

Greater London Authority
City Hall
The Queen's Walk
London SE1 2AA

9th December 2016

Dear Sir/ Madam

THE CROWN ESTATE

RESPONSE TO 'A CITY FOR ALL LONDONERS' CONSULTATION DOCUMENT

CBRE is responding on behalf of The Crown Estate in relation to the above referenced consultation document. The Crown Estate is committed to the long term sustainable development of its Regent Street and St James's Estates, located within the City of Westminster, and is pleased to take part in this consultation.

The Crown Estate

The Crown Estate has a nationwide property portfolio with a combined value of over £11.5 billion. The largest concentration of these assets is in the West End in St James's and Regent Street. Between them, as well as including residential uses, these two areas form a significant proportion of The Crown Estate's UK commercial portfolio. Over 10,000 people work on Regent Street in more than 700 office businesses and over 150 retail and catering outlets.

Alongside the comprehensive renewal and redevelopment of Regent Street that has been undertaken to provide modern office, retail and residential space and an enhanced public realm, The Crown Estate has embarked on a strategy to enhance the role of St James's, acknowledging the area's distinctive mix of uses, from theatres, restaurants and bespoke shopping to the fine art businesses and international auction houses within St James's and the cluster of private members' clubs in Pall Mall as well as significant residential occupiers.

The Crown Estate's vision is to be a progressive commercial business creating significant value beyond financial return. It works with partners and stakeholders to grow the business, outperforming the market whilst delivering sustainable long-term returns and making a positive impact through its total contribution to the UK. The Crown Estate is guided by its values – commercialism, integrity and stewardship – in everything it does.

Response to 'A City for all Londoners'

The Crown Estate is supportive of establishing an approach to sustainably accommodate London's continuing growth, which is a focus of Part 1 (accommodating growth) and also the overarching theme of this 'direction of travel' document. We support the objective that London remains the top global business city and that its global competitiveness on all fronts is preserved and enhanced.

We note the emphasis on mixed use development in this section. We agree with the support given to mixed use areas which, as a principle, is often to be preferred to mixed use buildings. Flexible application of mixed use policy on a site by site basis is to be encouraged, which helps to stimulate additional investment. The Crown Estate has been able to make good use of flexible concepts such as land use and housing swaps and credits, which has facilitated the delivery of major developments across its Regent Street and St James's portfolios..

We welcome the overarching objectives of accelerating delivery and increasing density in appropriate locations as set out in Part 2 (Housing) of this document. The Crown Estate is committed to helping to meet London's housing needs, including in respect of affordable housing. There are however complex, multiple public interest objectives of the Central Activities Zone. We consider some degree of trade-off is needed between driving economic growth and commercial development and meeting the need for additional affordable housing. We therefore, see that a pan London approach to housing will have benefits and may well result in more affordable housing being provided for London, as a whole, and more quickly. The subsidies for affordable housing arising from development can be used in different ways. We would support a continuing strategic approach to meeting such needs.

We note further detail on the proposed approach towards affordable housing, including the London Living Rent initiative, is set out in in the Mayor's newly published draft 'Homes for Londoners' Supplementary Planning Guidance (SPG). We will be reviewing and responding separately to that consultation as appropriate.

We welcome the strong emphasis on upgrading and enhancing infrastructure as set out in Part 3 (Economy) of this document. The Crown Estate has been very supportive of the major national capital investment in heavy infrastructure, such as the Elizabeth Line. We particularly welcome the support for Crossrail 2 particularly given the significant opportunities for growth and job creation this will deliver.

London cannot continue to grow in the central area by simply seeking to make more intensive use of existing floorspace. Net additionality will be needed to meet the future challenges for London. The Crown Estate would welcome a new London Plan which enables additional physical growth, including in areas around areas of high public transport accessibility. We welcome the joint working with Transport for London to secure these benefits.

We particularly note the priorities in Part 3 of this document to support small and medium sized businesses by protecting existing workspace and to make sure new commercial developments include new affordable business space in areas where costs are very high. We look forward to further detail as to the intended policy approach in relation to these matters but consider it is essential that a balanced approach is taken in formulating any such policies. We welcome the research which is being undertaken for the London Office Review Panel in relation to these matters.

The Crown Estate's existing office portfolio in Regent Street and St James's comprises a variety of sizes and types of office accommodation which meet the requirements of a wide range of occupiers. There is a risk that an overly prescriptive and protectionist policy approach could adversely impact The Crown Estate's ability to bring forward schemes in the future which rejuvenate and renew its existing office and retail stock, as it has done so successfully in recent years.

Although it has undertaken a number of significant recent redevelopments, The Crown Estate's experience is that in the West End in particular, which is characterised by numerous listed buildings and conservation areas, the opportunities for complete redevelopment of the existing built fabric are and will remain relatively limited. Recent trends in office rents in the prime of the West End markets, where rents are amongst the highest in the world, are we believe due primarily to a lack of supply to meet the demand from medium and large space occupiers.

We broadly welcome the vision for the Environment, Transport and Public Space, in relation to carbon reduction, improving air quality, sustainable transport and enhancing the public realm, as set out in Part 4 of this document. The Crown Estate has adopted its own 'Development Sustainability Principles' against which all major urban redevelopment and refurbishment projects must report. We look forward to the publication of the environment strategy, which we understand will set these policy ambitions out in more detail, in 2017.

With regards to the objectives for pedestrianizing Oxford Street, we consider it essential that these proposals are not brought forward in isolation from the surrounding areas and that the full impact on nearby residents and businesses is properly addressed. It is important that such a proposal results in an overall reduction of traffic and does not simply divert this away from Oxford Street to nearby streets.

With regards to the subject of London's heritage, The Crown Estate recognises its responsibilities as stewards for a wide range of heritage assets. With that in mind, we see that there will be a complementary role for larger and, potentially, taller buildings in parts of central London and Opportunity Areas if London is to meet the future challenges of growth. Further intensification in the use of land will also be needed including in the core.

In managing the evolution of the historic environment, in the context of a growing World City, we foresee that careful judgements will need to be made in balancing clear benefits which are in the public interest, with the degree of change in the historic environment. The need for housing and employment accommodation has now become a clear strategic objective in its own right.

On the subject of basement development, whilst we acknowledge the importance of ensuring that impacts on local amenity are properly addressed, we do consider this is a fine grained matter which is best left with local authorities as opposed to being addressed in the London Plan itself.

We look forward to continuing a positive dialogue with the Greater London Authority as the new London Plan is developed and published for further consultation in 2017 and also as the Mayor's other strategies emerge.

In the meantime, should you have any queries or require further information in connection with this response, please do not hesitate to contact me.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Graham Timms', written in a cursive style.

GRAHAM TIMMS
Associate Director