

# Q+A Planning comments

**Next Plc (Iain\_Allsop@next.co.uk)**

Page: [Policy SD8 Town centres: development principles and Development Plan Documents](#)

Section: [SD8](#)

Object -

Q+A Planning Ltd act on behalf of the national retailer Next Plc.

Next Plc has a robust and successful business model, the strength of which has been demonstrated in recent years and has resulted in Next currently being ranked 74th in the FTSE 100, above Marks and Spencer (at 91st). Despite the recent uncertainty in the retail sector, and in contrast to some other retailers, Next has continued to expand its presence in both town centres and out-of-centre locations and sees space expansion as being critical to business growth.

Next have numerous stores throughout Greater London. Generally, their stores are split between town centre locations (i.e. international, metropolitan, major or district centres using the London Plan hierarchy) or retail park locations (some of which are within designated centres). There are also some selected standalone stores in London.

Next have significant concern over the approach in the London Plan where the redevelopment of retail and leisure parks to deliver housing intensification is encouraged. Therefore, on behalf of Next, we submit a strong objection to this policy approach which is set out first in policy SD8 and then in policy H1 and E9 (which we have cross referenced in respect of these additional policies). The approach is not only inconsistent with the NPPF, it is not positively prepared, justified or effective. We are not aware of the evidence base for this policy decision and its justification appears to be based on generic assertions.

The key element of policy SD8 is part A (4) which states that *‘realising the full potential of existing out of centre retail and leisure parks to deliver housing intensification through redevelopment and ensure such locations become more sustainable in transport terms, by securing improvements to public transport, cycling and walking.’* This is supported by paragraph 2.8.3, which states that *‘Existing out-of-centre and edge-of-centre retail and leisure parks are often low density and car dependent, poorly integrated into the surrounding area. They usually suffer from an environment that creates barriers to cycling and walking, with extensive surface car parks and buildings that have large footprints and limited active frontages.’*

In our view, this approach will have numerous drawbacks. Next trade successfully from many retail park locations across London. Due to the scarcity of sites, there are few new developments opportunities available for retail parks in the London area. Therefore, Next’s view is that the retention (and indeed protection) of existing retail parks is important for the future sustainability of shopping patterns across London. Should this policy be adopted, there is a risk that landlords will stop investing in retail parks with a view to developing them for housing, which would have a knock-on negative impact on consumer choice and employment across London.

For the avoidance of doubt, generally speaking we do not see the role of retail parks competing directly with town centres. They offer a completely different type of retailing and normally do not have the wider range of uses offered in town centres, such as employment, leisure, cultural, civic, tourism and other complementary uses. This means that retail parks trade successfully alongside some of the healthiest and vibrant town centres in London.

We are surprised at the somewhat disparaging comments on retail parks as set out in paragraph 2.8.3. These are entirely generic, not embedded in evidence and take no account of the reason that the retail parks were delivered in the first place. As explained above, their characteristics, whilst distinct from those in town centres, are complementary to town centres and provide a different type of shopping offer which is attractive to national retailers, such as Next, who promote a dual representation of town and out of centre locations to provide consumer choice to their customers. On this basis, we have identified five adverse consequences of the policy which means it should be abandoned.

### Reason 1: Consumer choice

Encouraging the redevelopment of retail parks for housing will inevitably result in consumer choice being limited, entirely contrary to the NPPF. The attraction of the retail park format for some retailers is that it allows for larger footprint units, enabling the retailer to display more of its range of goods. They also normally offer surface level car parking, which in some cases is free. This type of retail is a result of changing consumer behaviour where customers look to visit a retail park for a shorter visit, rather than a longer half day or day trip to a town centre.

In addition, retail parks normally offer the potential to sell different type of goods that due to their size or value, are not viable to sell from town centre locations. These include those in the typical bulky categories, such as furniture and furnishings, DIY and decorating goods, electrical items and other large goods. Whilst retail parks can sell a wider range of goods, there are certain retailers that only trade from retail park locations (i.e. that is the business model they have adopted). Indeed, Next's original Home offer (i.e. the part of the business that sells furniture, homewares and furnishings) is based on occupying retail park locations and their evidence is that offering a large 'Home offer in town centres is simply not viable.

Therefore, should the policy approach being advocated means that the retail choice provided by these parks could be lost from the area should they be redeveloped for housing. Such retail parks now form an established part of the retail landscape – and one that both customers and retailers embrace as a complementary role to traditional centres. If the retail offer is lost from the area, the retailers would trade from other locations and inevitably customers will travel to those locations. This will have consequences for sustainability, increasing travel demand and for those less able to travel, introducing a social barrier.

### Reason 2: Evolving retail behaviour

The retail landscape has changed significantly in recent years, firstly with the increasing role of the Internet and the growth of online sales, and more recently the increase of the 'click and collect' concept in respect of the delivery. The GLA's Experian evidence suggests that about 25% of all comparison goods spending will be online by 2031. It also suggests 25% (of the 25% spent online) will be collected within a physical store (i.e. click and collect).

Stores in retail parks provide an important role in that click and collect growth. They assist in two ways. Firstly, the units are normally sufficiently large to enable the storage of the click and collect orders. And secondly, they also can act as a display area for customers to visit the store and to see items that they can purchase online within the store. As well as collections, the stores can act as locations for returns of items purchased online. This dual purpose is not always possible in town centre locations due to constraints on space and parking. Furthermore, it is often easier or more convenient for customers to visit retail park stores, for example on their way to or from work or school.

Should retailers be limited in their ability to service click and collect orders through their existing stores, then customers will inevitably need to consider different options for delivery of their orders should the growth in the Internet occur as forecast. One consequence would be an increased pressure on the logistics network in London, with increased numbers of deliveries to residential areas.

### Reason 3: Capacity

The policy decision to encourage housing intensification on retail parks appears to ignore the reason that they were developed in the first place. As explained in our first reason, certain retail uses are simply not suitable for town centre locations. Added to this is the reason that retail parks have been delivered has been due to the insufficient physical capacity to meet the expenditure needs of a growing population in London.

Indeed, some retail parks only exist because there was insufficient physical capacity to delivery development in town centres in the first place. In our view, in many parts of London that situation is unlikely to have changed and the retail parks are simply meeting a need that could not be delivered in the town centre.

The main significant retail schemes that are coming forward are in larger retail destinations, such as Brent Cross, Westfield London and Croydon. Therefore, with the polarisation effect generally happening across London (i.e. bigger centres getting bigger), it is important to consider the distribution of retail facilities across London. Whilst we have no concern over the delivery of these large retail led regeneration projects, the consequence is that much of the retail floorspace in London will be focused on larger destinations. If then retail parks in some parts of outer London were redeveloped for housing, this compound the polarisation effect of shopping destinations in London. So this will result in more people travelling longer distances to larger centres, which has sustainability implications and, in turns, introduces social barriers limiting the access to shops to those that are capable and can afford to travel to the larger centres.

#### Reason 4: Need

According to the GLA's evidence - Consumer Expenditure and Comparison Goods Retail Floorspace Need in London, GLA, 2017 - there is a need for a net addition of 1.2 million square metres of retail floorspace by 2041. This figure allows for the contribution made by pipeline developments. It also assumes that all existing vacant floor space is used up before any additional floorspace is developed (an assumption in itself is unrealistic, since a churn is necessary to allow for the turnover of retailers in any given area).

In any event, this remains a substantial need figure, which will need to be met to ensure London remains competitive and meets the needs to its residents. However, there is a further point that this assessment assumes that existing floorspace will increase its turnover by 2% per year. If it didn't – then the needs would be even higher. Of course, that 2% applies to existing floorspace on retail parks. If the contribution from retail park turnover growth was removed from the Experian assessment, then the total needs would be significantly higher.

Therefore, we struggle to reconcile a substantial need for additional retail floorspace with a policy decision that would result in the reduction of existing floorspace at retail parks, which if happened would mean the need would increase further. It is clear that the policy decisions in respect of retail parks and the substantial need calculated are incompatible. Furthermore, existing retail parks can often help meet these substantial needs through minor extensions and alternations, if managed correctly.

#### Reason 5: Employment

This policy decision does not recognise the significant number of people employed in retail stores located on retail parks across London. Indeed, it is surprising that retail park jobs are not given the same policy protection as office, industrial or logistics jobs, even though they are just as important to local people.

Indeed, the London Labour Market Projections 2017 evidence document expects that in the retail sector there would be a total growth in employment of 1.7% to enable stable employment to 2041, representing 0.2% per year or 1,060 jobs per year. Inevitably, some of these jobs are going to be located in retail park destinations, either now or in the future. Therefore, by encouraging the redevelopment of the retail parks for housing is likely to erode the potential to deliver the expected job growth for the sector.

The availability of retail jobs is important to London residents, given their flexible working opportunities, potential for apprenticeships and training available and the diversity of skills needed. The retail parks across London provide a significant proportion of the retail jobs to London residents and encouraging their redevelopment for residential

As well as these clear adverse consequences, we have identified a further four reasons why the policy as drafted will simply be ineffective.

#### Reason 6: Land use

Whilst retail parks are located on a variety of sites across London, a large number of them are located on former industrial or employment sites, or are adjacent to busy roads or infrastructure. For retail uses, these locations are entirely sensible since there are no residential receptors present that will introduce amenity concerns.

However, once these sites are considered for residential, there are residential amenity concerns to resolve in respect of noise and air quality. In addition, for those sites adjacent to operational industrial land, there is the potential that the introduction of residential uses could curtail the ability of those sites to operate evolve during the plan period

#### Reason 7: Accessibility

In respect of accessibility, it is noted that the policy suggests that residential developments would need to become more sustainable in transport terms in respect of public transport, cycling and walking. In our view, unless the sites benefit from significant infrastructure investment, we expect that it would be challenging to make any substantial improvements to the public transport accessibility of a site. In other words, if the site is poorly accessible as a retail park, then redeveloping it for housing does not automatically mean it would become more sustainable. However, if the site is sustainable in terms of transport, then this would remove one of the key reasons given in the supporting paragraph for redeveloping the sites for housing. Therefore, in our view, there is a confused logic to the policy aspiration.

#### Reason 8: Environment

There is a suggestion in the supporting paragraph that retail parks, usually suffer from an environment that creates barriers to cycling and walking, with extensive surface car parks and buildings that have large footprints and limited active frontages. This appears to be a sweeping generalisation and does not fully align with our experience.

As explained before, the footprints of the retail units are in response to consumer demand where shoppers are expecting to see a wide choice of goods on display. Furthermore, just because units have a large footprint does not automatically justify its development for housing. The size of the unit is also a response to market demand. The car parking arrangements, whilst often extensive are also responses to consumer demand.

In respect of barriers to cycling and walking, it is recognised some locations will be better than others. However, it is often possible to build in improved walking and cycling accessibility as retail park owners asset manage their properties, particularly if new parking layouts are proposed. Therefore, any potential barrier to cycling and walking should not lead to a conclusion that the whole retail park concept should be abandoned.

In respect of active frontages, we struggle to reconcile this with our experience of retail parks. Normally, all of the frontages of the retail units be active to some degree, with either entrances or window displays. More generally, Next have been at the forefront at improving the architecture in their retail park stores, with a greater use of glazing throughout the stores to improve appearance and increased use of natural light.

#### Reason 9: Hierarchy of centres

Finally, the policy is likely to have some un-intended consequences in respect of the existing hierarchy of centres. Whilst it is appreciated that some elements of the policy qualify the reference to retail parks as 'out of centre' or 'edge of centre', there are many retail parks, or development with retail park characteristics to varying degrees that are located within defined town centres in the hierarchy of centres across London. Often the development of a retail scheme with retail park characteristics has been the only viable way to meet needs and, in accordance with the sequential test, should of these schemes have been located within or on the edge of designated centres. Therefore, their redevelopment for residential led schemes are unlikely to provide the same format of retail floorspace (in terms of scale or unit size) and thus may well undermine the function of those centres by significantly reducing footfall and turnover. Therefore, there is a degree of internal conflict with other elements of the London Plan – including policy SD7 in respect of the network of centres.

Overall, whilst we support the aspirations to deliver housing intensification on appropriate sites, we do not believe that including a policy aim to redevelop retail parks is an appropriate solution, for the reasons we have outlined. Whilst we have no objection to the delivery of additional housing on appropriate sites, particularly if there is no longer demand for retail, the London Plan needs to balance competing land uses in a sustainable manner. In our view, the current approach will have serious consequences for London's retail health and future economic performance.

In addition to our fundamental concerns over the approach to retail parks, we also have concerns over the soundness of the approach taken in respect of the sequential test.

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

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

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

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

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

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

Therefore, paragraph 2.8.1 should be deleted.

Page: [Policy SD8 Town centres: development principles and Development Plan Documents](#)

Section: [2.8.3](#)

Object - Our detailed comments on Policy SD8 set out of concerns over this paragraph and the approach to housing intensification on retail parks. For the avoidance of doubt, Next object to this paragraph since there is no reasonable justification for the development of retail parks in the manner described. Therefore, paragraph 2.8.3 should be deleted.

Page: [Policy H1 Increasing housing supply](#)

Section: [H1](#)

On behalf of Next, we object to Part B 2) d) of policy H1 in respect of the identification of 'mixed-use redevelopment of car parks and low-density retail parks' as a source of capacity for housing delivery. Our representations to policy SD8 provide our detailed reasons for why this policy approach is misguided. We also consider that the extent to which retail parks can be described as 'low density' is open to interpretation. For example, the use of mezzanine floors along with optimised parking arrangements means that many well managed retail parks are particularly high density compared to other land uses. Furthermore, they employ large numbers of people and therefore, in respect of job density, they can also be high density. Therefore, this element of the policy should be deleted.

Page: [Policy E9 Retail, markets and hot food takeaways](#)

Section: [E9](#)

On behalf of Next, we object to Part B 8) of policy E9 that states that in development plans Boroughs should, inter alia, manage existing edge of centre and out of centre retail (and leisure) by encouraging comprehensive redevelopment for a diverse mix of uses in order to realise their full potential for housing intensification. Our concerns over this policy approach have been explained in full within our representations to policy SD8. Therefore, this element of the policy should be deleted.

## London Hotel Group (mn@lhg.co.uk)

Page: [Policy SD8 Town centres: development principles and Development Plan Documents](#)

Section: [SD8](#)

Object -

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

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

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

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

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

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

Object -

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

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

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

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

Therefore, paragraph 2.8.1 should be deleted.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Page: [Policy E10 Visitor Infrastructure](#)

Section: [6.10.3](#)

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