07 E;

1264-A-M-200, 1264-A-M-201, 1264-A-M-202,
1264-A-M-203, 1264-A-M-204, 1264-A-M-205, 1264-A-M-206,
1264-A-M-250, 1264-A-M-251, 1264-A-M-252, 1264-A-M-253,
1264-A-M-260, 1264-A-M-261, 1264-A-M-263, 1264-A-M-264,
1264-A-M-266, 1264-A-M-268;

1264-A-BA-099 A, 1264-A-BA-100 B, 1264-A-BA-101 A,
1264-A-BA-103 A, 1264-A-BA-104, 1264-A-BA-200 A,
1264-A-BA-250, 1264-A-BA-300;

11-101 A, 11-102 A, 11-103 B, 11-104 A, 11-105 A, 11-106 A,
11-107 A, 11-108 A, 11-109 A, 11-110 A, 11-111, 11-112;

11-201 B, 11-202 A, 11-203 B, 11-204 B, 11-205 B, 11-206 A,
11-207 A, 11-208 A, 11-209 A, 11-210 A, 11-211 A, 11-212, 11-213;

12-101, 12-102, 12-103, 12-104, 12-105, 12-106, 12-107,
12-108, 12-109, 13-101 A, 13-102, 13-103, 13-104,
13-105 A, 13-106 A, 13-107, 13-108, 13-109, 13-110, 13-111,
13-112, 13-201, 13-202;

1264-A-BE-099 A, 1264-A-BE-100 A, 1264-A-BE-101 B,
1264-A-BE-102, 1264-A-BE-103, 1264-A-BE-104 A,
1264-A-BE-105 A, 1264-A-BE-108, 1264-A-BE-113 A,
1264-A-BE-114 A, 1264-A-BE-115 A, 1264-A-BE-116 A,
1264-A-BE-118 A, 1264-A-BE-120, 1264-A-BE-200,

1264-A-BE-201, 1264-A-BE-250, 1264-A-BE-300, 1264-A-BE-301;

1264-A-BFG-099 A, 1264-A-BFG-100 B, 1264-A-BFG-101 B,
1264-A-BFG-102 B, 1264-A-BFG-103 B, 1264-A-BFG-104 B,
1264-A-BFG-105 B, 1264-A-BFG-106 B, 1264-A-BFG-107 B,
1264-A-BFG-108 A, 1264-A-BFG-109, 1264-A-BFG-200 A,
1264-A-BFG-250, 1264-A-BFG-300, 1264-A-BFG-301;

1264-A-BHa-099 A, 1264-A-BHa-100 A, 1264-A-BHa-101 A,
1264-A-BHa-102 A, 1264-A-BHa-104, 1264-A-BHa-110,
1264-A-BHa-111, 1264-A-BHa-112, 1264-A-BHa-200,
1264-A-BHa-250, 1264-A-BHa-300;

1264-A-BHb-099 A, 1264-A-BHb-100, 1264-A-BHb-101,
1264-A-BHb-105, 1264-A-BHb-106, 1264-A-BHb-200,
1264-A-BHb-250, 1264-A-BHb-300;

1264-A-BI-099 A, 1264-A-BI-100 A, 1264-A-BI-101, 1264-A-BI-104,
1264-A-BI-105 A, 1264-A-BI-106 A, 1264-A-BI-107 A,
1264-A-BI-109 A, 1264-A-BI-118 A, 1264-A-BI-119 A,
1264-A-BI-120 A, 1264-A-BI-122 A, 1264-A-BI-123 A,
1264-A-BI-124, 1264-A-BI-200 A, 1264-A-BI-201, 1264-A-BI-300,
1264-A-BI-301, 1264-A-BI-302.

3. Permitted Development

- a) Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) (England) Order 2015 (or any order revoking or re-enacting that order with or without modification), no fences, barriers, gates or other means of enclosure other than those shown on the approved plans shall be erected within the site following the practical completion of the development.
- b) Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) (England) Order 2015 (or any order revoking or re-enacting that order with or without modification), no painting of finished brickwork or other non-rendered facades other than any shown on the approved plans shall take place within the site.

4 Phasing Plan

Prior to implementation of the development hereby permitted, a construction and demolition Phasing Plan for the development shall be submitted to and approved in writing by the local planning authority. The Phasing Plan shall set out the timescale for the commencement and practical completion of each phase of the development, including both demolition and construction. The Phasing Plan shall be accompanied by a statement detailing how the phasing aligns with that assessed in the Environmental Statement. Should the phasing plan not accord with that assessed within the Environmental Statement, the statement must demonstrate that this change will not alter the effects (on internal and external receptors to the site) identified within the Environmental Statement.

The demolition and construction shall be carried out in accordance with the phases and timescales identified in the approved Phasing Plan.

5 Specialist Health Accommodation Provision

During all phases of demolition and construction not less than fifty (50) specialist accommodation (C2) units shall be available for occupation to those persons eligible ('eligible persons' as defined in the accompanying s106 agreement).

Prior to occupation of the final phase of development, the 168 specialist accommodation units hereby approved shall be available for occupation to those persons eligible ('eligible persons' as defined in the accompanying s106 agreement).

6 Noise Standards for New Residential Units

- a) All of the approved residential units shall be constructed and fitted out to ensure that:
 - i. They accord with BS 8233:2014 'Guidance on sound insulation and noise reduction for buildings';
 - ii. Structure-borne noise does not exceed LA_{max} 35 dB;
 - iii. Exposure to vibration is no higher than of "low probability of adverse comment" in accordance with BS 6472 'Evaluation of Human Exposure to Vibration in Buildings';
 - iv. At any junction between residential and non-residential uses, the internal noise insulation level is no less than 55D_{nT,w} + C_{tr} dB; and
 - v. Internal Ambient Noise Levels for new residential dwellings meets 35 dB LA_{eq,16} hour, between hours 07:00 - 23:00 and within bedrooms meets 30 dB LA_{eq}, 8 hour between hours 23:00 - 07:00.
- b) None of the residential units within each phase of development approved pursuant to condition 4 shall be occupied until a post-completion verification report, including acoustic test results, for that phase has first been submitted to and approved in writing by the Localplanning authority to confirm that the above minimum standards have been achieved.

7 Plant Noise levels

Before any mechanical services plant, within each phase of development, approved pursuant to condition 4, including, but not limited to, heating, power supply, ventilation and air conditioning (HVAC), plant to which the application refers, is used in the operational phase of the development, a scheme shall be submitted to and approved in writing by the Localplanning authority, for the phase, which demonstrates that the following noise design requirements can be complied with. The approved requirements shall thereafter be retained as approved.

- a) The cumulative measured or calculated rating level of noise emitted from the mechanical services plant shall be lower than the pre-

development background noise level by 5dB(A) at all times the plant is in operation.

The measured or calculated noise levels shall be determined at the boundary of the nearest ground floor noise sensitive premises or 1.0m from the facade of the nearest first floor (or higher) noise sensitive premises, and in accordance to the latest BS 4142 (currently 2014). An alternative position for assessment/measurement may be used to allow ease of access, this must be shown on a map and noise propagation calculations detailed to show how the design criteria are achieved.

- b) The plant shall be isolated so as to ensure that vibration amplitudes which cause re-radiated noise do not exceed the limits detailed in table 4 detailed in section 7.7.2 of BS 8233:2014 'Guidance on sound insulation and noise reduction for buildings'.
- c) A compliance acoustic assessment (applying BS 4142:2014 'Methods for rating and assessing industrial and commercial sound-methodology') shall be undertaken within 2 weeks of mechanical services commissioning, in order to demonstrate that the condition has been achieved. The results of the assessment shall be submitted to and approved in writing by the local planning authority.

8 Accessible Residential and Lifts

- a) Prior to occupation of the relevant units within each phase of development approved pursuant to condition 4, details for that phase shall be submitted to and approved in writing by the local planning authority demonstrating that:
 - i) 90% of the Class C3 and 90% of the Class C2 residential units hereby permitted have been designed and constructed in accordance with Optional Requirement M4 (2) of Part M of the Building Regulations;
 - ii) 10% of the Class C3 residential units within the market sales have been designed and constructed to meet the requirements of M4 (3)(2)(a) (adaptable) of the Building Regulations;
 - iii) 10% of the Class C3 rented affordable housing units and 10% the Class C2 specialist units specified for longer term letting and short term letting have been designed and constructed to meet the optional requirement of M4 (3) (2) (b) (wheelchair accessible), of the Building Regulations.
- b) All lifts serving the residential uses hereby permitted shall be installed as shown on the approved plans in accordance with a written scheme that has first been submitted to and approved in writing by the local planning authority. All lifts approved shall be operational prior to the first occupation of the respective residential access cores. All lifts approved shall be retained and maintained in an operational condition for the lifetime of the development.

9 Air Extraction and Filtration for Commercial Uses

None of the approved non-residential uses within each phase of development approved pursuant to condition 4, shall commence until a scheme for the extraction and treatment of fumes and odours generated from cooking or any other activity associated with any of those non-residential units, for that phase, has been submitted to and approved in writing by the local planning authority.

Any equipment, plant or process approved pursuant to such details shall be installed prior to the first use of the premises and shall be operated and retained in accordance with the approved details and operated in accordance with manufacturer's instructions.

The scheme shall include a risk assessment and odour control measures which comply with the minimum requirements the Department of Framing & Rural Affairs: 'Control of Odour and Noise from Commercial Kitchen Systems' 2004.

10 Dust Management

No development shall commence within each phase of development approved pursuant to condition 4 until a dust management plan for that phase has been submitted to and approved in writing by the local planning authority. The dust management plan shall include the following details:

- a. Demonstration of compliance with the guidance found in the control of dust and emissions from construction and demolition Best Practice produced by the Greater London Authority;
- b. A risk assessment of dust generation shall be prepared for each phase of the development. The assessment and identified controls must include the principles of prevention, suppression and containment and follow the format detailed in the guidance above. The outcome of the assessment shall be fully implemented for the duration of the construction and demolition phases of the proposed development and include dust monitoring where appropriate;
- c. Where the outcome of the risk assessment indicates that monitoring is necessary, a monitoring protocol including information on monitoring locations, frequency of data collection and how the data will be reported to the local planning authority;
- d. Details of dust generating operations and the subsequent management and mitigation of dust demonstrating full best practicable means compliance and covering construction activities, materials storage, on and off site haul routes, operational control, demolition, and exhaust emissions; and
- e. where a breach of the dust trigger level may occur a response procedure shall be detailed including measures to prevent repeat incidence.

11 Construction Hours

1. The building operations required to carry out the development hereby permitted shall only be carried out within the following times and not at all on Sundays and Bank Holidays:-
 - 8.00 am to 6.00 pm Monday to Friday
 - 8.00 am to 1.00 pm on Saturdays
2. Any hammer-driven piling or impact breaking out of materials carried out in pursuance of this permission shall be carried out only between the hours of 10.00 am to 4.00 pm Mondays to Fridays and shall not take place at any time on Saturdays, Sundays and Bank Holidays.

12 Archaeology

No demolition or development within each phase of development approved pursuant to condition 4 shall commence until a written scheme of investigation (WSI) for that phase has been submitted to and approved in writing by the local planning authority. For land that is included within the WSI, no demolition or development shall take place other than in accordance with the approved WSI, which shall include:

- A) relevant historical documentary research, a statement of significance and research objectives;
- B) the programme and methodology of site investigation, excavation, recording and the nomination of a competent person(s) or organisation to undertake the approved works;
- C) the programme for post-investigation assessment and subsequent analysis, publication & dissemination and deposition of resulting material (this part of the condition shall not be discharged until these elements have been fulfilled in accordance with the programme set out in the WSI).

13 Memorial of Burial Ground

Details of a memorial of the burial ground (in consultation with the relevant faith groups) shall be submitted to and approved in writing by the local planning authority prior to the demolition of 71 Varden Street. The approved memorial shall be erected in place prior to occupation of the final phase of development hereby permitted.

14 Demolition and Construction Environmental Management Plan

- a) No demolition works shall take place until an overarching Demolition Environmental Management and Logistics Plan for the site has been submitted to and approved in writing by the local planning authority.
- b) No construction works shall take place until an overarching Construction Environmental Management and Logistics Plan for the site has been submitted to and approved in writing by the local

planning authority.

- c) No demolition works within each phase of development approved pursuant to condition 4 shall take place until a Demolition Environmental Management and Logistics Plan, for that phase, has been submitted to and approved in writing by the local planning authority.
- d) No construction works within each phase of development approved pursuant to condition 4 (excluding demolition) shall take place until a Construction Environmental Management and Logistics Plan for that phase has been submitted to and approved in writing by the local planning authority.

Each demolition and construction environmental management plan identified in parts a), b), c) and d) above shall provide details of site-wide measures or works consistent with the relevant phase of development approved pursuant to condition 4. The plans shall include details of:

- i. the site manager, including contact details (phone, email, postal address) and the location of a large notice board on the site that clearly identifies these details of the site manager and a "Considerate Constructors" contact telephone number;
- ii. the parking of vehicles of site operatives and visitors;
- iii. the erection and maintenance of security and acoustic mitigation hoardings;
- iv. wheel washing facilities;
- v. a scheme for recycling/disposing of waste resulting from demolition and construction works;
- vi. any means, such as a restriction on the size of construction vehicles and machinery accessing the site, required to ensure that no damage occurs to adjacent highways throughout the construction period;
- vii. any means of protection of services such as pipes and water mains within the adjacent highways;
- viii. measures to maintain the site in a tidy condition in terms of disposal/storage of rubbish, storage, loading and unloading of building plants and materials and similar demolition or construction activities;
- ix. handling and storage of fuel and chemicals in designated areas containing spill kits and procedures for the handling and storage of potential contaminants and associated clean-up procedures.
- x. measures to ensure that pedestrian access past the site is safe and not obstructed during construction works;
- xi. location of workers' toilet facilities;
- xii. ingress and egress to and from the site for vehicles during site works period;
- xiii. proposed numbers and timing of truck movements throughout the day and the proposed routes;
- xiv. monitoring and managing construction traffic to ensure that vehicles do not block the public highway on entry and exiting the site

- xv. measures to protect soils and controlled waters from contamination during demolition and construction including consideration will be given to the appropriate use of bunding and temporary settlement ponds to ensure the protection of water quality in the surrounding water courses
- xvi. detail removal of soil, dust, debris and demolition and construction materials from public roads or places;
- xvii. measures to safeguard subsurface utilities infrastructure; and
- xviii. measures to maximise the use of waterborne transport during the construction of the development (unless a feasibility study submitted to and approved in writing by the local planning authority demonstrates that use of waterborne transport is not feasible);
- xix. measures to ensure that all non-road mobile machinery meets the minimum emission requirements set out in the Mayor of London's 'Control of Dust and Emissions during Construction and Demolition' Supplementary Planning Guidance 2014.
- xx. Information on how the demolition/construction mitigation measures relied upon in the Environmental Statement as being included in the DEMP/CEMP, have been incorporated.

The development shall be carried out in accordance with the approved details.

15 Land Contamination

No development within each phase of development approved pursuant to condition 4 shall commence until a ground contamination and remediation study for that phase has been submitted to and approved in writing by the local planning authority.

The study shall identify the extent of the contamination and the measures to be taken to avoid risk to the public, buildings and environment when the site is developed and shall include the following details:

- i. A phasing plan identifying all areas of investigation and remediation to be undertaken in each phase of the development;
- ii. A 'desk study report' documenting the history of the relevant phase of the site;
- iii. A proposal to undertake an intrusive investigation at the site if recommended by the findings of the desk study;
- iv. A 'site investigation report' to investigate and identify potential contamination in each phase if intrusive investigation is carried out;
- v. A risk assessment for each phase;
- vi. Proposals for any necessary remedial works to contain treat or remove any contamination in each phase;

- vii. A verification report confirming that all necessary remediation works for each phase have been satisfactorily completed.

The development must be carried out in accordance with the remediation works approved by the local planning authority as part of the scheme for that phase.

16 Water Supply Impact Study

No works, except for works of demolition, archaeological and ground investigations, within each phase of development approved pursuant to condition 4 shall take place until a Water Supply Impact Study for that phase has been submitted to and approved in writing by the local planning authority.

The study shall determine the magnitude of any new additional water supply capacity required as a result of the development and location of a suitable connection point.

17 Piling Method Statement

No piling within any phase of development shall take place until a piling method statement for that phase (detailing the depth and type of piling to be undertaken and the methodology by which such piling will be carried out, including measures to prevent and minimise the potential for damage to subsurface sewerage infrastructure, and the programme for the works) has been submitted to and approved in writing by the local planning authority.

Any piling shall be undertaken in accordance with the approved details.

18 Sustainable Drainage Strategy

No development shall commence, other than demolition, archaeological and ground investigations, within a phase of development, until a sustainable urban drainage strategy for that phase has been submitted to and approved in writing by the local planning authority.

The drainage strategy shall demonstrate how any SuDS and/or attenuation features will be incorporated into the development in accordance with the drainage hierarchy of London Plan (2016) Policy 5.13. Details for implementation thereafter shall include:-

- a) Full drainage plans showing exceedance routes / flow paths;
- b) Location of the attenuation tanks and connection points to existing sewers;
- c) Demonstration that no surcharging would be experienced in a 1 in 2 year storm, no flooding in 1 in 30 year storm, and in a 1 in 100 year storm that flood water would be contained within the site boundaries and kept away from buildings and critical infrastructure;
- d) Measures for the maintenance and monitoring of SuDS features

The development shall be carried out in accordance with the approved

details and maintained for the lifetime of the development.

19 Details of Materials

Prior to the commencement of each phase of development approved pursuant to condition 4 the following details for that phase shall be submitted to and approved in writing by the local planning authority:

- a) A mock-up panel of no less than 2m by 2m of the external cladding materials;
- b) Samples of all other external facing materials including soffits and external rainwater goods;
- c) A sample of each type of window to be viewed, where deemed necessary by the local planning authority, on site;
- d) Detailed elevation drawings (at a scale of no less than 1:20) and section drawings (of no less than 1:10) of all window reveals/ bay studies, balconies and ground level entrances;
- e) Scaled drawings and details of material finish to any rooftop plant.

The development shall be carried out in accordance with the approved details and retained as such thereafter.

20 Landscaping Management Scheme

Notwithstanding the details shown on approved plan 247.07 Rev.E, prior to commencement (except demolition) of development a landscape scheme with details of the treatment of all open spaces associated with the development, including to public open space, communal amenity space and private amenity space, shall be submitted to and approved in writing by the local planning authority. The scheme shall provide the following details:

- a) Identify all areas of landscaping, public realm and play space to be delivered in each phase of the development, including delivery timescales;
- b) Demonstrate how the overall landscaping measures are entirely consistent with the agreed wind mitigation measures
- c) Details of equipment and layout of the children's play spaces, types of play areas, play equipment, how space is differentiated from communal/public open space and how this fits in with the child play space strategy for the whole site;
- d) Enclosures, including but not limited to types, dimensions and treatments of walls, fences, screens barriers, rails, retaining walls and hedges;
- e) Details of hard landscaping, including but not limited to types, dimensions and treatments of paved areas, paths and rights of way;
- f) Details of street furniture, including wayfinding signage, and details of the maintenance of any such furniture;

- g) Details of visitor cycle stands consistent with the approved cycle parking provision for the site;
- h) Details of external lighting including details of fixtures for street lighting, lighting of open spaces, external lighting of buildings and non-residential ground floor units, hours of operation of lighting and lux levels;
- i) Soft landscaping, including numbers and types of species to be planted and how the type of planting will enhance biodiversity;
- j) Details of any other landscaping features forming part of the scheme.

All landscaping in accordance with the approved scheme shall be completed/ planted during the first planting season following practical completion of each phase. Any trees or shrubs which die within five years of completion of the development shall be replaced with the same species.

Prior to commencement of each phase of development (except demolition) approved pursuant to condition 4 a Landscaping Management Scheme for that phase shall be submitted to and approved in writing by the local planning authority. The scheme shall include details of how the management scheme for the relevant phase fits in with the site-wide landscape scheme. The landscaping shall be managed in accordance with the approved scheme.

21 Biodiversity Enhancements

Prior to the commencement of any above ground level superstructure works within each phase of development approved pursuant to condition 4, full details of all biodiversity enhancements for that phase shall be submitted to and approved in writing by the local planning authority. The biodiversity enhancements shall include but not be limited to the following:

- biodiverse roofs following the best practice guidance– details provided should include the location and total area of biodiverse roofs, substrate depth (which should vary between 80mm and 150mm) and type, planting (which should not use any vegetated mat or blanket), and additional habitats to be provided such as piles of stones or logs;
- landscaping to include a good diversity of nectar-rich plants to provide food for bumblebees and other pollinators for as much of the year as possible - details should include species list and planting plans;
- bat boxes and nest boxes for appropriate bird species, including swift, house sparrow and house martin – details should include number, locations and type of boxes.

The approved biodiversity enhancements shall be implemented in full prior to first occupation of that phase and shall be retained and maintained as approved thereafter.

21 Nesting Birds

All demolition of existing buildings and removal of trees, shrubs, scrub or tall herbaceous vegetation shall be undertaken between September and February inclusive. If this is not possible then a suitably qualified ecologist shall inspect the areas concerned immediately prior (within 5 days) to the clearance works to ensure that no nesting or nest-building birds are present. If any nesting birds are present then the vegetation around the nest shall not be removed until a suitably qualified ecologist has confirmed that the birds have finished nesting.

A report of the ecology inspection shall be submitted to the local planning authority within two weeks of such an inspection.

22 Details of Mechanical Ventilation – Air Quality

Prior to the commencement of any above ground level superstructure works within a phase of development approved pursuant to condition 4, full details of mechanical ventilation for that phase shall be submitted to and approved in writing by the local planning authority.

The details shall demonstrate how NO₂ annual objectives in accordance with the Air Quality Standards Regulations 2010 are achieved for the proposed residential units including, where applicable, details of mechanical ventilation from air inlet at roof level or at the façade to provide cleaner air for the residents where facades to residential units are predicted to exceed the NO₂ objective.

The development shall be carried out in accordance with the approved details.

23 Details of Cycle Parking

Prior to commencement of superstructure development above ground level within each phase of development approved pursuant to condition 4, details of the cycle parking facilities for that phase shall be submitted and approved in writing by the local planning authority. Details to be submitted shall include a detailed layout plan (no less than 1:50) for the cycle parking facilities and details of secure cycle stands in compliance with London Plan (2016) minimum standards (located at basement level and on-surface), including provision of 'Sheffield' type cycle stands.

The cycle parking facilities shall be in place and fully operational prior to the occupation of that phase and all stands and other cycle parking facilities shall be regularly maintained to function fully for the life of the development.

24 Waste Management Strategy

Prior to commencement of any works above ground floor level within each phase of development approved pursuant to condition 4, a Waste Management Strategy for that phase shall be submitted to and approved in writing by the local planning authority.

The Waste Management Strategy for each phase shall include the following information:

- Details of a strategy for minimising the production of waste for the occupied development;
- Details of the provision of facilities for the storage and collection of separated wastes (including separated storage of recyclable materials);
- Details of waste service vehicle routing and the proposed collection points.

The approved Waste Management Strategy shall be implemented as approved and maintained for the lifetime of the development.

25 Wind Mitigation Measures

Prior to the commencement of above ground works within each phase of development approved pursuant to condition 4, a Wind Mitigation Report for that phase shall be submitted to and approved in writing by the local planning authority. The Report shall:

- i. Demonstrate that the wind mitigation measures to be implemented within that phase achieve suitable wind conditions relevant to that phase and do not undermine the identified wind mitigation in subsequent phases of the development;
- ii. Demonstrate that the landscaping is consistent with the illustrative landscaping tested in the ES wind tunnel testing and if altered additional wind tunnel testing shall be undertaken and submitted to confirm that conditions on occupancy would remain as assessed in the ES, or calmer;
- iii. Provide full details to show that suitable wind conditions can be achieved with mitigation measures at least equal or better at all receptors than mitigation measures tested in the 'Pedestrian Level Wind Microclimate Assessment Wind Mitigation Workshop' (June 2016);
- iv. Demonstrate that the terraces are suitable for 'sitting' as measured by the Lawson Comfort Criteria and will achieve the standard for 'long term sitting';
- v. Identify any areas of seating, and confirm that these have been positioned in locations with suitable wind conditions, or alternatively, mitigation identified and tested to ensure suitable 'long term sitting' conditions can be achieved;

Thereafter design and mitigation measures including landscaping shall be installed in accordance with the details approved prior to first occupation of that phase, and shall be retained as such thereafter. Any trees/vegetation required to provide wind mitigation must be planted at the same maturity as tested and retained thereafter.

The development of that phase shall be carried out in accordance with the approved details and maintained for the lifetime of the development.

26 Secure by Design

Prior to the commencement of any above ground level superstructure works within each phase of development, approved pursuant to condition 4 details of Secured by Design measures for that phase targeted at the Gold standard shall be submitted to and approved in writing by the local planning authority.

The Secured by Design measures shall be implemented in accordance with the approved details, completed prior to the first occupation of the phase and retained for the life of the development.

27 Residential Delivery and Servicing Plan

Prior to occupation of each phase of development approved pursuant to condition 4, a Delivery and Servicing Plan for that phase shall be submitted to and approved in writing by the local planning authority. A delivery and servicing plan shall include, as a minimum, written details of the servicing times for all commercial delivery and collection vehicles serving the (C2 and C3 Use Class) residential units, and the B1 Use Class and flexible use retail (A1-A3 Use Class) units, together with measures to control noise disturbance including use of quiet technology.

The development shall be carried out in accordance with the approved details and maintained for the lifetime of the development.

28 Energy Efficiency and Sustainability

- a) The development shall be carried out in accordance with the submitted Energy Statement (by Scotch Partners dated October 2015) and Energy Statement Addendum (by Scotch Partners dated February 2016) and Sustainability Statement (by Scotch Partners dated October 2015). The energy efficiency and sustainability measures set out therein shall be completed prior to the first occupation of each phase of development approved pursuant to condition 4 and retained for the lifetime of that phase.
- b) The development shall achieve regulated carbon dioxide emission savings of no less than 30.7% against the Target Emissions Rate of Part L of Building Regulations (2013).
- c) The 1,135m² photovoltaic array system shall be installed prior to occupation of the final phase of the development, and be retained for the lifetime of the development.
- d) The development shall achieve BREEAM 'Very Good' standard on any non-residential units under 500sqm (GIA). Any non-residential units over 500sqm (GIA) shall achieve compliance with at least the 'Excellent' BREEAM standard. Within 6 months of occupation of the assessed unit, a final BREEAM certificate shall be submitted for

approval by the local planning authority demonstrating achievement of BREEAM 'Excellent'.

- e) The heat and hot water supply system shall be designed and constructed so as to enable a future connection of the supply system to a district heating network.
- f) Prior to installation of heat and hot water supply system for each phase of development a detailed technical specification of the system for that phase shall be submitted and approved in writing by the local planning authority. The specification shall demonstrate that the heat and water supply system does not have unacceptable adverse air quality effects. The report shall include details of any mitigation measures and on-going maintenance & monitoring provisions.
- g) All of the approved residential units shall be constructed and fitted out to comply with the Building Regulations 2010 (as amended) optional requirement G2(36)(2)(b) '110 litres water consumption per person per day'.
- h) Prior to occupation of each phase of development, a post completion verification report for that phase shall first be submitted to and approved in writing by the local planning authority to confirm that the above minimum standards have been achieved and that all of the approved energy efficiency and sustainability measures have been implemented.

29 Car Park Management Strategy

Prior to the occupation of each phase of development approved pursuant to condition 4, a Car Parking Management Strategy for that phase shall be submitted and be approved in writing by the local planning authority.

- a) The Car Parking Management Strategy shall govern the allocation of car parking spaces, including the wheelchair accessible spaces for the lifetime of the development including the option to provide for car parking provision for Council Parking Permit Transfer Scheme to future occupants of the rented affordable housing.
- b) The Strategy shall provide full details of 33 wheelchair accessible car parking spaces including a detailed annotated plan of the car parking basement area.
- c) No less than 8 car parking spaces shall be provided with electric vehicle charging points. Passive provision for future provision of electric charging points shall be made for further 8 car parking spaces. The charging points as well as passive provision shall be in place prior to the first occupation of the development phase and retained for its lifetime.
- d) All car parking spaces shall remain exclusively for use by Blue Badge Bay occupiers of the development and for Council Parking Permit Transfer Scheme for the duration of the lifetime of the development

and not used for other residents of the development.

- e) At no time shall any external areas of the development save for those explicitly identified on drawing 1264-A.M 100 be made available for parking of motor vehicles other than to facilitate essential maintenance works.
- f) The Car Parking Management Strategy submitted and approved for the final phase shall cover all phases of the development and thereby supersede any Car Parking Management Strategy previously agreed for earlier phase/s.

30 Commercial units

The flexible use spaces hereby permitted in Buildings B1, D1 and E and marked on the approved plans as 'retail' shall be used for uses falling within Classes A1, A2 or A3 of the Town and Country Planning (Use Classes) Order 1987 (as amended) and for no other use. Before any such space is occupied, a plan shall be submitted to and approved in writing by the local planning authority to confirm the nature of the use and to define the extent of any ancillary outdoor area for the use. The development shall be carried out in accordance with the approved details and retained as such thereafter.

31 Commercial Shop Fronts

Prior to the first occupation of any flexible use spaces hereby permitted in Buildings B1, D1 and E and marked on the approved plans as 'retail' within each phase of development approved pursuant to condition 4, full details of the proposed shop fronts for the applicable non-residential unit within that phase shall be submitted to and approved in writing by the local planning authority, including details of the following:

- i. Detailed drawings at scale 1:20 (including sections) of the proposed shop fronts;
- ii. Detailed drawings at scale 1:20 of the proposed area for signage;
- iii. Details of the proposed materials for the shop front; and
- iv. Details of any security measures.

The development shall be carried out in accordance with the approved details.

32 A1-A3 Opening Hours

Any A1, A2, or A3 use hereby permitted shall not open to the public outside the hours of: -

0600 – 23:00 Sunday – Thursday
0600 – 23:30 Friday and Saturday

33 Crane Plan

Prior to the commencement of development, a crane lifting plan shall be submitted to and approved in writing by the local planning authority.

The lifting strategy shall include details of the Risk Assessment and Method Statement for siting, erection, lifting arrangements, operational procedure (including any radio communications), jacking up, maximum height, derigging in addition to plans for elevation, loads, radius, slew restrictions and collapse radius.

The development shall be carried out in accordance with the approved plan.

34 Cleaning Gantry

Any cleaning gantry equipment erected in connection with the development shall be designed so that it is fully retractable behind all sections of the facing edges of the building on which it is placed. The gantry shall be kept fully retracted when not in use.

Appendix 3

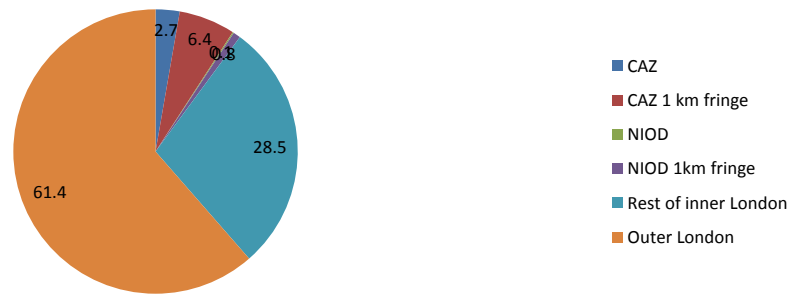
CAZ's Residential Population

26-Feb-18

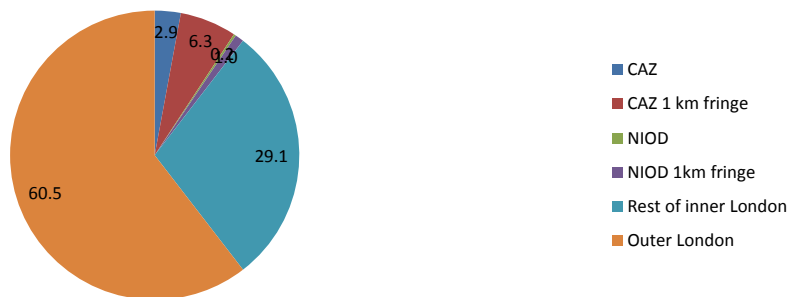
Area	2001	2011	Change between 2001 and 2011	% of total of London's population (2001)	% of total of London's population (2011)
CAZ	196,012	237,534	21.2	2.7	2.9
CAZ 1 km fringe	459,701	517,564	12.6	6.4	6.3
NIOD	10,029	20,163	101.0	0.1	0.2
NIOD 1km fringe	59,269	79,607	34.3	0.8	1.0
Rest of inner London	2,041,235	2,377,037	16.5	28.5	29.1
Outer London	4,406,309	4,942,040	12.2	61.4	60.5
London	7,172,091	8,173,941	14.0	100.0	100.0

Source: GLA Economics Working Paper 68 - Work and life in the Central Activities Zone, northern part of the Isle of Dogs and their fringes (August 2015), data in above table from 2011 census

London's population - 2001



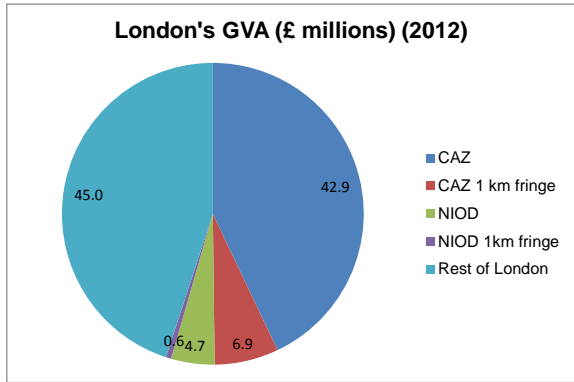
London's population - 2011



CAZ Economy
26-Feb-18

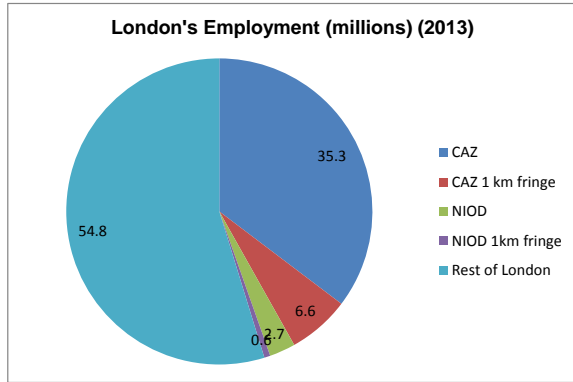
Area	GVA (£ million) (2012)	% of total of London's GVA (2012)
CAZ	139,840	42.9
CAZ 1 km fringe	22,340	6.9
NIOD	15,150	4.7
NIOD 1km fringe	1,870	0.6
Rest of London	146,413	45.0
London	325,613	100.0

Source: GLA Economics Working Paper 68 - Work and life in the Central Activities Zone, northern part of the Isle of Dogs and their fringes (August 2015), data in above table from ONS, BRES and GLA Economics' calculations



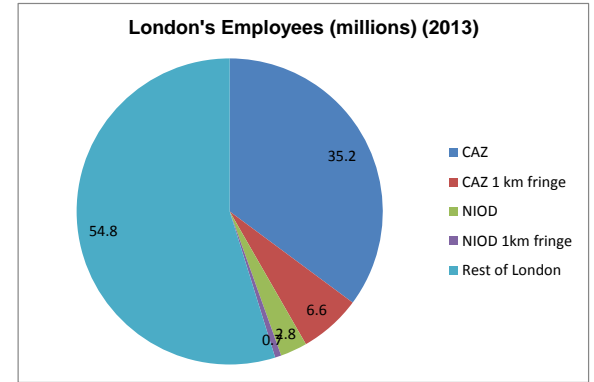
Area	Employment (million) (2013)	% of total of London's employment (2013)
CAZ	1.67	35.3
CAZ 1 km fringe	0.31	6.6
NIOD	0.13	2.7
NIOD 1km fringe	0.03	0.6
Rest of London	2.59	54.8
London	4.73	100.0

Employment' includes self-employed who are registered for VAT or PAYE
Source: GLA Economics Working Paper 68 - Work and life in the Central Activities Zone, northern part of the Isle of Dogs and their fringes (August 2015), data in above table from BRES



Area	Employees (million) (2013)	% of total of London's employees (2013)
CAZ	1.61	35.2
CAZ 1 km fringe	0.30	6.6
NIOD	0.13	2.8
NIOD 1km fringe	0.03	0.7
Rest of London	2.51	54.8
London	4.58	100.0

Source: GLA Economics Working Paper 68 - Work and life in the Central Activities Zone, northern part of the Isle of Dogs and their fringes (August 2015), data in above table from BRES



Appendix 4

Affordable Housing SPG
FREEPOST LON15799
GLA City Hall, Post point 18
The Queen's Walk,
London
SE1 2AA
By email to housingspg@london.gov.uk

28 February 2017

Dear Sir

Affordable Housing and Viability SPG

I am writing on behalf of the Westminster and City Property Associations to respond to the consultation on the Affordable Housing and Viability SPG. WPA and CPA are made up of major land owners, developers, investors and professional advisors active within the Cities of Westminster and London, respectively. I have attached a copy of our current membership lists.

General

The Associations recognise the many challenges that London faces over the coming decades in remaining a successful City including in meeting the wide range of housing needs.

The Associations have contributed towards the preparation of the London First response to the SPG and which they endorse.

However there are some general points of principle, and specific points that relate to the Central London context in which our Members operate, on which we wish to respond specifically. Given the importance of Central London and the Central Activities Zone to the health of London, and the UK, economy, we trust that you will take these matters into consideration.

WPA and CPA consider that it is vital that affordable housing is considered in the wider context of London-wide housing supply across all sectors of the market. The root cause of the lack of affordable housing is a chronic failure to deliver sufficient housing of all types in London and across the greater South East over several decades. Housing delivery consistently falls short of meeting housing need. This drives up prices and reduces the affordability of open market housing, both for rent and to buy. A significant increase in the supply of new homes, across all tenures and value bands, is necessary to start to address this longstanding shortfall. The UK housing market is complex; whilst increasing the supply of new homes may not, in isolation, fully address the problem, reducing supply-side constraints and encouraging delivery must remain at the heart of policy.

Without an increase in delivery, alterations to affordable housing policy can only affect the allocation of an inadequate supply and cannot address the overall requirement. Overall supply needs to double for the foreseeable future.

Ensuring that housing continues to be delivered, and increasing the rate of delivery, requires a substantial increase in the rate of the release of land for development.

This is why the thrust of national, and regional, policy is to encourage the delivery of land for housing. There is a national imperative to address the identified need for new housing, and to deliver a step change in completions. This is set out in paragraphs 3.14-3.18 of the London Plan. It is reiterated in the Housing White Paper.

It is therefore vital that affordable housing policy encourages, rather than restrains, the release of land for housing and enables it to be developed and delivered swiftly. As set out in the London First response, whilst changes that simplify and speed up the system, and improve the certainty of outcomes, are to be welcomed, we are concerned that some aspects of the proposals will discourage the release of land and so reduce, rather than improve, overall housing delivery. We are also concerned that effect of the draft SPG appears to be to start to create new policy that goes beyond existing London Plan policy, rather than providing guidance upon it. The proposed SPG needs to be implemented carefully and monitored rigorously to ensure that it improves housing outcomes, rather than worsening the position.

Threshold Level

The Associations are concerned that the proposed 'Route B' will have limited utility in Central London. Westminster City Council has a strategic target to deliver 30% affordable housing across all tenure and delivery types (Policy S16 of the November 2016 City Plan). However, on the basis of area-wide viability studies, it seeks 25% affordable housing on residential development within the Core Central Activities Zones, and 35% outside it, above thresholds of 2,500sqm and 6,000sqm respectively. This is consistent with London Plan Policy 3.12, which seeks to achieve the "maximum reasonable" proportion of affordable housing in individual private residential and mixed use developments. Similarly, within the City of London, 30% affordable housing is sought.

It therefore follows that almost all schemes within the Core CAZ (Westminster), and the City of London, and smaller schemes outside of the Core CAZ but in Westminster, will provide less than the 35% "threshold level" at which schemes can follow Route B. Requiring applications that achieve locally set affordable housing targets, which are the 'maximum reasonable' levels of affordable provision, to follow Route A, creating a need for detailed viability assessment where none existed previously, could potentially add to delay and uncertainty. It would not meet the objective, set out in paragraph 2.4, of providing "certainty and consistency", nor would it create a clear incentive for developers.

The Associations suggests that the threshold level should either be set locally, or be the lower of **either** 35% or the local affordable housing policy target, whichever is the lower. Proposals that continue to meet local affordable housing targets, especially in the Core CAZ, should not then be required to undergo more extensive viability testing.

Review mechanisms

WPA and CPA have significant concerns about the introduction of review mechanisms, particularly near-end review mechanisms. This is because such mechanisms substantially increase risk of development outcomes especially for those funding development. Such mechanisms require the

developer to bear all the risk associated with development but allow them only a share of the profit above a certain level. This is a disincentive effect. At the very least, the mechanisms proposed must ensure that the developer's future liability is limited to providing a level of affordable housing that meets the local policy target and must not seek a profit share arrangement beyond this. The SPG does not explain why the LPA should receive a greater share of the profit without bearing any risks.

These concerns are compounded, in a central London context, because proposals that **meet** local affordable housing targets below the threshold level (or which contain an element of off-site provision or payment in lieu) would still be required to follow Route A, and thus be subject to review mechanisms, despite the fact that they have already provided a level of affordable housing considered by policy to be the "maximum reasonable".

WPA/CPA do not support the use of review mechanisms and suggests that this is removed because of the significant potential disincentive effect, and the potential adverse effect on housing delivery. Notwithstanding this, if review mechanisms are retained, they should:

- a) be applied only where the level of affordable housing proposed is below the prevailing local target;
- b) should not seek a level of profit share that would exceed equivalence with a level of affordable housing that met local affordable housing targets; and
- c) be used only for pre-commencement reviews where substantive implementation does not occur within a specified period of time.

Implications for commercial development

Within the CAZ, new office developments are required to provide a mix of other uses including housing. This is secured by both London Plan Policy 4.4 and, within Westminster, City Plan Policy S1. An element of affordable housing is usually required as part of this provision.

Consequently, the approach adopted to affordable housing can have a significant effect on other forms of commercial development within the CAZ, in those cases where commercial development is required to provide a cross-subsidy to support the affordable housing component.

This type of development will frequently provide a range of on-site and off-site provision, as well as financial payments. In most cases, such schemes would be required to follow Route A, even where the local affordable housing target was met. This, in itself, may discourage commercial development. Furthermore, the requirement for review mechanisms under route A would introduce significant additional risk into commercial-led mixed use schemes, as well as residential schemes as described above. As drafted, the open-ended profit-share mechanism would create substantial additional risk for those promoting commercial development. This will discourage investment and will constrain office development, contrary to London Plan Policy 2.10(A)(e) which seeks to "**ensure that development of office provision is not strategically constrained**" in appropriate parts of the CAZ.

Off-site affordable housing and payments in lieu

Development proposals within Central London, especially within the CAZ, frequently include an element of off-site affordable housing provision, and/or financial payments towards affordable

housing provision. This is instead of on-site affordable housing. This is due to the often constrained nature of redevelopment sites in core central areas.

This is a consequence of the exceptionally high land values within Central London. These values mean that the opportunity cost of providing affordable housing on-site is very high. Providing affordable housing off-site can often lead to very substantially greater affordable housing outturns, with substantially more homes being built than if on-site delivery had been insisted upon, with all the associated opportunity costs and inefficiencies. The use of off-site provision can therefore significantly improve affordable housing outcomes. Clearly, a balance still needs to be struck to ensure that the off-site housing is appropriately located and contributes to creating a balanced and sustainable mix of tenures, but this does not necessarily require on-site provision in all cases.

In land use terms, on-site provision can lead to other land uses, which are also vital within the CAZ and which could not be provided or sustained outside of it, being displaced. The CAZ SPG recognises the importance of ensuring that **“agglomerations of offices and other CAZ strategic functions are not compromised by new residential development”** (paragraph 1.3.3). The SPG recognises the need for flexibility in applying requirements for on-site housing or nearby (paragraph 1.4.13).

Likewise, in some cases - especially smaller developments where factors such as small plot sizes, or limited frontage widths make including multiple tenures impractical - payment in lieu will enable better affordable outcomes to be achieved.

As drafted, the SPG would require proposals that otherwise meet the threshold target to follow Route A nonetheless, where off-site provision or payment in lieu is proposed (paras 2.48 - 2.53). In view of the benefits of off-site provision in some cases, off-site provision should not automatically trigger a need for further detailed viability assessment in cases where either the threshold target, or local policy target, is being achieved (see comments above) and the LPA is otherwise satisfied that the location of the off-site residential proposed is acceptable.

The Associations are concerned that, as drafted, the proposals could disincentivise developers from using off-site and payment in lieu mechanisms to maximise the overall delivery of affordable homes, in contrast to the objectives of the guidance.

The Associations suggest that the automatic requirement that Route A be used where payment in lieu or off-site provision is proposed be removed.

Registered Providers

Paragraph 2.24 requires developers to engage with an RP at the outset of developing a scheme and to have secured from them a purchase price for the affordable housing element. WPA is concerned that RPs may not have sufficient capacity and resourcing to provide this level of engagement with developers that early in the development process. In our experience, they are usually only able to engage meaningfully once planning permission is granted and greater certainty has been established around the nature of the affordable housing component.

This has the potential to add additional delay and complexity to the determination of planning applications, slowing this down rather than speeding them up

The Associations suggest that this requirement is reconsidered.

Guidance on viability assessments

WPA and CPA are concerned that paragraph 3.49 of the guidance would restrict the use of alternative use values (AUV) in establishing the benchmark land value as an input to viability appraisals, allowing it to be considered only where there is “an existing implementable permission” for that use.

In Central London it is generally accepted that a range of uses, including retail, offices, hotel, leisure and residential may generate similar site values. The precise balance will change from site to site, and from submarket to submarket, but in broad terms all these uses compete for land in Central London. This is materially different from elsewhere in London, where residential use will generally establish higher land values. The range of uses to which land could be put in Central London supports the areas high land values.

It should not, therefore, be necessary to achieve planning permission for an alternative use in order to have regard to the AUV in establishing the benchmark land value.

For example, planning policy would support a range of potential uses for an underused surface car park within the Core CAZ, including offices, hotel and residential. The site value would, therefore, clearly be higher than derived purely from its current use as a car park. It should not be necessary for a residential developer, to establish this, to go to the expense and delay of firstly submitting a planning application for an alternative development that he/she does not intend on implementing, purely to establish an AUV, when the potential of that alternative use is set out within Development Plan policy. At best, this would add delay, expense and complexity to the planning process and, at worst, would incentivise the use of low EUV sites like this for alternative, non-residential, development to enable them to be brought forwards more quickly. This would not contribute towards the delivery of the objectives of the SPG.

The Associations recommend that the requirement for AUVs to be supported by an existing, implementable, planning permission to be removed from the CAZ.

The Associations also endorse the detailed comments of London First on the methodology and approach.

Conclusion

WPA and CPA welcome the opportunity to respond to the consultation on the draft SPG. WPA/CPA are keen to ensure that emerging planning policy is consistent with the objectives of adopted policy to encourage the delivery of new housing. Increasing housing supply is key to addressing London’s chronic affordability problem in the long term.

In view of the Associations’ focus on Central London, and the particular characteristics of the Central London markets, they consider:

1. The threshold level for the use of Route B should be either the local affordable housing target, or 35%, whichever is the lower, to relate to the central London context where the maximum reasonable level has been established at between 25% and 35%;
2. Review mechanisms should not be used. If they are to be retained, they should not be applied to proposals that achieve the local affordable housing target, and should not require profit share above a level equivalent to meeting that local target;
3. Use of off-site affordable housing, and payments in lieu, should not automatically trigger the need to follow Route A;
4. Engagement with registered providers prior to submission, whilst desirable, should not be mandatory, in recognition of their resource limitations;
5. AUV should be an acceptable contributory factor in establishing the benchmark land value for development schemes within the CAZ, given the high values associated with other uses permitted by Development Plan policy, without the need for a specific planning permission.

I trust that these comments are helpful and look forward to continuing to discuss this emerging guidance with your officers. In the meantime, please do not hesitate to contact me if it would be helpful to discuss the contents of this letter further.

Yours faithfully,

Charles Begley

Executive Director, Westminster and City Property Associations