

Mr S Khan
Greater London Authority
City Hall
London Plan Team
London SE1 2AA

1 March 2018

Dear Mr Khan,

THE LONDON PLAN: DRAFT FOR PUBLIC CONSULTATION DECEMBER 2017

Sainsbury's Supermarkets Ltd is pleased to have the opportunity to respond to the Draft consultation London Plan (DLP). These representations relate to both the Sainsbury's and Argos estate and the aspirations we have for both elements of our business.

As you are aware, Sainsbury's and Argos are significant employers within London. First and foremost, we are a retailer and our primary focus is to protect our existing estate throughout the capital, while also exploring opportunities to expand our offer and continue to provide the best service to our customers.

Notwithstanding this, in recent years, we have delivered 1,637 new homes on strategic sites and are progressing regeneration opportunities with the capacity to deliver 3,400 more. Schemes such as Fulham Wharf and Nine Elms underpin our success in this area. These schemes have delivered significant benefits providing the:

- sustainable intensification of sites;
- modern replacement and expanded retail space to better serve our customers; and
- delivery of much needed quality new homes.

As you will be aware, our current focus is on our stores at Whitechapel, New Cross Gate and Ilford, however we continually examine the rest of our portfolio to identify significant new redevelopment opportunities. We hope to continue working with you to deliver these opportunities and make a significant contribution to the new homes needed within London.

With the above in mind, the DLP consultation presents a good opportunity for us to clarify our position on some of the key planning matters which will shape the city over the next 20 years. These comments are provided in specific respect of matters that

will have direct relevance to our future aspirations. We deal with these matters in turn below.

General Approach of the Draft London Plan

Overall, we are supportive of the approach and a number of policies in the DLP and we will deal with this below. However, the current consultation document is too prescriptive and contains too many detailed policies.

Whilst we appreciate the intention, Section 334 of the Greater London Authority Act (1999) clearly states that the spatial development strategy for London includes “general policies in respect of development and the use of land in greater London”. Moreover, Section 334(5) specifically identifies that the “spatial development strategy must deal only with matters which are of strategic importance to Greater London”. This aspiration is repeated at Section 0.0.4 of the draft document.

The DLP contains numerous prescriptive policies that are better placed within individual borough development plans. The level of detail results in policies which are simply not of strategic importance and place too much emphasis on specific development control matters.

This level of detail is, firstly, unnecessary and, secondly, is contrary to the GLA Act. We trust that the Mayor acknowledges this and amends the document to ensure that it becomes the strategic overarching policy document it is meant to be, providing direction to individual London Boroughs.

Retail Policies

Policy SD8 A 2

Sainsbury’s object strongly to Policy SD8 A 2 of the DLP. This states that development plans and development proposals should adopt 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...”

This approach is contrary to the provisions of the National Planning Policy Framework (NPPF), most notably paragraph 24. The proposed statement adds a higher threshold or barrier to development than advocated by the NPPF. The NPPF does not imply that out-of-centre development should be “Firmly resisted”, only that the proposal should comply with the sequential approach. As such, this draft policy is not consistent with national policy and is not sound.

Policy SD8 A 1 sufficiently addresses the provisions of the sequential test in accordance with the NPPF. No additional protection is necessary or justified.

Policy SD8 A 2 should, therefore, be deleted.

Policy SD8 A 4

We fully support the DLP's aspiration to realise the full potential of existing out-of-centre retail and leisure parks to deliver housing intensification through mixed use redevelopment. As mentioned previously, Sainsbury's has already adopted this approach through its delivery of key sites such as Nine Elms and Fulham Wharf demonstrating the significant levels of housing which can be realised and their ability to act as a catalyst for regeneration.

However, it is essential that there must be a wider recognition that existing stores are trading businesses. At present the DLP does not reflect this crucial point.

Sainsbury's operate busy trading stores on sites referred to by SD8 A 4. Any redevelopment of these sites results in lost and disrupted trade. This is fundamental starting point for Sainsbury's which must be taken into account in the viability assessment for development. There is a significant operational cost to Sainsbury's associated with the redevelopment of an existing store, as a result of either temporary closure or severely compromised operation during the construction phase. This represents a significant initial cost to the business and risks the permanent loss of customers. This is particularly true in London's competitive retail market.

In this context, a key barrier to redeveloping many of Sainsbury's existing stores is the cumulative impact of planning contributions on viability. These include - but are not limited to - affordable housing delivery, CIL contributions and infrastructure improvements. In addition, Policy T6 I prescribes a reduction in retail car parking through site redevelopment. This will further hamper viability and we deal with this in more detail below. The cumulative impact of potential contributions, loss of car parking and loss of trade often makes the 'do nothing' option the most sensible for Sainsbury's whose primary business is retail.

To date Sainsbury's redevelopment schemes have been made possible through a pragmatic and realistic approach by local authorities and the GLA when considering viability matters which impact upon issues such as contributions and affordable housing provision.

Policy SD8 A 4 must recognise and make provision for this.

Design Policies

Policy D6: Optimising Housing Density

We support the Mayor's overall aspiration in seeking to make the most efficient use of land and ensuring that proposals be developed at the optimum level.

As mentioned previously, Sainsbury's has a strong track record of delivering successful high density mixed-use schemes in London, integrating retail and residential uses. Our schemes demonstrate that high density sustainable

development, mixed-use and high quality design can successfully co-exist. Our approach to design can ensure the successful integration of what were historically considered incompatible uses, such as retail and residential. An innovative approach, with understanding from all parties at the design and planning stage, can screen out potential design issues, such as noise from servicing.

We would, therefore, encourage the Mayor to adopt a more flexible approach to housing density, to ensure that schemes can deliver development which remains compatible with and sympathetic to the surrounding area. By allowing a more flexible and pragmatic approach, which is less reliant on formulaic indicators such as PTAL rating, this can greatly increase the potential for innovative and creative design approaches to come forward.

Similarly, there must be recognition of the relationship between density and affordable housing provision (quantum and tenure split). In short, if the Mayor is introducing the 35% affordable housing threshold, this will potentially have a negative impact upon the viability of schemes. To respond to this, the DLP will need to contain greater flexibility regarding density to ensure schemes remain viable.

Policy D12: Agent of Change

Sainsbury's offers its full and unequivocal support for the principle outlined within this policy. However, we note that the policy focuses on existing noise-generating cultural venues. We consider that this policy and its supporting text should equally and specifically recognise retail uses as requiring the same level of protection.

Sainsbury's have experienced complaints (particularly linked to servicing) when noise sensitive uses are introduced around existing stores and these uses do not contain sufficient noise mitigation. Our approach to the management of deliveries and servicing is highly effective in reducing impact, but it is inevitable that there will be an element of noise and disturbance associated with some activities. In the past, the onus has fallen unfairly on us to mitigate noise issues or forced us to severely compromise our existing arrangements. This can have a significant impact on the operation of the store and in turn our ability to meet our customers' expectations.

The DLP must be clear that the Agent of Change Principle applies to retailers.

Housing Policies

Policy H1 B 2 b

In line with our comments regarding Policy SD8 A 4, we would reiterate our in-principle support for the mixed-use redevelopment of low density retail sites (Windfall sites). However, a pragmatic approach needs to be adopted with respect to this aspiration. It will only be achieved, where there is consideration of site specific factors including recognition that these sites will generally be occupied by existing trading businesses. These factors will significantly affect development viability and this must be understood and appreciated when discussing wider issues surrounding these types of schemes. If the DLP does not promote a pragmatic approach to the delivery of these sites, it throws into doubt the significance of these sites' contribution to

housing numbers over the plan period. This in turn undermines the DLP's key aim to increase housing supply and erodes the assumptions on which Table 4.1 of the DLP is based.

Economy Policies

Policies E4 and E7

We offer outline support for the protection of existing industrial locations. Having regard to Policy E7 D, we do not object to the introducing of mixed-use or residential uses on non-designated industrial sites. However, in accordance with the Agent of Change principle, there must be specific reference to the fact that introducing these uses must not fetter the operation of industrial and distribution sites. Proposed schemes must therefore be designed to allow for the continued 24-hour operation of distribution and industrial sites.

Policy E9 B 4

Sainsbury's supports the aspiration of this policy to provide additional convenience retail stores. However, the DLP should recognise that on occasions these stores can only work with on- street servicing.

Within this context, Boroughs must be encouraged by the Mayor to work with retailers to deliver innovative servicing solutions. The DLP should recognise that there can be more than one solution which will ensure that there is not a severe impact on the highway network. We have significant experience of creating innovative servicing solutions tailored to each site and are looking to adopt a collaborative approach to work with the Mayor and individual Boroughs. This collaboration can ensure the delivery of these important convenience retail facilities in line with the policy aspiration.

Heritage and Culture Policies

Policy HC1 C

We consider this policy statement to be too negative. In particular, where the policy states that development proposals should seek to "avoid harm". While we understand the intention of the statement, it needs to be explicitly stated that this may not be possible in all circumstances and any potential harm should be weighed against the benefits of a scheme. This approach is in accordance with the more balanced approach of the NPPF.

Furthermore, too often a change in the setting of a heritage asset is immediately associated with harm. The policy should be clear that this is not the case and a balanced consideration of all relevant matters is required in accordance with the NPPF.

Given the need for more housing in London, the Mayor and the individual Boroughs should take a more positive approach towards development within or adjacent to

historic environments. This will deliver fully optimised schemes but also respect the heritage of the wider area. The DLP should support this approach.

Opportunity Areas

Policy SD 1

Sainsbury's supports the general principles set out by Policy SD 1. Sainsbury's have stores located in a number of the opportunity areas, most notably New Cross Gate, Ilford and Kensal Canalside. We particularly support SD 1 B 4 which encourages Boroughs to 'recognise that larger areas can define their own character and density'.

In relation to Kensal Canalside Opportunity Area (KCOA), Sainsbury's, along with the adjoining landowner, Ballymore, are in the early stages of a master planning exercise. To date this exercise has demonstrated that the overall opportunity area is capable of accommodating a minimum of 3,500 homes. Therefore, this work fully supports the DLP's strategy.

The KCOA is bordered to the north by Kensal Green Cemetery. The cemetery is a Grade 1 Listed Landscape and contains more than 150 listed buildings and structures. Any redevelopment of the KCOA will take as its key design cue the importance of its relationship with the cemetery. However, it is wholly unrealistic to expect that the KCOA can deliver 3,500 homes and not change the local skyline and affect the setting of the cemetery.

Our view is that good design will enhance the setting of the cemetery. An alternative approach that sought to maintain the cemetery's current setting would seriously undermine the potential to deliver this quantum of housing within the KCOA. This example emphasises the importance of a positive approach to development that affects historic buildings and environments set out in the previous section. Only if the DLP strikes the right balance can it deliver housing numbers while preserving London's historic fabric.

Transport Policies

Policy T6 I

We strongly object to the policy statement set out within Part I of Policy T6. It is essential that appropriate car parking levels can be re-provided as part of the redevelopment of existing foodstore sites.

A reduction in parking beyond the existing demand has significant consequences for the future operation of a foodstore. In particular, the forced reduction of spaces within a car park that is well used prior to the redevelopment will result in a potential loss of market position (as customers will be less inclined to visit a store if parking is less readily available and visit alternative locations where sufficient car parking is provided). This will compound any temporary loss of trade from construction works with the potential to make permanent these negative impacts.

As such, any loss in car parking, and the subsequent potential loss of trade, would need to be factored into any financial appraisal. A loss in parking is likely to render redevelopment schemes unviable, thus neutralising the potential significant benefits that could be forthcoming from mixed-use redevelopment schemes. The implementation of this policy would therefore present no real alternative to maintaining the foodstore in its current form, in some cases with a overprovision of car parking.

In addition, the policy as drafted does not reflect the potential for existing car foodstore parking to provide a valuable contribution to the Mayor's objective of providing appropriate electric vehicle infrastructure throughout the capital.

The Mayor needs to adopt a more flexible policy framework which allows foodstore operators to approach this issue flexibly on a case-by-case basis which fully reflect the commercial circumstance, current and future car parking demand. Without this flexibility, the policy is likely to constrain the potential for the provision of new and affordable homes as a result of the redevelopment process.

It should also be noted that the disabled parking requirements are broadly identified as a percentage of the total provision which is heavily dependent on PTAL. The PTAL calculation has limitations and subsequently whilst this application of this method may identify high accessibility to a site, the individual characteristics of different sites could potentially offer significant challenges which would need to be considered on an individual basis.

Policy T7 F

In accordance with our comments in respect of Policy E9 B 4, we object to Policy T7 F on the basis that it is unrealistic to provide off-street servicing on all schemes, particularly convenience store schemes.

Policy T7 F does not include any threshold for size or type of development against which it would be applied, and it is completely unreasonable to expect all future development within London to accommodate an off-street servicing solution.

As mentioned within our comments under Policy E9 B 4, a more flexible approach should be adopted which allows for pragmatic and creative consideration based on individual site circumstances, and positive collaboration between all parties to achieve solutions which allow schemes to come forward.

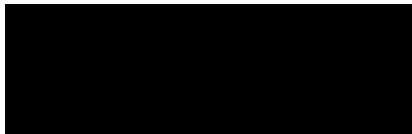
Conclusions

We trust that the above representations will be taken into consideration and acted upon as part of the continued preparation of the DLP. Sainsbury's is a key retailer and employer in London, and we are keen to protect and enhance our existing estate while looking for further opportunities to continue to provide choice for our customers.

We also recognise that a proportion of our existing stores do not optimise the use of sites and there is potential to deliver excellent regeneration and mixed-use redevelopment opportunities. We are always open to discussing how these opportunities can be delivered.

However, it is clear that there are significant obstacles to delivering these sites, in terms of the impact on existing trading stores and ensuring viability. These issues require understanding and a pragmatic collaborative approach to resolving them.

Yours sincerely



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