



City of Westminster

Committee Agenda

Title: **City Plan Sub-Committee**

Meeting Date: **Wednesday 22nd July, 2015**

Time: **6.30 pm**

Venue: **Rooms 3 & 4 - 17th Floor, City Hall**

Members: **Councillors:**

Peter Freeman (Chairman) David Boothroyd
Tony Devenish Andrew Smith
Jonthan Glanz

Members of the public are welcome to attend the meeting and listen to the discussion Part 1 of the Agenda

Admission to the public gallery is by ticket, issued from the ground floor reception at City Hall from 6.00pm. If you have a disability and require any special assistance please contact the Committee Officer (details listed below) in advance of the meeting.



An Induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, please contact the Committee Officer, Joe McBride, Committee and Governance Officer.

**Tel: 7641 2341; Email: jmcbride@westminster.gov.uk
Corporate Website: www.westminster.gov.uk**

Note for Members: Members are reminded that Officer contacts are shown at the end of each report and Members are welcome to raise questions in advance of the meeting. With regard to item 2, guidance on declarations of interests is included in the Code of Governance; if Members and Officers have any particular questions they should contact the Head of Legal & Democratic Services in advance of the meeting please.

AGENDA

PART 1 (IN PUBLIC)

1. MEMBERSHIP

To note any changes to the membership.

2. DECLARATIONS OF INTEREST

To note any Declarations of Interest from members or officers in relation to items on the agenda.

3. MINUTES

To sign the minutes of the meeting on April 15th as a correct record of proceedings.

4. CITY PLAN REVISIONS UPDATE - SPECIAL POLICY AREAS AND ENERGY

(Pages 1 - 24)

5. REVISIONS FOR BASEMENTS MIXED USES

(Pages 25 - 90)

Peter Large
Head of Legal & Democratic Services
Date Not Specified



City of Westminster

City Plan Sub-Committee Report

Date:	22nd July 2015
Classification:	General Release
Title:	City Plan Revisions Update – Special Policy Areas and Energy
Report of:	Director of Policy, Performance and Communications
Cabinet Member Portfolio:	Built Environment
Wards Affected:	All
City for All	The revisions for basements and mixed use are City for All priorities under heritage, and the West End Vision and partnership work is a priority under aspiration
Key Decision:	No
Financial Summary:	Met by existing budgets
Report Author and Contact Details:	Lisa Fairmaner, Lead Spatial and Environmental Advisor lodonel1@westminster.gov.uk 020 7641 4240

1. Executive Summary

- 1.1 The Basements Revision and Mixed Use Revision and all supporting documentation have been agreed by the Cabinet Member for the Built Environment for formal consultation. This consultation will last for 8 weeks, from the decision date, which is anticipated in Mid-July. This report briefly sets out the key changes made since the last City Plan Sub-Committee Report in June.
- 1.2 Additionally it seeks views on the next revisions: the Special Policy Areas (SPAs) Revision and the Energy Revision.

2. Recommendation

- 2.1 That Members consider the questions posed relating to the SPAs Revision and Energy Revision with a view to giving feedback for officers.
- 2.2 That Members provide any feedback on the basement and mixed use revisions.

3. Basements Revision

- 3.1 Since the previous report there have been changes to the following elements of the Basements Revision:
 - The limit on the extent of garden land under which a basement could be constructed (previously whichever was the larger of 50% garden length, or 4m) has been changed to not more than 50% of the site curtilage, with an exception for small sites as per the policy excerpt below. This change is simpler to apply, and more flexible, recognising that it is not always the rear garden which is the largest. It also adopts a slightly more generous approach to smaller sites where the largest garden area is up to 8m, they may construct a basement that extends in that direction up to 4m.

CM28.1 Basement development to existing residential buildings or buildings originally built for residential purposes will:

1. a) not extend beneath more than 50% of the site curtilage. On small sites, where the longest distance between the existing building and any site boundary is less than 8m, an exception will be made to allow the basement to extend up to 4m from the building in that direction. On all other sides of the building, the basement will not extend beneath more than 50% of the remaining curtilage.
- A margin of undeveloped garden land, proportionate to the scale of development is a requirement around the site boundary – except where it is proposed that development will extend under abutting highway. This

ensures that there is adequate potential for surface water drainage, and will mitigate risks of entire terraces developing beneath their rear gardens for example. The exact size of this margin is not specified, because it depends on the size of the site, and the proposed development, but additional guidance has been given in the policy application, following discussion with Alan Baxter Associates suggesting that it be in the range of 0.5-2m, with potential to reduce this further on the smallest sites.

- 3.2 The formal consultation is to be accompanied by a notice of the proposed 'non-immediate' Article 4 Direction removing permitted development rights for basement development across the City
- 3.3 The 'Supporting Information' documentation includes revised figures for the Code of Construction Practice which are lower than previously reported. This reduction results from a review of elements that could be charged under other legislation/regimes. Thus the new cost range proposed for applicants ranges from £7208 - £9248 (depending on the level of complaints received) with an average of £8228.

4. Mixed Use Revision

- 4.1 The revision provided for the July Sub-Committee has been subject to two key revisions to Policy S1 Mixed Use in the Central Activities Zone. The version provided in July included a new threshold of 30% - 50% development uplift, as a 'banding'. Any development that fell within that threshold would be subject to total flexibility about how the required residential floorspace would be provided (e.g. the current cascade of on-site, off-site, credit or payment in lieu). Below the 30% threshold the current policy would not apply. Above the 50% threshold, the current policy would apply.
- 4.2 This has now been modified to essentially allow the first 30% development uplift for 'free'. That means that within the 30% - 50% banding, the policy only applies to the floorspace above the 30% development uplift. Again, above 50% development uplift, the first 30% of the floorspace is not used in the calculation for the mixed use requirements.
- 4.3 Secondly, the requirement only applies in Core CAZ, Opportunity Areas and the Named Streets. This will have a very limited impact: there were no relevant applications outside these areas in the last 5 years. The policy agreed for consultation is set out below, together with the Policy Application describing how that operates, with the relevant changes underlined.

POLICY S1 MIXED USE IN THE CENTRAL ACTIVITIES ZONE

The council will encourage development which promotes Westminster's World City functions, manages its heritage and environment and supports its living, working and visiting populations.

Within the CAZ, a mix of uses consistent with supporting its vitality, function and character will be promoted.

- A) Where proposals are outside Core CAZ, the Named Streets or Opportunity Areas, or within these areas where proposals increase the amount of floorspace by less than 30% of the existing building or less than 400sqm (whichever is the greater) no residential floorspace will be required.
- B) Where proposals in Core CAZ, the Named Streets or Opportunity Areas increase the amount of floorspace by between 30% and 50% of the existing building, and more than 400sqm:
- i. net increases in B1 office floorspace (up to a maximum of the net additional floorspace above the 30% development uplift threshold), will be accompanied by an equivalent amount of residential floorspace, either on-site, off-site or by mixed use credits (Policy CM47.2); or
 - ii. net increases in B1 office floorspace (up to a maximum of the net additional floorspace above the 30% development uplift threshold) will be accompanied by an affordable housing payment in lieu equivalent to the net gain in B1 office floorspace (subject to the 30% development uplift threshold as above).

It is at the applicant's discretion whether they wish to apply i. or ii. above.

- C) Where proposals in Core CAZ, the Named Streets or Opportunity Areas increase the amount of floorspace by more than 50% of the existing building and more than 400sqm, net increases in B1 office floorspace (up to a maximum of the net additional floorspace above the 30% development uplift threshold) will be accompanied by an equivalent amount of residential floorspace. The residential floorspace will be provided in accordance with the following cascade. Applicants are required to demonstrate to the council's satisfaction that it is not appropriate or practicable to provide the floorspace (in whole or in part) at each step of the policy cascade before they can move to the next.
- i. The required floorspace will be provided on-site or in the immediate vicinity of the site.
 - ii. The required floorspace will be provided off-site (including through a draw down of mixed use credits in accordance with Policy CM47.2) on a site in the vicinity of the development site, or in the case of Victoria and Paddington Opportunity Areas, within that Opportunity Area.
 - iii. The required floorspace will be provided off-site (including through a draw down of mixed use credits in accordance with Policy CM47.2) elsewhere within the CAZ. This part of the cascade does not apply to Victoria and Paddington Opportunity Areas. The housing provided must be greater and of a higher quality than would be possible under i. or ii. above.

- iv. Payment of an appropriate Payment in Lieu to the Affordable Housing Fund equivalent to the net gain in B1 office floorspace (subject to the 30% development uplift threshold as above).

In demonstrating that a particular step is not practicable, site specific considerations will need to be taken into account. In demonstrating a particular step is not appropriate, considerations may include where a significantly better outcome can be achieved, in keeping with the council’s mixed use objectives, by not providing the residential floorspace on site.

- D) In Core CAZ, the Named Streets or Opportunity Areas, where changes of use from office to residential and/or replacement of office floorspace with residential floorspace are acceptable in principle under Policy S20, the net increase in residential floorspace will be accompanied by an appropriate amount of commercial floorspace and/or social and community floorspace, except where:
 - i. the net increase in residential floorspace is less than 400sqm; or
 - ii. in the case of changes of use from office to residential, the building was originally built as residential and the building is substantially retained.

Where these proposals increase the amount of floorspace by more than 50% of the original building and more than 400sqm, net increases in residential floorspace will be accompanied by an equivalent amount of commercial and/or social and community floorspace.

The commercial and/or social and community floorspace can be provided on-site, off-site or by the draw down of mixed use credits (Policy CM47.2) or by an appropriate payment in lieu to the City Council’s Civic Enterprise Fund. These options will not apply where an active frontage is required at ground floor level, which must be provided on-site.

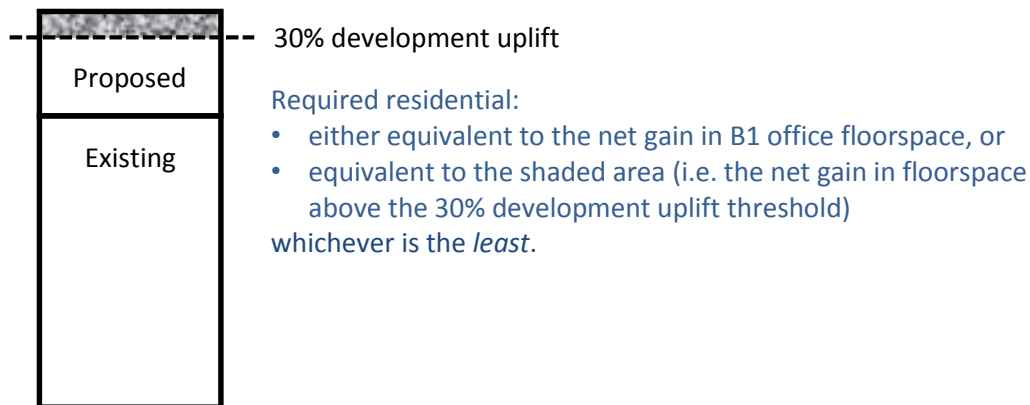
Policy Application

The requirement set out in 1B) and 1C) above for residential floorspace from office development applies at above the 30% development uplift threshold (development uplift minus 30% of the development uplift). Development uplift is calculated as follows:

$$\frac{\text{Net gain in floorspace (sqm GIA)}}{\text{Existing floorspace (sqm GIA)}} \times 100$$

Where the site is wholly made up of office floorspace, the requirement for residential simply applies to the net gain in floorspace above a 30% uplift. However, site development with a mix of uses (existing or proposed) can be more complicated, with some of the gain in office floorspace achieved through

development uplift and some through changes of use of other types of floorspace. In such cases the required residential can be illustrated on the following page:



The calculation of requirements against this policy is based on Gross Internal Area. The development uplift is measured as a percentage of the existing building floorspace. However, where extensions that fall below the threshold have been approved, under construction or completed in the previous 5 years, these will not be taken into account in the calculation of the existing building floorspace where the City Council believes incremental extensions are being implemented to avoid the policy requirements.

5. SPAs Revision

5.1 Draft proposed text for the Special Policy Areas Revision is set out at Appendix 1. These take forward policies for five Special Policy Areas (SPAs), for Harley Street, Portland Place, Mayfair, St James's and Savile Row. The East Marylebone SPA is discussed in paragraphs 5.6- 5.15 below. The proposed text reflects comments made by Sub Committee on 15 April - to include an overall scene setting aim to each of the SPA policies and recognising that on-site residential provision may not be appropriate in some locations, such as Savile Row and Cork Street. Consultation responses on the SPAs policies have been taken into account in drafting the proposed revisions. Proposed revisions are draft and subject to change as discussions are on-going with key stakeholders such as Historic England (previously English Heritage).

- Members' views on draft proposed text for the Special Policy Areas Revision set out in Appendix 1 are welcomed.

Article 4 Directions

5.2 Sub-Committee also asked that consideration be given to whether Article 4 Directions would be required to ensure that the special character and function of the SPAs is protected. The key threats to the character and function of

each of the SPAs have been assessed in light of changes to permitted development rights. The greatest threat is the potential for uncontrolled loss of A1 uses in St James's, Mayfair and Savile Row SPAs where a key part of their special character is from specialist and niche retailing, and where retailing complements the character and function.

- 5.3 Government guidance advises that the use of Article 4 directions should be limited, and that the potential harm any direction is intended to address be clearly identified. Changes from A1 to A2 uses (financial and professional services) are now unrestricted, whilst changes from A1 to A3 uses (restaurants and cafes) require prior approval. Other changes from A1 use allowed under permitted development do not apply in the SPAs as they are all located in conservation areas where these rights are not permitted. The council can refuse prior approval if it considers the change of use will impact the sustainability of the shopping area. The council would need to provide strong justification that prior approval provisions would not adequately cover concerns over the potential impact on the character and function of the SPAs.

Views on the proposed options are welcomed

- To apply for Article 4 Directions to remove the permitted development rights for changes of use from A1 to A2 only.
- To monitor prior approvals for changes from A1 uses to A3 uses allowed under permitted development to ensure the process provides sufficient protection.
- To include some guidance for each SPA for the consideration of prior approvals for changes from A1 uses to A3 uses.

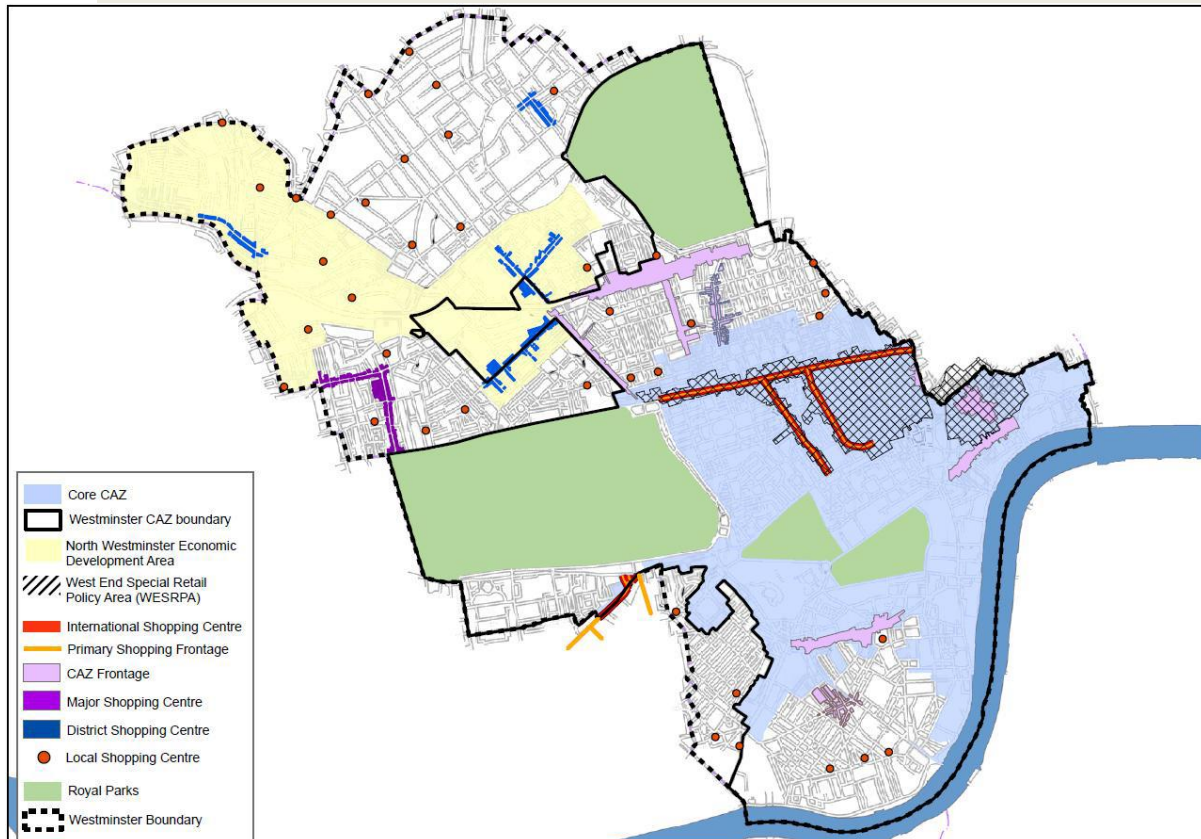
- 5.4 There is also a threat to the loss of A1 elsewhere in the city. Whilst not strictly within the SPA Revision, views are sought from the sub-committee as part of their consideration. The map below sets out the hierarchy of shopping areas, the SPAs are all located within the CAZ. Permitted development would allow the unrestricted change of use from A1 to A2 uses in key shopping areas such as Oxford Street, Bond Street and Covent Garden. An article 4 direction could be sought for designated shopping areas, or key frontages in designated shopping areas where we can better justify the need for an article 4 direction.

Views on where Article 4 directions should be sought are also welcomed:

To apply for Article 4 directions to restrict A1 to A2 to protect the retail function of shopping areas in for example:

- Core CAZ and all designated shopping areas; or
- WESPRA (West End Special Retail Policy Area, including Oxford Street, Regent Street, Bond Street, Soho and Covent Garden) and core frontages in all designated shopping areas; or

- Primary Shopping Frontages (Oxford Street, Regent Street, Bond Street), and core frontages in all designated shopping areas.



5.5 The council would incur a cost to the service as officers would need to determine planning applications for changes of use from A1 to A2 in the proposed areas for which a fee is not chargeable. However, officers may already be considering proposals e.g. for shop front changes (£195, advertisement consent (£110) etc. In the last 10 years there were 146 applications for changes of use from A1 to A2, when planning permission was required. Although a fee is not now chargeable and it is acknowledged that planning fees do not always cover the cost of determining an application, this nonetheless suggests a resourcing cost of £5,621 per annum. The additional work required to determine applications for changes of use from A1 to A2 would be balanced against the impact of loss of A1 uses on vitality and viability of shopping streets and on the character and functions of SPAs.

Wholesale Showrooms in East Marylebone

5.6 A key issue for discussion is the East Marylebone SPA. Members indicated at the previous Sub Committee that retaining the East Marylebone SPA to protect wholesale showrooms may not be appropriate, given the evidence of on-going decline of this area as a centre for wholesale showrooms for the fashion industry.

5.7 The East Marylebone SPA has protected wholesale showrooms for a number of years. The original boundary was reduced after a survey showed a decline in showrooms operating within the wider area. A survey in April 2015 has recorded a further decline of 20 wholesale showrooms in the adopted SPA,

with the existing number now at 40 (including eight vacancies). The map of the current showrooms in the SPA at Appendix 2 indicates concentration of premises on Great Portland Street, Great Titchfield Street and Mortimer Street. The 20 premises that are no longer showrooms have changed use to either A1 retail or B1 uses, and have included a number of galleries, photographic and design studios. Most changes from wholesale showroom use appear to be unauthorised (the city council has not taken enforcement action to date). There is very limited data on where showroom occupants of vacated premises have relocated.

- 5.8 Officers contacted existing showrooms in the SPA to seek their views on the future policy approach for the area. A letter inviting occupiers to a meeting and including a short survey was sent on 1st May 2015 to 47 premises, to existing wholesale occupants and to premises which had previously been used as wholesale showrooms and where the current use was unclear. Whilst only three showrooms responded to the survey (all of whom still operate in East Marylebone), there were differing views on the future policy for the area. All businesses were of a similar size and had a customer base in London and worldwide. All indicated that the cost of renting premises would be a reason for moving out of the area. Two respondents indicated that they gained little business from passing trade (one of whom wanted to change to a retail use such as a coffee shop), and that they would consider relocating elsewhere in London. One respondent felt that showrooms should continue to be protected in order to maintain a cluster of uses.
- 5.9 In discussions regarding the potential policy options, Development Planning officers consider that the remaining wholesale showrooms continue to contribute to the character and function of East Marylebone, and suggested that factors contributing to the decline in numbers of wholesale showrooms in Westminster could be the subject of further research. Deletion of the East Marylebone Special Policy Area may undermine the implementation of the wider policy for wholesale showrooms. Wholesale showrooms add to the diversity of business uses in the West End and continue to contribute the character and function in certain streets, including Great Portland Street, Great Titchfield Street and Mortimer Street in the East Marylebone SPA, and in other parts of Westminster such as Berwick Street (jewellery).
- 5.10 The adopted policy approach to wholesale showrooms, UDP policy COM 12, is set out at Appendix 3. This protects existing wholesale showrooms throughout the city where they contribute to the character and function, in addition to protection of wholesale showroom uses in the East Marylebone Special Policy Area. Consultation on the Westminster's Economy booklet as part of the City Plan Revision included an addition to policy S20 Offices and other B Use Business Floorspace, to take the adopted policy approach forward:

'Outside the East Marylebone Special Policy Area a change of use from a wholesale showroom at ground floor will normally be acceptable except where the showroom contributes to the character and function of the area.'

- Does the existing concentration of wholesale showrooms continue to merit the retention of the East Marylebone Special Policy Area?
- If this is the case, should specific streets be identified to support the wider wholesale showroom policy to protect city-wide, where they contribute to the character and function of a street/area. Such streets could include Great Portland Street, Great Titchfield Street, Mortimer Street and Berwick Street.
- Should the wider wholesale showroom policy apply a vacancy test before allowing a change of use?
- Should policy restrict what new use can be, should a loss of wholesale showroom be acceptable (see below)?

Creative industries

- 5.11 The potential scope to support creative industries where policy allowed the change of use from a wholesale showroom was raised at the previous Sub-Committee. The Sub Committee did not agree there should be a transition from wholesale showrooms to creative industries and that the requirement should just be for active frontages.
- 5.12 We have looked further at this, as some of the key concerns were around maintaining active frontages e.g. many creative industries do not have active frontages, and thought needed to be given as to what creative industries would be appropriate and make a contribution to the area. Members are clearly aware of the importance of creative industries in Westminster. Most recently, the West End Partnership Vision noted that the area generates 3% of the country's economic output. Within the wide range of businesses and sectors in the West End, Westminster's creative industries play an important role, employing 90,000 people (5% of the UK's creative work force) and turning over £14Bn p.a. (20% of the UK's creative industry annual turnover). Westminster is home to more creative industry jobs than any other local authority in the UK, and potentially Europe and the world.
- 5.13 Importantly, the West End Vision seeks to support economic growth, by providing space for businesses, retaining its diverse mix and clustering of businesses. The challenges to achieving this include affordable space for small and growing firms. The vision document recognises that '*failure to deliver sufficient new supply will drive up rents and narrow the range of businesses that can afford the West End.*' Providing diverse and affordable business space are identified as key projects in the West End Delivery Plan 2015-2030. Recent discussions with SohoCreate have indicated that smaller creative businesses may not be able to afford to locate/ remain in Soho and the West End because of increasing rents and rates. Whilst we note Members comments at the previous Sub Committee, we do note that the protection of wholesale showrooms suppresses rental values by protecting the particular use.

5.14 The Council is currently developing a project brief for a new creative industries study, as the previous evidence from 2007 and statistical review in 2012 needs to be updated. This will inform our future policy direction.

- With the release of up to 40 premises in East Marylebone (if the principle of removing the SPA designation is accepted) should this opportunity be taken to help deliver against the West End Partnership's ambition for providing affordable and diverse business space, and if so how?
- Are Members content for officers to wait for the outcome of the creative industries report before deciding what those wholesale showrooms can be changed to?
- Should this approach be for wholesale showrooms city-wide?

6. Energy Revision

6.1 Due to the recent Budget's announcement to abandon zero carbon homes policy for 2016 and uncertainties about how this may impact on our proposed policies around energy standards, we are currently unable to present a draft energy revision. However, we would expect to be able to report at the next sub-committee when further details of the announced changes have become available and the implications for our energy policies have become clearer.

7. Financial Implications

7.1 There are no specific financial implications as a direct result of the recommendations in this report. Work on developing policies is met from existing budgets and public consultation will be undertaken electronically, thereby, minimising printing costs, etc. Any other costs associated with public consultation will be met from existing budgets.

7.2 However, financial implications do arise from the use of Article 4 Directions (paragraphs 5.3-5.4) would require the Council to undertake the processing of planning applications without the ability to secure a fee.

8. Legal Implications

The revisions are part of the plan development process as set out in the Town and Country Planning Act 1990 (as amended), The Planning and Compulsory Purchase Act (2004) and the Town and Country Planning (Local Planning)(England) Regulations 2012.

9. Consultation

The next stage for these revisions is the formal (Regulation 19) consultation on the proposed draft that the City Council intends submit to the Secretary of State. Consultations will be sent to everyone on the database, statutory consultees and all Ward Members.

If you have any questions about this report, or wish to inspect one of the background papers, please contact:

Lisa Fairmaner, lodonel1@westminster.gov.uk, Ext. 4240

APPENDIX 1

SPECIAL POLICY AREAS AND POLICIES MAP REVISION TO WESTMINSTER'S CITY PLAN

This document sets out revisions to Westminster's City Plan: Strategic Policies adopted in January 2014. It only includes those parts of the Plan that are subject to change. There are other proposed revisions to this plan which can be found at [www.westminster.gov.uk/policy/City Plan revisions](http://www.westminster.gov.uk/policy/City%20Plan%20revisions).

Text changes

Text to be deleted is shown as ~~struckthrough~~ text. Text to be added is shown as underline text or, where there are large new sections, prefaced by the text "*Insert the following new text after...*" in **blue**. Amendments made by previous revisions will be shown in **red**.

Changes to the Glossary section at the end of Westminster's City Plan are included as two lists of a) text to be added and b) text to be deleted. All unchanged parts of the Glossary have not been included.

Changes to Figures (tables, charts and diagrams)

All Figures shown replace the adopted figures in Westminster's City Plan. Figures that have not been changed have not been included. Changes to tables only include those rows that are subject to change (Figure 56).

SPECIAL POLICY AREAS REVISION CONTENTS

PART III: LOCAL SPATIAL POLICIES

PART IV: CITY-WIDE SPATIAL POLICIES

PART VI: IMPLEMENTATION

SUPPORTING INFORMATION

PART III: LOCAL SPATIAL POLICIES

SPECIAL POLICY AREAS

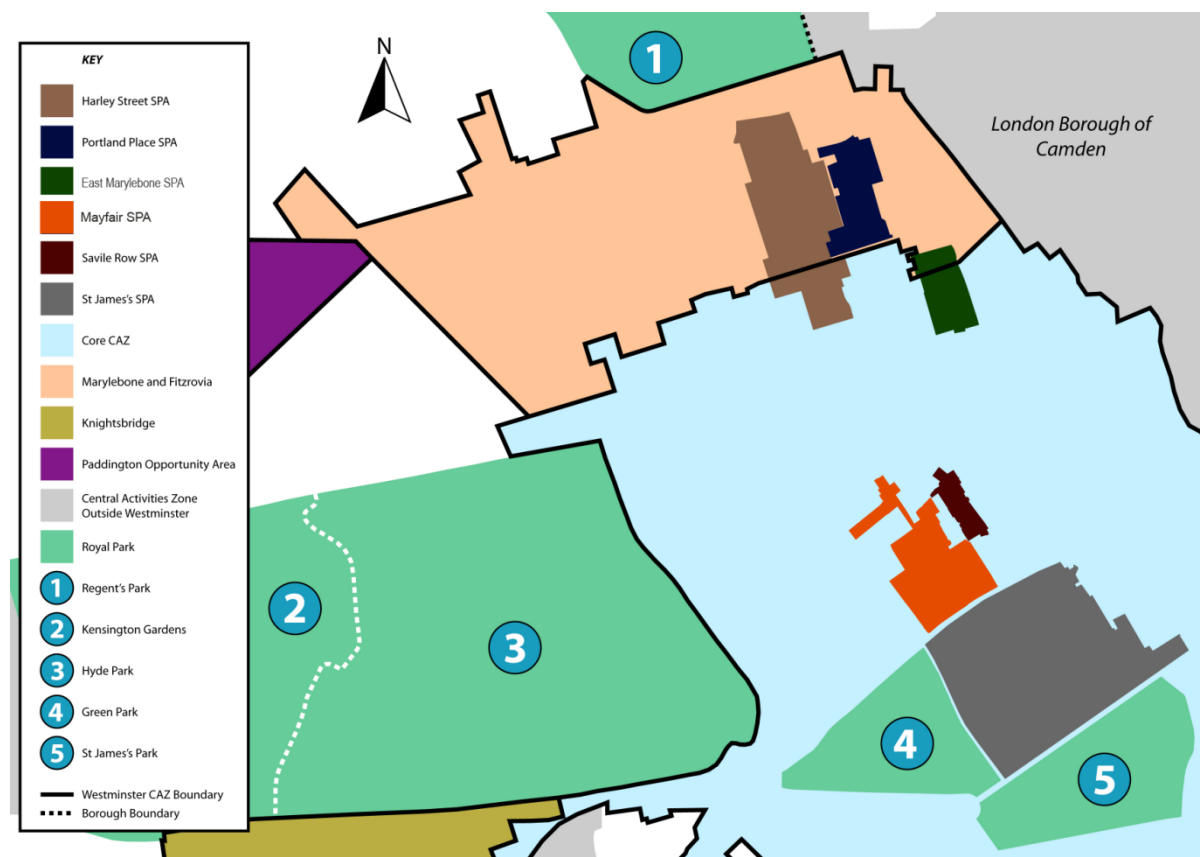


Figure 15 Special Policy Areas

3.7 The council has long protected and encouraged specialist uses in defined Special Policy Areas (SPAs). These areas are recognised for their special local distinctiveness, particularly relating to their land uses. Defining SPAs can help ensure that unique clusters of activity are not lost to other commercial uses. Protection of such unique uses support specific industries' long-term success and in many cases enhance London's global reputation.

3.8 Future Special Policy Areas may be designated in order to address specific, local land use issues. These will be used in order to ensure sufficient flexibility within the plan to address specific development pressures, economic circumstances and market conditions.

POLICY S2 SPECIAL POLICY AREAS

Special Policy Areas are designated to protect and promote specialist uses and functions as follows:

Harley Street:	Medical facilities
Portland Place:	Institutional uses
Savile Row:	Tailoring
St James's:	Private members' clubs, art galleries, niche retail

Mayfair: Art galleries, antiques traders and niche retail

East Marylebone: Wholesale showrooms (*future options discussed in main report*)

Reasoned Justification

It is necessary to provide specific protection for the unique clusters of specialist uses which are central to London's character and ensure these clusters are not eroded by pressure from other commercial uses. City Management policies will provide the detail to protect and encourage these uses.

Cross-reference to Policies S1 Mixed Use in the Central Activities Zone; S8 Marylebone and Fitzrovia (for Edgware Road Stress Area, which extends slightly into Core CAZ boundary).

Insert the following new text after Policy S2 Special Policy

POLICY CM2.1: HARLEY STREET SPECIAL POLICY AREA

Development should protect and enhance the character and function of the area as a strategically important cluster of medical uses.

New medical and complementary facilities will be encouraged.

Existing medical facilities, including consultation rooms and related professional and support services, will be protected and their loss of will only be allowed in exceptional circumstances where:

- 1. the council is satisfied that the premises have been vacant and actively marketed for medical use for at least 12 months at a reasonable market value and attempts to find an occupier have been unsuccessful;**
- 2. the character and function of the area as a centre of medical excellence would not be affected;**
- 3. the loss of the medical use will not significantly affect the demand for that particular specialism; and**
- 4. the change of use is to residential.**

The council will consider land use swaps within the Special Policy Area where it can be demonstrated that:

- 1. there will be no net loss of medical and associated floorspace; and**
- 2. the accommodation offered provides higher quality medical space.**

All development proposals will need to demonstrate that they do not have a negative impact on the character and function of the Special Policy Area.

Reasoned Justification

Medical uses in the Harley Street SPA add to the economic diversity of the area, providing over 3,000 jobs in the medical sector. Medical consulting rooms play a key role, and supporting uses such as diagnostic facilities are also important. Ensuring the on-going availability of appropriate accommodation supports the continued importance of the area as a centre for medical excellence within London, and the UK. This established concentration of medical uses in and around Harley Street is supported in London Plan (Policy 2.11). Medical facilities, particularly those of regional, national and international importance, in and around the Harley Street Special Policy Area can benefit from being close to other related services, including the medical research cluster at Med City.

The area has a long standing residential community which exist well alongside private, discreet practices. Other non-residential uses are not acceptable as they do not contribute to the area and commercial uses would lead to undesirable intensification of the area which would go against the character and function of the SPA.

POLICY CM2.2: PORTLAND PLACE SPECIAL POLICY AREA

Development should protect and enhance the character and function of the area for institutional uses.

New institutional uses will be encouraged and existing Institutional uses will be protected except where the council is satisfied that the premises have been vacant and actively marketed for institutional use for at least 12 months at a reasonable market price/rent and attempts to find an institutional occupier have been unsuccessful.

Applications for extensions to existing lawful Institutional uses to improve the functioning of the establishment will generally be allowed in the Special Policy Area and elsewhere in the Central Activities Zone.

Reasoned Justification

This long established concentration of institutional uses includes headquarters of professional, charitable, cultural and learned institutions, associations and trade federations, many of which have Royal status and/or charitable status. Such learned professional and cultural institutes are renowned throughout the UK and beyond. They add cache to the local area, bring educational benefits and add to economic diversity. As such, they make a valuable contribution to Westminster's role in London as a world class sustainable city. Most institutional uses are located in listed buildings and are well suited to these buildings, with the prestige of the use commensurate with the grandeur of the listed buildings in the area. Although the main cluster of Institutional uses is within the Portland

Place SPA, these uses can also be found in other parts of Westminster. The London Plan supports clusters of 'special uses' within the Central Activities Zone.

POLICY CM2.3: MAYFAIR SPECIAL POLICY AREA

Development should protect and enhance the character and function of the area for specialist and niche retailing especially art galleries and antiques traders.

Existing art galleries (class A1 Retail and D1 Non-residential Institutions) and antiques traders (class A1 retail) will be protected. The council may seek the re-provision of existing gallery or antique trader space as part of development proposals, to be secured by legal agreement.

New art galleries are to be encouraged and will be secured by legal agreement.

New retail uses should be in fitting with the character and function of the street or area in which they are located (e.g. Art Galleries on Cork Street, Jewellery or International fashion on Bond Street), and where appropriate should sell items or offer services falling in the following categories:

- Bespoke
- Unique or one of a kind
- Antique
- Limited edition

The city council will work with landowners to protect and promote clusters of specialist retailers in Mayfair.

The requirements for residential floor space as part of new office development may be applied more flexibly where the council considers this to be necessary in meeting the overall aim of this policy.

Reasoned Justification

Mayfair, along with St James's is the historic centre of the art market in London and the UK, as part of a truly global specialist trade. Mayfair contains around 90 commercial art galleries, the internationally renowned Sotheby's and Bonham's auction houses on New Bond Street, and the Royal Academy of Arts on Piccadilly, which is one of the largest and most visited public art galleries in London. Most of the retail galleries are now found in the southern part of Mayfair, with clusters on Cork Street and parts of nearby Bruton Street, Bond Street and Albermarle Street. Large numbers were previously located on Bond Street and other parts of Mayfair, however many have been lost as international fashion retailers have moved into many premises.

The character and function of this area is therefore highly influenced by the art trade, with galleries being a long standing feature and draw of the area, providing attractive window displays while catering mainly for specialist high value retail visits, and not high street type shopping. Galleries are complimented by other A-class uses including restaurants, cafe's and some specialist retailers. Neighbouring areas such as Savile Row and the Burlington Arcade share specialist uses and functions of a different, but complimentary nature.

The upper floors of buildings tend to be occupied by offices, with Mayfair attracting some of the highest office rents in London, being the home to many hedge funds and other finance related businesses. There are relatively few residential units around Cork Street and this part of Mayfair, although both single dwellings and apartment blocks do exist in parts.

The galleries in and around Cork Street are culturally significant, having provided many artists with breakthrough exhibition space, while providing attractive open frontages and displays, giving the area a special character and function due to their concentration and combined reputation. The galleries tend to be small businesses, but employ significant numbers of specialist and highly skilled workers in the art trade. Many have an international importance and catchment, attracting collectors from all over the world, as part of an international art trade valued at nearly £8 billion in sales (2009), of which Britain counts for nearly 30%. Mayfair is also the destination of choice for international art galleries, with many dealers from New York and America setting up branches in the area.

The council therefore wishes to protect and enhance this cluster of uses, which are economically and culturally significant. The area acts as an attraction for international visitors and investors. These uses attract visits of a specific, singular shopping purpose, similar to neighbouring Savile Row, and unlike the more high street shopping experience in other parts of London and the West End, where browsing and comparison shopping is more common.

POLICY CM2.4: ST JAMES'S SPECIAL POLICY AREA

Development should protect and enhance the character and function of the area for specialist and niche retailing especially art galleries, and for private members clubs.

Existing private members' clubs (*sui generis* uses) and art galleries (D1 Uses and A1 Gallery Uses) will be protected.

The council will work with landowners to protect the existing niche luxury and specialist retail floorspace (A1 uses) at basement, ground and first floor level and encourage new niche luxury and specialist retail development, particularly those selling good that fall into the following categories:

- **Bespoke**
- **Unique or one of a kind**
- **Antique**

- **Limited edition**

The council may seek the re-provision of existing gallery space as part of development proposals, to be secured by legal agreement.

Reasoned Justification

St James's contains a historic concentration of private members' clubs, many of which date back several hundred years and nearly as far back as the founding of St James's itself, contributing significantly to the historic character and function of St James's as a centre of aristocracy and prestige. Many of the original clubs are located along St James's Street and Pall Mall, occupying and maintaining landmark listed buildings, which are an intrinsic part of the historic street pattern and rich visual townscape, which includes private palaces and the West End's first square.

This is also the case for many of the niche and bespoke retailers, many of which were founded around the same time as the gentleman's clubs, and are intrinsically linked in terms of the clientele they serve and the unique services on offer, for example in Jermyn Street and its associated arcades linking it to Piccadilly. Jermyn Street is renowned for shirt makers, grooming products and accessories including hatters and shoe makers amongst other uses, which are also found in the neighbouring streets and arcades, and also include wine merchants, tobacconists and other niche uses.

Art galleries have also been in existence in St James's for several hundreds of years. Central London is a major centre of the billion pound global art trade, with its focus in St James's and Mayfair, containing a significant concentration of internationally renowned auction houses, retail galleries and associated art related services. There are over 70 retail art galleries in St James's, most are small independent businesses employing a number of specialist and skilled workers, while attracting clients from all over the world for the range of art on sale through galleries and fairs, and for the specialist skills and services on offer. The internationally renowned Christies auction house is also located in the centre of St James's, surrounded by commercial art galleries.

POLICY CM2.5: SAVILE ROW SPECIAL POLICY AREA

Development should protect and enhance the character and function of the area for bespoke tailoring.

Existing bespoke tailoring uses will be protected.

New bespoke tailoring will be allowed, particularly at basement and ground floor levels, and will be secured by legal agreements.

New A1 Retail will only be permitted at ground, lower ground floor and first floor levels, subject to the following criteria, to be secured by legal agreement where appropriate:

- **no bespoke tailoring uses being lost;**

- each retail unit being no larger than 300 sqm gross;
- the retail use should sell bespoke, unique, limited edition or one of a kind products.
- the retail function should be complementary to the character and function of the SPA.

Land use swaps will only be acceptable within the Special Policy Area where the other criteria within this policy are met, and where:

1. there is no net loss of bespoke tailoring floorspace, outside of necessary minor alterations to facilitate the land use swap;
2. the accommodation offered provides higher quality or larger bespoke tailoring space;

All development proposals will need to demonstrate that they do not have a negative impact on the character and function of the Special Policy Area.

The requirements for residential floor space as part of new office development may be applied more flexibly where the council considers this to be necessary in meeting the overall aims of this policy.

Reasoned Justification

The character and function of the Savile Row SPA revolves around the historic concentration of bespoke tailoring on the street, with the street name in itself acting as a widely recognised international brand, synonymous with the unique and high quality bespoke and discreet, personal service it offers. The core bespoke tailoring area is located on the eastern side of Savile Row, containing many of London's principal and oldest bespoke tailoring houses. Some of these buildings are former residential properties, with large basements and light wells, creating bright spaces for tailors to work, with workshops often visible from street level, in addition to retail elements which are mostly located at ground floor level. This mix of uses means that many of the bespoke tailors are classified as Sui Generis uses. The location close to the street also provides good access for vehicles transporting materials or finished garments, and encourages passing trade, while adding identity and interest to the streetscape through visible workshops and distinctive window displays.

The west side of Savile Row contains uses which are complimentary to bespoke tailoring. Here, several of the occupiers are also tailors offering bespoke services, however not all have workshops on site, and therefore fall within the A1 use class. The northern end of the SPA contains a mix of uses which fit into the character and appearance of the area, including art galleries and further complimentary retail uses. The upper floors of buildings tend to be in use as offices, with few residential properties. The pavements on Savile Row are narrow and therefore not suited to high volumes of retail footfall in the same way as neighbouring Oxford and Regent Street. Therefore, the historic use and function is fitting for the public

realm and characteristics of the street, with visits on the whole being for a specific purpose, service or retailer, and not a multi-functional, high street type shopping environment.

A retail policy and estate management strategy for Savile Row has been established between the main landowners, The Pollen Estate and Savile Row Bespoke Association (association representing skilled craftsmen and associated artisan businesses), to manage uses and support the area’s unique character. The strategy supports applications in the following categories: British bespoke tailoring, bespoke, individual and/or luxury goods and services (consistent with Savile Row’s heritage and values) and other men’s clothing, shoes and grooming.

Encouraging bespoke tailoring uses in the SPA will continue to support this cluster of bespoke tailoring activities and the wider bespoke tailoring industry in Westminster and the UK. Directing bespoke tailoring to the ground floor and basements of buildings will also maintain an active frontage onto the street and will enhance the character and function of the SPA, while helping to preserve the special character of buildings in the area.

PART VI: IMPLEMENTATION

FIGURE 56 MONITORING FRAMEWORK

HEADLINE OBJECTIVES	KEY INDICATORS’ TOPICS	POLICY REF
Objective 1: To accommodate sustainable growth and change that will contribute to enhancing London’s Westminster’s role as the heart of a pre-eminent a sustainable world class city, including building on its internationally renowned business, retail, cultural, tourism and entertainment functions within the Central Activities Zone; to support the unique economic breadth and diversity of the West End and its fringe areas including the Opportunity Areas ; whilst maintaining its unique and historic character, mix, functions, and townscapes.	Retail development in the West End Special Retail Policy Area (WESRPA), and other shopping centres, and outside shopping centres Hotel development by area Development of new arts and cultural uses by area Entertainment use development by area Development in Paddington, Victoria and Tottenham Court Road Opportunity Areas progress against housing and job targets; and delivery of key social and transport infrastructure identified in the plan policy Change in land uses in Special Policy Areas. Development affecting identified views.	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 18, 20, 21, 22, 23, 24, 25, 26, 27, 33, 2.1 , 2.2 , 2.3 , 2.4 , 2.5 , 47.1 , 47.2

Wholesale Showrooms in the East Marylebone SPA



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WHOLESALE SHOWROOMS

Aim

- 2.85 To seek the retention of wholesale showroom accommodation where it contributes to the character and function of areas such as East Marylebone.

POLICY COM 12: RETENTION OF WHOLESALE SHOWROOMS

(A) East Marylebone SPA:

- 1 Planning permission which would result in the loss of wholesale showrooms in the East Marylebone Special Policy Area at ground floor and basement levels will not normally be granted and wholesale showrooms floorspace should be replaced in re-development schemes.**
- 2 Planning permission for change of use from wholesale showroom use in the East Marylebone Special Policy Area to 'dual' wholesale showroom/office use will normally be granted where:**
 - (a) the premises are above ground floor level and are within the CAZ**
 - (b) the long term use of the lower floors as wholesale showrooms is not jeopardised.**

(B) Elsewhere in the City:

- 1 Planning permission for change of use from a wholesale showroom at ground floor will not normally be granted where the showroom contributes to the character and function of the area. In other cases, planning permission will be granted where the proposed use is as a retail shop, or a use appropriate for a street level location, generating passing trade and providing a direct service to customers, if the proposed use is within an area which would benefit from its introduction.**
 - 2 Planning permission for a change of use from wholesale showroom at basement or first floor level will normally be granted if the loss of floorspace will not jeopardise the long term use of the ground floor for wholesale showroom purposes.**
-



City of Westminster

City Plan Sub-Committee Report

Date:	22 nd July 2015
Classification:	General Release
Title:	City Plan Revisions for Basements and Mixed Use
Report of:	Director of Policy, Performance and Communications
Cabinet Member Portfolio:	Built Environment
Wards Affected:	All
City for All	The revisions for basements and mixed use are City for All priorities
Key Decision:	No
Financial Summary:	Met by existing budgets
Report Author and Contact Details:	Lisa Fairmaner, Lead Spatial and Environmental Advisor lodonel1@westminster.gov.uk 020 7641 4240

1. Executive Summary

- 1.1 The draft Basement and Mixed Use Revisions are currently with the Cabinet Member for Built Environment for his consideration. These are attached as appendices A and B to this report. Views are sought from the Sub-Committee on the revisions.

2. Recommendation

- 2.1 That members review the revisions with a view to giving feedback for the Cabinet Member's consideration.

3. Basements Revision

- 3.1 To recap, the key provisions of the Basement Revision requirements are as follows:

- A limit of a single storey (2.7m) being excavated, unless exceptional circumstances apply. Further to comments by the City Plan Sub-Committee on the 15th April 2015, the policy is now clearer about the fact that it limits to a single storey or one additional storey below the original building for those buildings that had an original basement.
- New or extended basement areas under the adjacent highway must retain a minimum vertical depth below the footway or carriageway of 900mm, and may not encroach more than 1.8 metres under any part of the adjacent highway. Following further internal advice, there is a change to policy wording for extended existing basements or for strengthening/improvement work, which should maintain *existing* levels of cover above a vault. This is because existing basements may not already have clearance of 900mm below the highway, in which case they should maintain the existing depth.
- Sensitive design and siting to protect the character and appearance of the existing building, garden setting and surrounding area, as well as protection of heritage assets, especially archaeological deposits.
- Soft landscaping, permeable surfacing and at least 1m of soil depth plus a minimum 200mm drainage layer, and a sufficient volume of soil on top of any basement construction.
- Incorporation of Sustainable Urban Drainage (SUDS) or other measures recommended as appropriate in the structural statement or flood risk assessment.

- Natural ventilation wherever possible, and especially where habitable accommodation is provided.
 - A detailed structural methodology statement and appropriate certification by a suitably qualified engineer to:
 - ensure structural stability of the existing building, nearby buildings and other infrastructure;
 - confirm the proposal will not increase flood risk on site or beyond – a separate site-specific flood risk requirement may be required; and
 - demonstrate that the proposal will be implemented to minimise the impact on the amenity of others including highway users.
 - The council will have this independently assessed at the applicant's expense where there is a *high potential risk of significant impacts*, or around *particularly significant or sensitive heritage assets*.
 - The Code of Construction Practice will be required for basement development.
 - The policy text clarifies that it applies to existing residential buildings or those originally built for residential purposes, but also that non-residential buildings adjoining residential or new buildings with basements that have potential to impact on adjoining properties could be subject to the provisions.
 - A change has also been made to Policy S29 Health, Safety and Wellbeing, widening the current policy wording to make it explicit that not only 'major infrastructure projects', but 'where appropriate, other projects with significant local impacts' will need to mitigate, avoid or remedy environmental and local impacts, in construction and operation. This therefore covers use of the code of construction practice to a wider range of schemes, including basements.
- 3.2 The formal consultation will be accompanied by an Article 4 Direction removing permitted development rights for basement development across the City. In order to avoid substantial costs, this will be implemented with a twelve month notice period, so no compensation is payable. The Council will be unable to charge planning application fees for these developments, provided their application is limited to the extent that can be built under permitted development rights. It is unlikely that this will have a significant impact on fee income, because most will wish to maximise the extent of their space, rather than submit an application which is within the strict limits allowed under permitted development simply to avoid paying the householder extension fee. Therefore it is likely that only a small number of cases will not be liable to pay a fee. Although it is not possible to quantify exactly how many are carried out

under permitted development rights, there was an average of 24 applications for certificates of lawful developments between 2010-2014.

4. Mixed Use Revision

4.1 Members will recall that the current policy approach has resulted in significant office losses and the build-up of a significant pipeline of such losses in favour of residential. There are some early indications that office development may be becoming more attractive to developers - officers are monitoring trends in the development market to see if these indications do signal a major shift, which would be good news for the West End in particular. It is important, however, that policy should be effective over the full range of market conditions. In particular, if in the future the floorspace delivery is so skewed towards commercial development that more residential is wanted, the policy wording allows for renewed granting of office to residential permissions.

4.2 The consultation booklet proposed three new policy approaches:

- i applying a higher threshold to the current mixed use policy;
- ii requiring commercial/social and community floorspace from the loss of offices;
- iii refusing the replacement of office floorspace with residential where the disbenefit of the office loss outweighs the benefit of the housing.

4.3 The key policies of the proposed approach are included as a clean copy within the body of this report, and summarised as follows:

- i applying a higher threshold to the current mixed use policy (Policy S1);
- iii refusing the replacement of office floorspace with residential where the disadvantages arising from the loss of office space outweigh the benefits of the gain in housing (Policy S20);
- ii and, where the principle of office loss is accepted, still requiring commercial/social and community floorspace alongside the housing (Policy S1).

POLICY S1 MIXED USE IN THE CENTRAL ACTIVITIES ZONE

The council will encourage development which promotes Westminster's World City functions, manages its heritage and environment and supports its living, working and visiting populations.

Within the CAZ, a mix of uses consistent with supporting its vitality, function and character will be promoted.

- A) Where proposals increase the amount of floorspace by less than 30% of the original building or less than 400sqm (whichever is the greater) no residential floorspace will be required.
- B) Where proposals increase the amount of floorspace by between 30% and 50% of the original building and more than 400sqm:
 - i. net increases in B1 office floorspace will be accompanied by an equivalent amount of residential floorspace, either on-site, off-site or by mixed use credit (Policy CM47.2); or
 - ii. net increases in B1 office floorspace will be accompanied by an affordable housing payment in lieu equivalent to the amount of commercial floorspace.

It is at the applicant's discretion whether they wish to apply i. or ii. above.

- C) Where proposals increase the amount of floorspace by more than 50% of the original building and more than 400sqm, net increases in B1 office floorspace will be accompanied by an equivalent amount of residential floorspace. The residential floorspace will be provided in accordance with the following cascade. Applicants are required to demonstrate to the council's satisfaction that it is not appropriate or practicable to provide the floorspace (in whole or in part) at each step of the policy cascade before they can move to the next.
 - i. The required floorspace will be provided on-site or in the immediate vicinity of the site.
 - ii. The required floorspace will be provided off-site (including through a draw down of Mixed Use Credits Policy CM47.2) on a site in the vicinity of the development site, or in the case of Victoria and Paddington Opportunity Areas, within that Opportunity Area.
 - iii. The required floorspace will be provided off-site (including through a draw down of Mixed Use Credits Policy CM47.2) elsewhere within the CAZ. This part of the cascade does not apply to Victoria or Paddington Opportunity Areas. The housing provided must be greater and of a higher quality than would be possible under i. or ii. above.
 - iv. Payment of an appropriate Payment in Lieu to the Affordable Housing Fund.

In demonstrating that a particular step is not practicable, site specific considerations will need to be taken into account. In demonstrating a particular step is not appropriate, considerations may include where a significantly better outcome can be achieved, in keeping with the council's mixed use objectives, by not providing the residential floorspace on site.

- D) Where changes of use from office to residential and replacement of office floorspace with residential floorspace are acceptable in principal (Policy S20), the residential floorspace will be accompanied by commercial floorspace and/or social and community floorspace, except where:

- i. the net increase in residential floorspace is less than 400sqm; or
- ii. in the case of changes of use from office to residential, the building was originally built as residential and the building is being substantially retained.

Where these proposals increase the amount of floorspace by more than 50% of the original building and more than 400sqm, net increases in residential floorspace will be accompanied by an equivalent amount of commercial and/or social and community floorspace.

The floorspace can be provided on-site, off-site or by the draw down of a mixed use credit (Policy CM47.2) or by an appropriate payment in lieu to the Civic Enterprise Fund to provide new workspace or support for enterprise and employment initiatives. These options will not apply where an active frontage is required at ground floor level, which must be provided on-site.

- 4.4 The requirement for residential to be bought forward from commercial development (Policy S1B and S1C) has been amended so the *requirement* is now only from development in Core CAZ, the Opportunity Areas and the Named Streets, whereas the requirement can be *met* from anywhere in the CAZ. This removes the Mixed Use requirement from Pimlico, Marylebone and Fitzrovia outside the Named Streets and Knightsbridge outside the Core CAZ. As these are not core areas for commercial development, removing the requirement for mixed use from these areas will not impact significantly. However, these areas are predominantly residential in nature and therefore will contribute to housing stock to meet the policy.
- 4.5 It is noted that the restriction on housing delivery within Core CAZ and the Named Streets only applies to where this would replace other floorspace such as offices. Housing can still be provided in those areas through development uplift and this can be used to contribute towards the required housing floorspace of the mixed use policy, including through swaps and credits (Policies CM47.1 and 47.2).
- 4.6 S1C also been amended in relation to Opportunity Areas. It previously required all of the floorspace requirements to be met within that OA. Tottenham Court Road has now been removed as it is so small. The views of the sub-committee as to whether different requirements should be retained for the other two Opportunity Areas would be welcomed.
- 4.7 Policy S1D is most importantly only applied where the principle of the office loss is accepted under Policy S20 in the first instance. This part of the policy applies to all of the residential floorspace gains - even the floorspace that comes from development uplift and isn't replacing offices. This is considered appropriate because the objective is to deliver mixed use overall so all of the increase in residential is relevant. However, below the 50% uplift threshold, there is no specific amount of commercial or social/community floorspace, so

officers/members can negotiate, taking the site specific circumstances into account with a view to achieving mixed use. This includes straight changes of use where there is no net increase in floorspace (e.g. a straight conversion of an office block to flats). Above a 50% uplift, an equivalent amount of commercial or social/community floorspace would be required.

POLICY S18 COMMERCIAL DEVELOPMENT

Commercial Development will be encouraged and directed to Paddington, Victoria and Tottenham Court Road Opportunity Areas, the Core Central Activities Zone, the Named Streets, the North Westminster Economic Development Area and designated Shopping Centres.

The council will work to achieve and exceed the target of additional floorspace capacity for 77,000 new jobs between 2016/17 and 2036/37, an average of 3,850 new jobs per annum. Commercial and other non-residential activity is the priority in the Core Central Activities Zone.

Proposals for new commercial uses must be appropriate in terms of scale and intensity of land uses, and character and function of the area.

POLICY S20 OFFICES AND OTHER B1 FLOORSFACE

The council will work to achieve and exceed the target of additional floorspace capacity for 58,000 new jobs between 2016/17 and 2036/37¹, an average of 2,900 new jobs per annum.

New office development will be directed to Paddington, Victoria and Tottenham Court Road Opportunity Areas, the Core Central Activities Zone, the Named Streets, and the North Westminster Economic Development Area.

Inside the Core Central Activities Zone, Opportunity Areas and the Named Streets, changes of use from office to residential or replacement of office floorspace with residential floorspace will only be acceptable where the council considers that the benefits of the proposal outweigh the contribution made by the office floorspace, taking into account:

1. the employment and housing targets set out above, and as referred to in Policies S18 and S14;
2. the contribution of the office floorspace to meeting business and employment needs; and
3. the mix of type, size and tenure of housing proposed.

¹ This target is based a) on the average office floorspace projections taking into account forecast employment and past stock growth, and assuming an occupation rate of 9sqm per employee and b) securing 49% of the employment growth target set out in Policy S18 in office-based employment. Both of these assessments are based on the London Office Policy Review 2012 Update, and both methods suggest a target of 58,000 jobs.

Where 3) above is not met due to site constraints and/or viability, the floorspace will be retained as B1 office.

Where appropriate, the council will request a range of business floorspace including workshops and studios.

- 4.8 The protection of offices policy in S20 is a different approach than the City Council has traditionally applied. In order to support decision-making, a target for commercial floorspace has been added to Policy S18 and a target for offices has been added to Policy S20. The commercial target is based on the lower or the three growth targets reviewed by the Growth Board and West End Partnership, and is based on GLA projections. The office target is arrived at in two different calculations: firstly, derived from the commercial target above and assuming 49% of Westminster's jobs will be office-based by 2036 (currently 46%). Again, this has been considered by Growth Board and WEP. Secondly, the GLA projections which are an average of projected growth tempered by past growth rates. These calculations both arrive at the same figure, which is therefore considered robust.
- 4.9 The Payment in Lieu (PiL) for the residential element would be based on the current affordable housing PiL converted to a per sqm figure: £3,587.50 per sqm or £4,787.50 per sqm in higher value areas. This grossly undervalues the cost of provision of housing (the CIL evidence by BNP Paribas sets residential sales values at £22,400 per sqm in the prime areas and £15,750 per sqm in the core) but we are not able to propose an alternative figure until the full review of the PiL as part of the main revision to the City Plan. In order to arrive at a value for the PiL for commercial floorspace (Policy S1D) we have used the office and retail rental values in the same BNP Paribas report, and compared them to those residential values referred to above. With prime values for office and retail averaging at £975 per sqm and core at £825 per sqm, this is only about 4% - 5% of the residential values. As such, £188 per sqm would be sought for the Civic Enterprise Fund, or £208 per sqm in high value areas. Again, this would need to be reviewed as part of the wider review of housing policy when we rework the affordable housing PiL but is the most appropriate figure in the meantime.
- 4.10 An amendment has been made to the credits policy (Policy CM47.2) to allow schemes permitted before the policy is implemented (and still unimplemented) to register. Given the significant pipeline of residential, these schemes can be used to meet the mixed use requirements therefore enabling further office floorspace to come forward.

5. Financial Implications

- 5.1 The City-wide Article 4 Direction has financial implications as no fee is payable where permitted development rights have been removed. This applies only to cases which would have benefitted from the withdrawn rights (and so not to cases which would have had to apply for planning permission before the Direction is made). It is unlikely that this will have a significant impact on planning fee income as most of those intending to build basements will want to maximise the additional space rather than keep within the strict limits of the previous permitted development rights simply to avoid paying planning fees. Although it is not possible to quantify exactly how many cases might be involved, between 2010-2014 an average of 24 applications were made each year for certificates of lawful proposed development (which establishes the lawfulness of a proposal within permitted development rights) for basement development.
- 5.2 Likewise, whilst there is an ambition to introduce the Code of Construction Practice on a cost-neutral basis there are likely to be elements of the Development Planning Service which may not be able to be charged for such as the negotiation of the legal agreement.

6. Legal Implications

The revisions are part of the plan development process as set out in the Town and Country Planning Act 1990 (as amended), The Planning and Compulsory Purchase Act (2004) and the Town and Country Planning (Local Planning)(England) Regulations 2012.

7. Consultation

The next stage for these revisions is the formal (Regulation 19) consultation on the proposed draft that the City Council intends submit to the Secretary of State. Consultations will be sent to everyone on the database, statutory consultees and all Ward Members.

If you have any questions about this report, or wish to inspect one of the background papers, please contact:

Lisa Fairmaner, lodonel1@westminster.gov.uk, Ext. 4240/Andrew Barry-Purssell, abarrypursell@westminster.gov.uk, Ext. 5622

APPENDIX A: Basement Revision

BASEMENT REVISION TO WESTMINSTER'S CITY PLAN

This document sets out revisions to Westminster's City Plan: Strategic Policies adopted in January 2014. It shows the parts of the City Plan that are proposed to be changed; the format, text and headings come from the adopted document.

There are other proposed revisions to this plan which can be found at [www.westminster.gov.uk/policy/City Plan revisions](http://www.westminster.gov.uk/policy/City%20Plan%20revisions). It only includes those parts of the Plan that are subject to change.

Text changes

Text to be deleted is shown as ~~striketrough~~ text. Text to be added is shown as underline text. Changes to the Glossary and References section at the end of Westminster's City Plan are included as two lists of a) text to be added and b) text to be deleted. All unchanged parts of the Glossary and References sections have not been included.

Changes to Figures (tables, charts and diagrams)

All Figures shown replace the adopted figure in Westminster's City Plan. Figures that have not been changed have not been included. Changes to tables only include those rows that are subject to change (Figure 56).

BASEMENT REVISION CONTENTS

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Westminster's City Plan

PART II: A UNIQUE CITY

Westminster's Issues and Challenges

Lack of available land, housing and competing land uses Para 2.26

Adaptation to and mitigating climate change Para 2.35

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PART V: CREATING PLACES

Sustainable and inclusive design Para 5.16

Policy CM28.1 Basement Development

Health, safety and well-being Para 5.21

Policy S29 Health, Safety and Well-Being

PART VI: IMPLEMENTATION

Risk and Review Figure 56 Monitoring Framework Objectives 2 and 3

SUPPORTING INFORMATION

Glossary - Basement Development

References - as annotated

PART I: INTRODUCTION

WESTMINSTER'S CITY PLAN

1.8 Westminster's City Plan is the local plan for Westminster. It sets out the vision for the City of Westminster up to and beyond 2026/27, and puts in place a policy framework to deliver that vision. Taken as a whole, it is the local expression of sustainable development. It balances competing requirements and demands to deliver against economic, social and environmental objectives. Looking to the future, it will deliver sustainable economic development including homes, business premises and infrastructure in a way that enhances those key attributes that make Westminster a great place to live, work and invest and creates thriving sustainable communities. **This plan ~~only~~ includes the strategic policies for the borough and is subject to a number of revisions which add more detailed policies. However it is not, in itself, a comprehensive policy framework for Westminster. It needs to be revised further to include ~~the~~ further detailed City Management policies, previously developed as a separate Development Plan Document. A Further revisions to this document is are underway. ~~to integrate these policies and any necessary supporting text into this document to create the local plan for Westminster.~~ References have been made within this document highlighting ~~examples~~ where further City Management policy is necessary to provide detail. Once ~~this further~~ the programme of revisions is are adopted, ~~this~~ they will replace all of the remaining saved policies in Westminster's Unitary Development Plan not referred to in Appendix 5.**

PART II: A UNIQUE CITY

WESTMINSTER'S ISSUES AND CHALLENGES

LACK OF AVAILABLE LAND, HOUSING, AND COMPETING LAND USES

2.26 Many other parts of London have a ready supply of surplus industrial land with a relatively low existing use value that can be redeveloped for housing and mixed use with a significantly higher value. Such sites make a significant contribution to meeting borough housing targets. This is not typically the case within Westminster where many sites already contain offices, shops and housing with high existing values. Development in Westminster is often about refurbishment and renewal of building stock rather than significant land use change. This includes an increasing trend towards basement excavation and extensions, with numbers of applications increasing from 86 applications in 2007/8 to 140 in 2013/14. This tends to increase the size of existing dwellings rather than increasing the number of housing units overall.

ADAPTATION TO AND MITIGATING CLIMATE CHANGE

2.35 However, because of its central location Westminster suffers disproportionately from the effects of London's urban heat island and, in central areas, this is exacerbated by the 24 hour nature of this part of the city. Noise and poor air quality are also relevant to this issue as they increase reliance on air conditioning, which further contributes to localised heating effects, noise and energy consumption. Certain types of development can also result in increased demand for energy from air handling. Care is also needed to ensure that the cumulative impact of development (particularly basements) does not lead to increased incidence of surface water or other flooding.

WESTMINSTER'S SPATIAL STRATEGY

WESTMINSTER'S SPATIAL STRATEGY

HOUSING

2.41 These new homes will be designed and constructed to ensure a high quality residential environment, with particular attention given to the challenges of poorer air

quality, noise pollution and ensuring new homes do not compromise the activity of neighbouring non-residential uses in commercial areas ~~a built-up residential environment~~. Housing will also be designed and positioned within sites to minimise flood risk.

PART V: CREATING PLACES

SUSTAINABLE AND INCLUSIVE DESIGN

5.16 Sustainable design in Westminster needs careful consideration and tailored solutions. There are fewer opportunities for large-scale redevelopment in Westminster than there are in other parts of London because of its significant heritage assets, including listed buildings and conservation areas. In this respect, retrofitting existing building is of crucial importance, as the existing building stock will always represent a far bigger proportion of the buildings in Westminster than new buildings.

Westminster's high land values and limited opportunities for larger scale redevelopment in turn lead to greater pressure for extensions to existing buildings. It is important that these extensions also adopt exemplary standards of sustainable design.

Insert the following new text after Policy S28 Design:

POLICY CM28.1 BASEMENT DEVELOPMENT

Development to create new basements or to extend existing basements to residential buildings or buildings originally built for residential purposes will:

1. a) not extend further than 4m into garden land, or under more than 50% of the length of the garden, measured at its widest point (whichever is the larger); and
b) in all locations, leave a margin of undeveloped garden land around the entire site boundary;
2. provide a minimum of 1m soil depth (plus minimum 200mm drainage layer) and adequate soil volume above the top cover of the basement;
3. not involve the excavation of more than one storey below the lowest original floor level, unless the following exceptional circumstances have been demonstrated;
 - a) that the proposal relates to a large site with high levels of accessibility such that it can be implemented and used without adverse impact on neighbouring uses or the amenity of neighbouring occupiers; and

- b) that no heritage assets will be adversely affected;
- 3. provide a satisfactory landscaping scheme, incorporating soft landscaping, planting and permeable surfacing as appropriate;
- 4. not result in the loss of trees of townscape, ecological or amenity value and, where trees are affected, provide an arboricultural report setting out in particular the steps to be taken to protect existing trees;
- 5. use the most energy efficient means of ventilation, involving the lowest carbon emissions. Wherever practicable natural ventilation should be used where habitable accommodation is being provided;
- 6. incorporate sustainable urban drainage measures or any other mitigation measures recommended in the structural statement or flood risk assessment;
- 7. protect the character and appearance of the existing building, garden setting or the surrounding area, ensuring lightwells, plant, vents, skylights and means of escape are sensitively designed and discreetly located; and
- 8. protect heritage assets, safeguarding significant archaeological deposits and, in the case of listed buildings, not unbalance the buildings' original hierarchy of spaces, where this contributes to significance.

Applicants will demonstrate that they have taken into account the site-specific ground conditions, drainage and water environment(s) in the area of the development and that the basement development will:

- 1. safeguard structural stability of the existing building, nearby buildings and other infrastructure ;
- 2. not increase or otherwise exacerbate flood risk on the site or beyond; and
- 3. be implemented to minimise the impact on neighbouring uses; the amenity of those living or working in the area; and on users of the highway.

All applications will be accompanied by a detailed structural methodology statement and appropriate self-certification by a suitably qualified engineer with separate flood risk assessment where required. In cases where the council considers there is a high potential risk that the development will have significant impacts on the matters covered by this policy or where work will affect a particularly significant and/or sensitive heritage asset, the council will have reports independently assessed at the applicant's expense.

A construction management plan will be provided to demonstrate adherence to the relevant parts of the council's Code of Construction Practice and awareness of the need to

comply with other public and private law requirements governing development of this kind. In appropriate cases the City Council will consider use of its planning and other powers to require applicants to enter into bonds or similar arrangements.

New basement areas under the adjacent highway will:

1. retain a minimum vertical depth below the footway or carriageway of 900mm; and
2. not encroach more than 1.8m under any part of the adjacent highway.

Extensions or strengthening/improvement works to existing basements horizontally under the highway will:

1. maintain the existing depth below the footway or carriageway to ensure no loss of existing cover level above a vault; and
2. not be permitted where the existing basement already extends 1.8m or more under the highway.

Non-residential development adjoining residential properties and new build residential incorporating basements will also be subject to the criteria set out above where there is potential for similar impact on those adjoining properties.

Policy Application

This policy will primarily apply to basement extensions to existing residential properties but may also apply to new build residential incorporating basements, especially where these are located on constrained sites.

The most appropriate form of basement extension will be no more than one storey (approximately 2.7m floor to ceiling height) below the lowest part of the original floor level, An additional allowance may be permitted where exceptional circumstances have been demonstrated, as set out in the policy.

Garden land for the purposes of this policy is the private space occupied with the house between the original building and boundary walls, including any paved areas, extensions and garden buildings. This applies to front, side and rear gardens, measured between the boundary walls and original building at its widest part. (insert diagram). Development of area specific standards may be considered in neighbourhood plans.

To support sustainable planting, soil depth required over basements will be a minimum 1.0m soil plus a drainage layer of no less than 200mm depth and the overall volume of soil will be considered. In some circumstances, for example where the basement area proposed

is extensive; where trees will be planted in confined locations; where the root growth will be impeded; or where particularly large new trees are proposed soil depths of up to 1.5m (plus drainage layer) will be needed to support tree growth. Details of the proposed soil profile and composition should also be provided. Exceptions may be considered in small courtyard gardens, where SUDs or other mitigation measures have been provided.

The entire garden should incorporate planting and in cases where the removal of trees is permitted, the council will usually require their replacement within the curtilage of the property. In cases where topsoil and drainage layers, and/or SUDs are provided above a new basement, the City Council may use conditions to prevent subsequent hard landscaping.

Where natural ventilation cannot be achieved and mechanical ventilation is considered acceptable, systems should include heat recovery to ensure that heat from evacuated warm air can be re-used to pre-warm incoming supply air when needed.

The structural methodology statement should be prepared and certified by a Chartered Civil Engineer (MICE) or Structural Engineer (MI Struct.E), and geo-hydrologist where appropriate. In the case of listed buildings, the engineer should be CARE accredited. This statement will not be approved by the Council, but will be required to demonstrate that a basement level can be provided without undue risk. The structural integrity of the development during the construction is not controlled through the planning system but through Building Regulations with private law rights protected through the Party Wall Act.

In cases of higher potential risk the council may require applicants to fund an independent assessment of structural reports. This is particularly likely where proposals will affect listed buildings of high significance or with particularly sensitive historic fabric, or those in high risk locations where basements are located above historic rivers/watercourses or extend into or are adjacent to properties which are close to the level of the Upper Aquifer.

Applicants for basement excavation works are strongly encouraged to consult with neighbouring occupiers prior to submitting an application. Evidence of engagement with neighbouring occupiers, including a schedule and timetable of works may be requested as supporting information with planning applications.

The Environment Agency classes basement dwellings as highly vulnerable uses and this policy must be read in conjunction with the flooding policy. Further detailed guidance on the above, including information requirements and detail of contents of the structural statement is set out in the Basement Development in Westminster SPD.

Reasoned Justification

Basement extensions have become an increasingly common form of development in Westminster in recent years. Although often hidden from public view, such basement excavation can have significant impacts on the amenity of neighbouring occupiers and may affect ground conditions, biodiversity, heritage assets, local character and garden settings.

Excavation in a dense urban environment is more complex than many standard residential extensions² and if it is poorly constructed, or has not properly considered geology and hydrology, has the potential to damage existing and neighbouring structures and infrastructure and irreversibly alter ground conditions.

Cellars and basements can also be vulnerable to flooding from a number of different sources, including the overflowing of drains and nearby watercourses, groundwater flooding and surface water flooding³. Although unlikely to change the groundwater regime, where basements are located close together their cumulative effect could alter groundwater levels⁴.

While the Building Regulations and building control system determine whether the detailed design of buildings and their foundations will allow the buildings to be constructed and used safely, the NPPF⁵ states planning should ensure development is suitable for its site, taking into account issues such as ground conditions and land instability, and ensuring adequate site investigation information, prepared by a competent person has been presented to demonstrate the impacts of the proposed development have been understood. We therefore require information to be prepared and certified by a suitably qualified engineer and include site-specific analysis taking into account any cumulative impacts.

Westminster's heritage assets may be sensitive to the impact of basement development. While these are protected by the overarching heritage policy, listed buildings and archaeology can be especially vulnerable to damage when excavation takes place, given the significant structural intervention which may be required. If not sensitively undertaken, this could adversely affect delicate historic fabric and finishes and disturb archaeological deposits. In addition to structural concerns, many of Westminster's listed buildings are terraced houses which date from the Georgian and Victorian periods and these properties were designed with a clear vertical hierarchy of spaces. This vertical hierarchy does in many

² WCC Residential Basements Report

³ See Basement Development in Westminster SPD, Section 6.3 for further detail on sources of flood risk in Westminster

⁴ WCC Residential Basements Report

⁵ National Planning Policy Framework, paragraph 120

circumstances contribute to their architectural and historic interest and significance, and can be unbalanced by large basement extensions⁶.

Private gardens also make a significant contribution to Westminster's character⁷, the character of conservation areas, and the setting of heritage assets; they are important visually, and help support biodiversity, trees, green corridors and networks. The London Plan recognises the important role of private gardens for these functions and as a much cherished part of London's townscape. London Plan Policy 5.3 also seeks to increase the amount of surface area greened in the Central Activities Zone by 5% by 2030.

Basement development may result in the loss of trees, other soft landscaping and green corridors, which may also reduce the infiltration capacity of the ground to act as a store for rain water thereby increasing flood risks⁸. This policy therefore seeks to ensure new basement development does not occupy the entire garden area and appropriate landscaping is provided to maintain and enhance garden settings and that adequate soil depth is provided to allow established mature and larger scale planting to continue to grow naturally⁹ and ensure surface water drainage is maintained without increasing surface water flows onto adjoining properties.

Limiting the extent and depth of basement development can help reduce both the risks associated with basement development and mitigate any negative environmental and amenity impacts. The policy also provides for better accommodation with natural lighting and ventilation, and for reduction in the amount of excavation and waste material generated and in the impact on drainage, biodiversity and local amenity. Standards for extent of the garden take account of permitted development rights, which in some locations may allow extensions under 4m or more of the garden. In larger gardens, allowing an extension to extend under half the length of a garden will ensure a substantial area of garden remains undeveloped and the soil depth required above the basement itself will allow for a landscaped garden setting across the garden as a whole.

The construction works associated with basement excavation can often have a serious impact on quality of life and often last longer than other residential extensions with the potential to cause significant disruption to neighbours during the course of works. This has led to significant concern and complaints from local residents in Westminster in recent years. Planning has limited powers to control the construction process and its impacts and must take account of overlap with other regulatory regimes, but it does have an important role in protecting amenity. Applicants for basement development must therefore

⁶ Basement Development in Westminster SPD

⁷ WCC Conservation Area Audits provide detail of contribution of gardens trees and landscaping to local character.

⁸ Mayor's Sustainable Design and Construction SPG (2014)

⁹ Evidence base report section 10

demonstrate reasonable consideration has been given to potential impact of construction on amenity and this is linked to the council's emerging Code of Construction practice which seeks to create a clear link between planning and other relevant legislation and processes, ensuring these work together and issues are followed through and enforced where necessary.

Work to basement vaults can restrict the space available for services in the highway and may make it difficult to access cables, pipes, sewers, etc. for maintenance and to provide essential items of street furniture. In order to ensure that services and essential street furniture can be provided, adequate space must be available between the highway and any excavation proposed under the highway.

Cross reference to Policies S25 Heritage, S28 Design, S29 Health Safety and Well-being, S30 Flooding and S38 Biodiversity and Green Infrastructure

HEALTH, SAFETY AND WELL-BEING

5.21 Much of Westminster is a mixed use environment in a densely developed world city, where different uses are located close to each other and impact upon each other.

Residential and commercial growth in Westminster will entail building to higher densities, including extensions to existing buildings and infill developments. In the many areas within the Central Activities Zone and North Westminster Economic Development Area, new commercial uses are encouraged alongside new and existing homes and it is important that there are good levels of residential amenity for both new and existing residents. **Some types of development such as basement extensions involve significant excavation and removal of soil, necessitating an extended construction phase, greatly increased vehicle movements, increased noise and vibration which are likely to impact on residential amenity during the construction period.**

POLICY S29 HEALTH, SAFETY AND WELL-BEING

Development should ensure that the need to secure a healthy and safe environment is addressed, including minimising opportunities for crime, including the risk of terrorism, and addressing any specific risks to health or safety from the local environment or conditions. Developments should also maximise opportunities to contribute to health and well-being, including supporting opportunities for improved life chances and healthier lifestyle choices.

The council will resist proposals that result in an unacceptable material loss of residential amenity and developments should aim to improve the residential environment.

All new housing, and where possible refurbishment of existing housing, will provide a well-designed, high quality living environment, both internally and externally in relation to the site layout and neighbourhood.

The development of major infrastructure projects and where appropriate, other projects with significant local impacts will need to mitigate, avoid or remedy environmental and local impacts, both in construction and operation.

Reasoned Justification

Local solutions also need to be sought to address the wider determinants of health, such as ensuring access to employment, good quality housing, a range of local services and facilities, and open spaces; and the ability to make healthy lifestyle choices such as being active.

Growth in the Westminster context means mixed use areas and sites, infill development and high density living. It is therefore vital that exceptional attention is paid to protecting existing residential amenity, and providing good quality residential accommodation for future residents. During the construction phase the impact on residential amenity will be managed through the Code of Construction Practice, which will be phased in for those that cause greatest impacts. Poor quality residential amenity can make homes less attractive to permanent residents and threaten the sustainability of residential neighbourhoods. High standards of residential amenity will benefit Westminster's residents in terms of quality of life, health and well-being.

Cross reference to Policy CM28.1 Basement Development

PART VI:

IMPLEMENTATION

RISK AND REVIEW

FIGURE 56 MONITORING FRAMEWORK

HEADLINE OBJECTIVES	KEY INDICATORS' TOPICS	POLICY REF
<p>Objective 2: To sensitively upgrade Westminster's building stock to secure sustainable and inclusive exemplary design which minimises energy and resource consumption and the production of waste, reduces the impacts of local environmental pollution and meets both today's needs and those of the future, including the effects of a changing climate; creating attractive places that function well whilst ensuring that the historic character and integrity of Westminster's built fabric and places is enhanced.</p>	<p>Design quality (qualitative assessment) Sustainable and inclusive design measures as part of applications and, including where relevant, Code for Sustainable Homes level Protection and creation of heating networks Creation of new heat and cooling networks Extension of existing heat and cooling network Achievement of 20% renewable energy generation New waste and recycling facilities Number of developments permitted against Environment Agency advice on flood risk grounds, Installation of SUDS measures</p>	<p>25, 26, 28, 28.1, 29, 30, 31, 32, 33, 35, 36, 37, 38, 39, 40, 41, 44, 45</p>
<p>Objective 3: To maintain and enhance the quality of life, health and well-being of Westminster's residential communities; Ensuring that Westminster's residents can benefit from growth and change, providing more employment and housing opportunities, safety and security, and better public transport and local services; to work with our partners to foster economic vitality and diversity, improved learning and skills, and improved life chances in areas of deprivation.</p>	<p>Business space development by area (Economic Development Area, Central Activities Zone and Opportunity Areas) Number of vacant units in District Shopping Centres in the Economic Development Area (Church Street/Edgware Road and Harrow Road) Social and community infrastructure improvements and development New entertainment uses in the Economic Development Area, No of Code of Construction Practice compliant schemes</p>	<p>1, 3, 4, 5, 6, 8, 9, 10, 12, 13, 14, 19, 28, 28.1, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 41, 42, 43, 44, 45</p>

SUPPORTING INFORMATION

GLOSSARY

Add the following Glossary Definitions:

Basement Development	Basement development includes any excavation to form new or additional floorspace under the ground level of an existing property or within its curtilage and under its garden. It may also include basements which are part of new build development
-------------------------	--

REFERENCES

Basement Revision: Add the following References:

- Sustainable Design and Construction Supplementary Planning Document** (2014) Mayor of London.
Westminster City Council Residential Basement Report (July 2013) Alan Baxter and Associates.

APPENDIX B: Mixed Use Revision

MIXED USE REVISION TO WESTMINSTER'S CITY PLAN

This document sets out revisions to Westminster's City Plan: Strategic Policies adopted in January 2014. It shows the parts of the City Plan that are proposed to be changed; the format, text and headings come from the adopted document.

It only includes those parts of the Plan that are subject to change. There are other proposed revisions to this plan which can be found at [www.westminster.gov.uk/policy/City Plan revisions](http://www.westminster.gov.uk/policy/City%20Plan%20revisions).

Text changes

Text to be deleted is shown as ~~striketrough~~ text. Text to be added is shown as underline text or, where there are large new sections, prefaced by the text "*Insert the following new text after...*". Changes to the Glossary and References section at the end of Westminster's City Plan are included as two lists of a) text to be added and b) text to be deleted. All unchanged parts of the Glossary and References sections have not been included.

Changes to Figures (tables, charts and diagrams)

All Figures shown replace the adopted figures in Westminster's City Plan. Figures that have not been changed have not been included. Changes to tables only include those rows that are subject to change (Figure 55, Figure 56, Appendix 3).

Maps reproduced from Ordnance Survey mapping with the sanction of Her Majesty's Stationery Office, Crown Copyright. Unauthorised reproduction may lead to prosecution or civil proceedings. City of Westminster 2009 LA 100019597.

Land Use Pie Charts for areas in Part III are based on 2010 pipeline data from Westminster City Council's land use monitoring.

MIXED USE REVISION CONTENTS

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Westminster's City Plan

PART II: A UNIQUE CITY

The Local Context

Westminster at the heart of a global city Para 2.1

Employment and the local economy Para 2.4, Fig 4, Para 2.5

A unique city Para 2.16

Westminster's Issues and Challenges

Accommodating strategic land uses within a unique central London mix 2.20-2.23

Lack of available land, housing and competing land uses 2.27

People pressure Para 2.29-2.30

Westminster's Spatial Strategy

Westminster's Spatial Vision

Westminster's Spatial Objectives: Objectives 1, 4 and 5

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PART III: LOCAL SPATIAL POLICIES

The Central Activities Zone Para 3.1 and 3.3

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Policy S1 Mixed use in the Central Activities Zone

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Policy S6 Core Central Activities Zone

PART IV: CITY-WIDE SPATIAL POLICIES

Housing Provision Para 4.3 and 4.4

Optimising housing delivery Para 4.8 and 4.9

Policy S14 Optimising Housing Delivery incl. Fig 37

Business and Employment Para 4.17, 4.18, 4.20, 4.21

Policy S18 Commercial Development

Offices and business floorspace Para 4.23, 4.24, 4.26 [4.27 moved to 4.20]

Policy S20 Offices and Other B1 Floorspace

PART VI: IMPLEMENTATION

Policy CM47.1 Land Use Swaps and Packages

Policy CM47.2 Credits

Risk and Review

Figure 55 Risk Assessment

Figure 56 Monitoring Framework Objectives 1 and 5

SUPPORTING INFORMATION

Appendix 3 Key Partnerships

Appendix 4 Housing Delivery

Glossary - as annotated

References - as annotated

PART I: INTRODUCTION

WESTMINSTER'S CITY PLAN

1.8 Westminster's City Plan is the local plan for Westminster. It sets out the vision for the City of Westminster up to and beyond 2026/27, and puts in place a policy framework to deliver that vision. Taken as a whole, it is the local expression of sustainable development. It balances competing requirements and demands to deliver against economic, social and environmental objectives. Looking to the future, it will deliver sustainable economic development including homes, business premises and infrastructure in a way that enhances those key attributes that make Westminster a great place to live, work and invest and creates thriving sustainable communities. **This plan ~~only~~ includes the strategic policies for the borough and is subject to a number of revisions which add more detailed policies. However it is not, in itself, a comprehensive policy framework for Westminster. It needs to be revised further to include ~~the further~~ detailed City Management policies, previously developed as a separate Development Plan Document. A Further revisions to this document ~~is~~ are underway. ~~to integrate these policies and any necessary supporting text into this document to create the local plan for Westminster.~~ References have been made within this document highlighting ~~examples~~ where further City Management policy is necessary to provide detail. Once ~~this further~~ the programme of revisions ~~is~~ are adopted, ~~this~~ they will replace all of the remaining saved policies in Westminster's Unitary Development Plan not referred to in Appendix 5.**

PART II: A UNIQUE CITY

THE LOCAL CONTEXT

WESTMINSTER AT THE HEART OF A GLOBAL CITY

2.1 Westminster is one of the most recognised, celebrated and exciting places in the world. It is at the heart of London, which is one of the leading world cities. Westminster is the seat of government and the Monarchy, thriving business clusters, a focus for culture and entertainment, a centre of learning and research and a hub for commerce and retailing. It ~~and~~ is home to many government departments, law courts, ~~many~~ places of worship of international importance, embassies and diplomatic institutions and other functions of the state. This activity is centred on the West End, a major national and international asset. It is the largest and most diverse concentration of jobs in the UK. Accommodating over 600,000 employees it is also one of the densest employment hubs in the world. Many of Westminster's attractions and functions, both in the West End and beyond, are emblematic of London itself.

2.2 The residential population of approximately ~~253,000~~ 227,000¹⁰ swells to over 1 million every day, due to the influx of workers, visitors and tourists. This pressure is intense, at times overwhelming, and is central to both the city's character and many of its challenges. This level of movement and activity means that Westminster's more tranquil places; its parks, squares and residential enclaves are particularly valued. It also means that the residential environment offered is very different from that found in most other parts of London, with housing and commercial activity in very close proximity.

EMPLOYMENT AND THE LOCAL ECONOMY

2.4 Westminster functions as a national and international centre for business, shopping, arts and culture, and entertainment. It accommodates ~~over 700,000~~ 590,000 jobs, ~~14%~~ 13% of all of London's jobs, and more than any other London local authority – including the City of London. ~~the City and Canary Wharf combined~~¹¹. Westminster's economy generated s

¹⁰ ONS Population Mid Year Estimates 2013 2010

¹¹ ONS Regional Labour Market: LI01 - Local Indicators for Counties, Local and Unitary Authorities April 2015
~~Business Register and Employment Survey 2010-11~~

around ~~£56~~ ~~£40~~ billion ~~annually in~~ Gross Value Added (GVA) in 2014/15, 16% ~~15%~~ of London's GVA, and 3.5% ~~3.1%~~ for the UK¹².

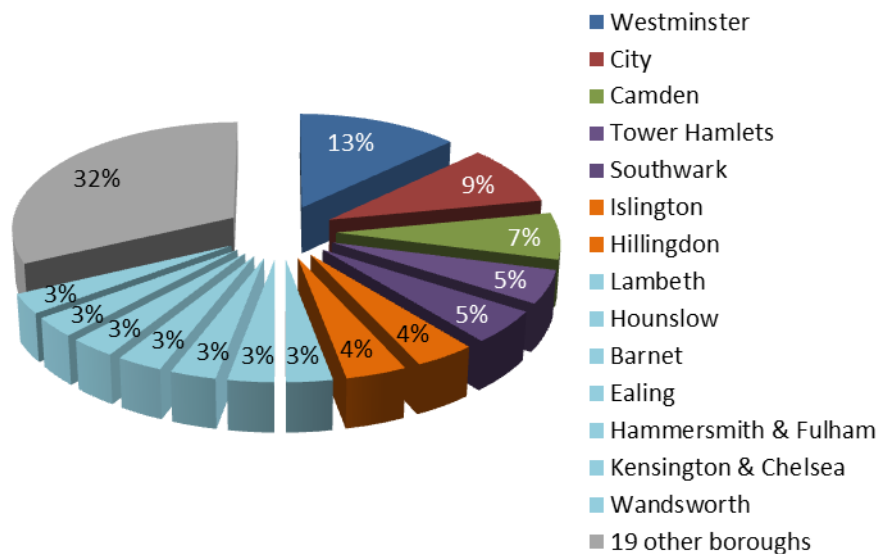


FIGURE 4 PROPORTION OF LONDON'S JOBS WITHIN EACH BOROUGH (BOROUGH WITH OVER ~~100,000~~ ~~130,000~~ JOBS SHOWN) ~~2014~~ ~~2010~~¹³

2.5 Westminster's ~~43,000~~ ~~46,000~~ businesses have a diverse and balanced employment offer, particularly when compared to other areas of the capital such as the City of London¹⁴. This reflects its mixed character and contributes to its economic resilience. Core business activity is focussed in the West End, together with Paddington to the north- west and Victoria to the south. These areas host financial, commercial and professional services, creative, retail, leisure, tourism, eating, entertainment and cultural sectors. **Seventy** percent of ~~these Westminster's~~ businesses are small businesses employing less than five people, and ~~about 85%~~ ~~83%~~ employ less than ten people¹⁵. This is similar to averages for London and England as a whole.

A UNIQUE CITY

2.16 The City of Westminster is therefore unique and requires a bespoke planning framework to respond to the opportunities and challenges over the next 20 years. Looking towards ~~2036~~ ~~2026/27~~, Westminster will continue to play a key role at the heart of London: the profile of London as one of the world's great global cities should continue to bring long-

¹² ONS, CEBR Analysis 2014 City of Westminster Local Economic Assessment Baseline Study, 2014

¹³ ONS Regional Labour Market: LI01 - Local Indicators for Counties, Local and Unitary Authorities April 2015 Business Register and Employment Survey 2010-11

¹⁴ Business Register and Employment Survey 2010-11

¹⁵ Business Register and Employment Survey ~~2013/14~~ ~~2010-11~~

term benefits through visitors, business and investment; we need to make our contribution to tackling climate change; rise to the challenge of new economic circumstances, changing markets and employment sectors; and changes in the composition of households and families, and the way people carry out their daily lives. This planning framework must retain those unique characteristics that make Westminster what it is today: its heritage, vibrancy, and mix of activities and places. The following chapters set out this planning framework to deliver Westminster's spatial vision for the future.

WESTMINSTER'S ISSUES AND CHALLENGES

ACCOMMODATING STRATEGIC LAND USES WITHIN A UNIQUE CENTRAL LONDON MIX

2.2120 Westminster is a nationally and internationally important location for offices, retail, media and creative industries, arts and culture, higher education institutions, entertainment and tourism, which it accommodates together with the functions of government and the state. The locations of these strategic land-uses overlap and all converge in the West End.

The West End boasts the busiest shopping district in the world centred around Oxford, Regent and Bond Streets. Westminster supports London's £22 billion visitor economy, ranging from the Abbey Road pedestrian crossing to 8 of the 20 top London visitor attractions. It is also the heart of London's evening and night-time economy, including 37 Michelin-starred restaurants. The home of theatre in Theatreland and cinema centred around Leicester Square are within the West End, and Westminster has a third of London's music, visual and performing arts employment and a third of London's television and radio employment.

2.2021 Westminster's central area, designated the Central Activities Zone (CAZ) within Westminster's City Plan, contains a mix of uses and activities that is unique both in London and the world. The complex mosaic of land uses gives Westminster its vitality, character and role within London as a world city. The apparent randomness of the mix is the product of the area's long history of changing patterns of land use and, since the 1970s, of careful control through planning policies and negotiations. This approach has proved a success: Soho, Mayfair and other central areas have retained their prestige as a desirable location for businesses and vitality and attraction, and the policy approach ensures that no one use dominates. ~~Monitoring of this approach indicates that while there have been overall increases in office floorspace, the relative proportion of office floorspace within the most central part of this area (designated the Core CAZ) has changed very little over the past 25 years (50% in 1983, 51% in 1990, 48% in 2008 and 46% in 2011).~~ This mix not only makes Westminster's Central Activities Zone unique, but also helps gives it a human scale,

significantly enhancing the experience of the city from street level. **This approach successfully retained the proportion of office floorspace in the Core CAZ at between 48% and 51% since the early 1980s. However, significant office losses were seen from 2010/11 until 2015/16 due to a change in market drivers. The policy approach has been modified to ensure that this loss did not continue and the CAZ could continue to fulfil its strategic function as an internationally important commercial agglomeration.**

2.22 Provision of housing within these areas is also intrinsic to its uniqueness and success. From flats in Soho to large residential neighbourhoods such as Pimlico, this residential element plays a major role in defining the character of different parts of the CAZ. The mix of uses must be carefully managed to ensure that **the residential use is part of the overall mix of uses, supporting the strategic function of the CAZ as a place to work and visit. Where homes are appropriate** a healthy and safe residential environment **must be able to be provided without compromising business activity, acknowledging that more commercial parts of the CAZ have a buzz and level of activity greater than primarily residential areas. is maintained.**

2.23 Maintaining such a complex environment will require a similarly rigorous approach over the lifetime of the plan, so as to ensure that incremental changes through site-by-site redevelopment do not erode the mix either at a very local level or across the wider area.

Policies to address this issue are set out at: S1 Mixed Use in the Central Activities Zone; S2 Special Policy Areas; S3 Paddington Opportunity Area; S4 Victoria Opportunity Area; S5 Tottenham Court Road Opportunity Area; S6 Core Central Activities Zone; S7 West End Special Retail Policy Area; S8 Marylebone and Fitzrovia; S9 Knightsbridge; S12 North Westminster Economic Development Area; **S14 Optimising Housing Delivery**; S18 Commercial Development; S20 Offices and Other B1 Floorspace; S21 Retail; S22 Tourism, Arts and Culture; S23 Hotels and Conference Facilities; S24 Entertainment Uses; S27 Buildings and Uses of International and National Importance; S29 Health, Safety and Well-Being; S31 Air Quality; S32 Noise; S33 Planning Obligations and Delivering Infrastructure; S42 Servicing and Deliveries; S43 Major Transport Infrastructure.

LACK OF AVAILABLE LAND, HOUSING, AND COMPETING LAND USES

2.27 Westminster's local economy relating to the Central Activities Zone also creates challenges for the borough. Since 2010/11, Westminster has seen significant annual losses of office floorspace. Much of this has been lost to housing, and the relative proportion of offices in the Core CAZ has declined to 46%, from a previous balance of between 48% and 51% retained for the 30 years previously. For this reason, a change in approach to offices within this strategically important area has been necessary. ~~In many cases developers would prefer single-use office developments rather than a mix of uses, but such~~

~~developments threaten the balance of uses which are so important to the character of Westminster's CAZ. For this reason, there is a particular problem ensuring that new housing development comes forward, and the council must actively and rigorously pursue housing development if it is to meet its statutory housing target.~~

PEOPLE PRESSURE

2.29 Westminster's residential population of approximately 250,000 swells to over one million during the daytime, with the influx of workers, visitors and tourists. Such intense activity is part of what makes Westminster exciting and vibrant, but is also one of its greatest challenges. It places enormous pressure on transport systems and the public realm and some locations struggle to accommodate the sheer numbers of people. Almost all journeys within Westminster involve a portion of walking within the public realm. A significant proportion of the capacity of social and community facilities and emergency services are taken by visitors rather than residents, and open spaces and parks, particularly the five Royal Parks, experience extraordinarily high visitor numbers from non-residents. The influx of visitors also extends into the evening and night-time, as people are drawn in for the entertainment offer, particularly concentrated around the West End. The high level of activity and 24 hour nature of some parts of the city strongly affects noise, air quality, crime and security, waste and the provision of local services. [The West End offers an almost unique residential environment, with the activity and offer of a 24 hour city on the doorstep. However, the City Council receives an increasing number of complaints from residents suggesting that the relationship between residents' expectations and business activity are not always well matched. The introduction of 24 hour tube running in September 2015 will further increase activity later into the night.](#) The functions of state and government, together with large events befitting Westminster's Central London role, and high numbers of people make the threat of terrorism a particular issue within the borough, and one which is best managed at design stage.

2.30 Regional growth also puts greater pressure on Central London locations such as Westminster, as people move through the city, and access centrally-located services and facilities as well as jobs. This movement to, through and across the city contributes to Westminster having amongst the worst air pollution in the country.

Westminster's activity makes it different from any other local authority in the country.

WESTMINSTER'S SPATIAL STRATEGY

WESTMINSTER'S SPATIAL VISION

~~To make~~ Westminster will remain a the foremost world class global city, while improving its sustainable performance: A city which values its unique heritage and accommodates growth and change to ensure the city's continued economic success while providing opportunities and a high quality of life for all of its communities and a high quality environment for residents, workers and visitors alike.

WESTMINSTER'S STRATEGIC OBJECTIVES

1. To accommodate sustainable growth and change that will contribute to enhancing London's Westminster's role as the heart of a pre-eminent a sustainable world class city, including building on its internationally renowned business, retail, cultural, tourism and entertainment functions within the Central Activities Zone; to support the unique economic breadth and diversity of the West End and its fringe areas including the Opportunity Areas; whilst maintaining its unique and historic character, mix, functions, and townscapes.
4. To increase the supply of good quality housing ~~across all parts of the city~~ to meet Westminster's housing target, and to meet housing needs, including the provision of affordable housing and homes for those with special needs; whilst ensuring that new housing in commercial areas coexists alongside the business activity and an appropriate balance of uses is maintained.
5. To manage the pressures on the city from its national and international roles and functions, supporting business communities and tourism, and ~~to~~ ensuring e a safe and enjoyable visitor experience.

WESTMINSTER'S SPATIAL STRATEGY

EMPLOYMENT AND THE ECONOMY

2.36 Westminster is projected to accommodate growth in employment of about ~~56,000 people~~ 77,000 jobs to 2036 between 2012/13 to 2026/27¹⁶. This provision will include 5,000 new jobs in Paddington Opportunity Area, 4,000 in Victoria Opportunity Area, and about 5,000 in the Tottenham Court Road Opportunity Area, including those areas within the London Borough of Camden¹⁷. It is crucial to remove barriers to employment for Westminster's residents, such as a lack of skills and training. This will reduce deprivation and social exclusion, and provide a skilled, local workforce for Westminster's businesses.

¹⁶ London Office Policy Review, 2012

¹⁷ London Plan 2015 2011.

2.37 Over the life-time of this plan, Westminster will continue to be one of London's most important office locations. New offices and other B1 business floorspace will be directed to appropriate locations within the Central Activities Zone, primarily the three Opportunity Areas at Paddington, Victoria and Tottenham Court Road, the Core Central Activities Zone, and to Named Streets within Marylebone and Fitzrovia. This will be delivered in such a way that maintains Westminster's unique mixed use character within Central London recognising the importance of Westminster's office stock to the national economy. ~~with approximately half of the floorspace across the whole of Core CAZ being office floorspace.~~ Overspill office and other B1 accommodation will be directed to appropriate locations within the North Westminster Economic Development Area, extending the existing office stock being delivered within the Paddington Opportunity Area.

HOUSING

2.40 Westminster offers a wide range of residential environments from quiet suburban streets to the hurley-burley of a global 24 hour city. As a general principle, housing is acceptable ~~on all sites within~~ in all parts of Westminster although it will not always be appropriate on all sites in the Central Activities Zone. As a minimum, an average of ~~770~~ 1,068 new homes will be delivered annually within Westminster. Opportunities for residential development will be optimised except in those parts of CAZ where the priority is for commercial development and where the introduction or increase of residential floorspace would be detrimental to the strategic functions of the CAZ as an internationally important business agglomeration. ~~and is the priority land use for delivery. Housing delivery will slow in the later plan period as larger available sites are developed.~~

2.42 The quality of the residential environment, relationship between residential and commercial activity and local characteristics of Westminster's neighbourhoods will continue to be a defining consideration for development proposals. This is expressed in the area-based policies throughout this plan.

PART III: LOCAL SPATIAL POLICIES

THE CENTRAL ACTIVITIES ZONE

3.1 As Westminster has evolved, it has become one of the most mixed and exciting places in the world. This activity is centred around the West End, and includes the area which since the 1970s has been termed the Central Activities Zone (CAZ). Here, together with the functions of state and the Monarchy, are over 40,000 businesses, more office floorspace than the City of London and Canary Wharf combined, the nation's largest entertainment centre, London's theatre district and the West End cinemas, one of the most important hubs of creative industries in the world, and internationally important shopping offer including the West End and part of Knightsbridge. This area contains about 17% of London's hotel bedspaces and some of London's most recognised tourist attractions and most iconic public spaces such as Piccadilly Circus, Leicester, Trafalgar and Parliament squares, the Royal Parks and Speakers' Corner. All this takes place in an area that over 35,000 people call home¹⁸. These residents This mix creates the unique character of Westminster's CAZ that makes it so different from any other part of London and unique in the world.

3.3 The central part of Westminster's CAZ is characterised by an intense level and range of activities. The council has designated this part of the CAZ as the Core Central Activities Zone (Core CAZ). The intensity of use and range of activities in the Core CAZ is not always appropriate in the other parts of the CAZ, which have their own unique character and role within the city. Approximately 120,000 people live across the wider CAZ area and there are many areas that are predominantly residential.

MIXED USES IN THE CENTRAL ACTIVITIES ZONE

3.5 There is an insatiable demand for every type of floorspace strong competition for floorspace within the CAZ from its internationally important agglomerations of commercial activities and functions, ~~but it is vital that consideration is also given to the place of~~ to its residential communities ~~and housing in the Central Activities Zone~~.

¹⁸ Estimated population of the Core Central Activities Zone, 2008

3.6 Managing Westminster's CAZ is all about balance. The mixed character of the CAZ is central to its economic **diversity and** vibrancy and is also crucial in attracting visitors and businesses. It also makes a significant contribution to the unique character of Westminster. It is acknowledged that in seeking mixed use, potential conflicts may be created which need to be managed. However, the benefits of genuine mixed use outweigh the difficulties of securing mixed use development or the additional management needs that may be generated by such a complex environment.

POLICY S1 MIXED USE IN THE CENTRAL ACTIVITIES ZONE

The council will encourage development which promotes Westminster's World City functions, manages its heritage and environment and supports its living, working and visiting populations.

Within the CAZ, a mix of uses consistent with supporting its vitality, function and character will be promoted.

A) Where proposals increase the amount of floorspace by less than 30% of the original building or less than 400sqm (whichever is the greater) no residential floorspace will be required.

B) Where proposals increase the amount of floorspace by between 30% and 50% of the original building and more than 400sqm:

i. net increases in B1 office floorspace will be accompanied by an equivalent amount of residential floorspace, either on-site, off-site or by mixed use credit (Policy CM47.2); or

ii. net increases in B1 office floorspace will be accompanied by an affordable housing payment in lieu equivalent to the amount of additional commercial floorspace.

It is at the applicant's discretion whether they wish to apply i. or ii. above.

C) Where proposals increase the amount of floorspace by more than 50% of the original building and more than 400sqm, net increases in B1 office floorspace will be accompanied by an equivalent amount of residential floorspace. The residential floorspace will be provided in accordance with the following cascade. Applicants are required to demonstrate to the council's satisfaction that it is not appropriate or practicable to provide the floorspace (in whole or in part) at each step of the policy cascade before they can move to the next.

- i. The required floorspace will be provided on-site or in the immediate vicinity of the site.
- ii. The required floorspace will be provided off-site (including through a draw down of Mixed Use Credits Policy CM47.2) on a site in the vicinity of the development site, or in the case of Victoria and Paddington Opportunity Areas, within that Opportunity Area.
- iii. The required floorspace will be provided off-site (including through a draw down of Mixed Use Credits Policy CM47.2) elsewhere within the CAZ. This part of the cascade does not apply to Victoria and Paddington Opportunity Areas. The housing provided must be greater and of a higher quality than would be possible under i. or ii. above.
- iv. Payment of an appropriate Payment in Lieu to the Affordable Housing Fund.

In demonstrating that a particular step is not practicable, site specific considerations will need to be taken into account. In demonstrating a particular step is not appropriate, considerations may include where a significantly better outcome can be achieved, in keeping with the council's mixed use objectives, by not providing the residential floorspace on site.

D) Where changes of use from office to residential and replacement of office floorspace with residential floorspace are acceptable in principal (Policy S20), the net increase in residential floorspace will be accompanied by commercial floorspace and/or social and community floorspace, except where:

- i. the net increase in residential floorspace is less than 400sqm; or
- ii. in the case of changes of use from office to residential, the building was originally built as residential and the building is substantially retained.

Where these proposals increase the amount of floorspace by more than 50% of the original building and more than 400sqm, net increases in residential floorspace will be accompanied by an equivalent amount of commercial and/or social and community floorspace.

The commercial and/or social and community floorspace can be provided on-site, off-site or by the draw down of a mixed use credit (Policy CM47.2) or by an appropriate payment in lieu to the City Council's Civic Enterprise Fund. These options will not

apply where an active frontage is required at ground floor level, which must be provided on-site.

~~Where proposals increase the amount of commercial floorspace by 200 sqm or more, or in the case of A1 retail or private educational, health and leisure facilities (D1 or D2), by 400 sqm or more, the provision of an equivalent amount of residential floorspace will be required on-site, where the council considers this to be appropriate and practical. This will not apply to changes of use between commercial uses, except where the change of use is to B1 office use.~~

Reasoned Justification

The council wishes to accommodate the various economic functions that contribute to London's world-class city status and at the same time, build sustainable residential communities. The primary aim of this policy is to maintain and enhance the pre-eminent role of Westminster's CAZ in terms of an internationally important business agglomeration. Westminster's CAZ will continue to accommodate a broad mix of uses, but the balance between residential and commercial uses must be carefully managed to ensure that the core strategic commercial function can continue to thrive.
~~character and function of the CAZ in Westminster by increasing residential uses alongside increases in commercial uses. It is The Having residential communities living in within CAZ, alongside the commercial uses, which will continue to make it a living, human city centre, This mixture will, Bringing new residents into CAZ will contribute to the balance, variety and vibrancy that is so attractive to businesses and visitors alike. of areas in CAZ. The consequent increase in the number of new homes in Westminster's CAZ will be an important contributor to meeting the borough's housing targets, but is considered a secondary reason for requiring mixed use in commercial schemes.~~

Mixed use means offices, shopping, entertainment, cultural, social and community and residential uses sharing buildings, streets and localities. The unique and varied mixed use character across CAZ is fundamental in ensuring the vitality, attraction and continued economic success of Central London. The mix sought must reflect the needs, character, function and priorities of these varied areas.

~~The council encourages and protects A1 uses so a higher threshold of A1 retail development will ensure there is no discouragement for small scale retail development. The council also acknowledges the role of private educational, health~~

~~and leisure facilities and therefore applies this higher threshold to those uses. The threshold and proportions are measured by gross floorspace.~~

A mix of uses will be secured where development sites achieve a sizeable uplift in floorspace. Where on-site provision of residential or commercial floorspace is not considered appropriate or ~~practicable practical~~, a cascade of other options, including the use of land use swaps or residential credits will be applied. ~~, will be set out in detailed City Management policy.~~

Policies relating to the Opportunity Areas (Policies S3, S4 and S5), Core CAZ (Policy S6), West End Special Retail Policy Area (Policy S7) and S20 Offices and Other B1 Floorspace include specific exceptions to the application of this policy.

CORE CENTRAL ACTIVITIES ZONE

3.24 The majority of commercial activity in Westminster is located within Westminster's original CAZ designation, in place since the early 1980s. This area (with minor updates to the boundary) is designated as the Core Central Activities Zone (Core CAZ). It is an economic powerhouse and international destination, home to global companies, world-class hotels, 40 theatres, 20 cinemas, 30 museums and, galleries, about 2,500 restaurants, public houses and bars and over 2,000 shops, all showcasing the best London has to offer in terms of retail, culture, leisure and entertainment. Creative Industries are an important element to the Westminster economy and interdependent with a vibrant cultural sector. The West End, particularly Soho, has the highest concentration of creative businesses in the world UK. The central part of Westminster has one of the largest clusters of cultural and entertainment uses in the country centred around the West End, including Theatreland, Trafalgar Square and Somerset House. This has been designated a Strategic Cultural Area. Millbank, along the Thames Riverside, is also a Strategic Cultural Area, including Tate Britain and the Chelsea College of Art and Design. *[moved from 3.28]* It also has many open, public and green spaces including London Squares and Royal Parks.

3.25 The Core CAZ is ~~an appropriate~~ an internationally important location for commercial developments, institutes and activities and functions of national and international status and importance.

3.28 It is also home to a number of long-standing residential communities, including some areas suffering deprivation within the West End. *[moved from 3.24]*

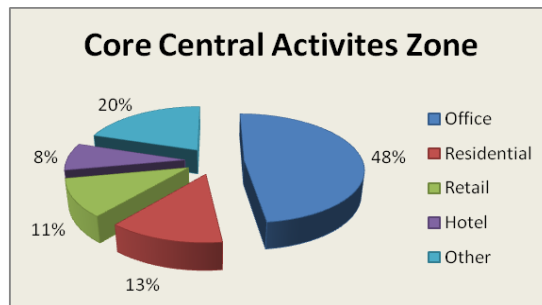


FIGURE 20 CORE CAZ LAND USE BREAKDOWN

POLICY S6 CORE CENTRAL ACTIVITIES ZONE

The Core Central Activities Zone (Core CAZ) is an appropriate location for ~~residential use and~~ a range of commercial and cultural uses and complimentary residential use, subject to the following priorities:

- Supporting strategically important clusters of uses consistent with enabling the growth and evolution of places to ensure the global reputation of the area is retained and enhanced.
- Retail floorspace is encouraged throughout the area. Large scale retail development will be directed to the West End International Shopping Centre’s Primary Shopping Frontages, the CAZ Frontages and the Opportunity Areas, with smaller-scale retail development also to its other shopping centres. Development within the Knightsbridge Primary Shopping Frontage will support the character, function and vitality of the wider International Shopping Centre within the Royal Borough of Kensington and Chelsea.
- Within the West End Stress Area, new entertainment uses covered by policy S24 will only be allowed where the council considers that they are small-scale, low-impact and they will not result in an increased concentration of late-night uses.
- Development sites within the Millbank Strategic Cultural Area between Lambeth and Vauxhall bridges will deliver a mix of uses including those that support culture and the creative industries - including arts and cultural uses, affordable business floorspace, workshops and studios; and
- Berwick Street market will be protected and the use of Rupert Street for specialist seasonal market trading will be supported.

Where retail developments fronting the Primary Shopping Frontages result in the requirement to provide residential floorspace, the residential floorspace may be provided off-site in the vicinity rather than on-site, where the council is satisfied that

off-site provision would better contribute to the vitality of the West End Special Retail Policy Area or Knightsbridge International Shopping Centre.

Reasoned Justification

This policy approach allows and encourages the growth of commercial uses within the Core CAZ and recognises the significant contribution Westminster makes to London's world city status **and the UK economy**. The Core CAZ is the centre of commercial life and **the** heart of business in London. **It has a deep culture and history, which has created a rich tapestry of instantly recognisable places and spaces at every scale. The area has a density of significance which is unequalled: historic, pop culture, aesthetic, creative and political.**

The unique agglomeration of commerce in this area must be protected and enhanced to ensure the economic sustainability and international reputation of this part of London. It must also be allowed to evolve, to remain vibrant and at the forefront of British culture and businesses.

Retail is an essential element of the mix of uses in Core CAZ contributing to its vibrancy and activity and its function as a world-class shopping destination, including its most famous retail destinations.

There is some potential for redevelopment between Lambeth and Vauxhall bridges to enhance the Millbank Strategic Cultural Area ([see policy S22 and paragraph 4.35](#)).

It is essential that the strategically important clusters of entertainment uses within the West End remain attractive and safe places in which to live, visit and work. There are identified 'crime hotspots' within the West End Stress Area and introduction of any additional entertainment uses would be unacceptable in many instances. In particular, larger scale and high impact entertainment uses have a disproportionate impact, and are detrimental to the safety and functioning of the area, people's enjoyment and perceptions of the West End as a place to visit, and the character of the streetscape.

Off-site provision of the residential floorspace may be appropriate in the Primary Shopping Frontages to ensure that retail growth and improved retail space remains the priority. This will maintain a retail experience befitting the international status and help maintain the unique vitality and attractiveness for businesses, shoppers and visitors alike.

Cross-reference to Policy S1 Mixed Use in the Central Activities Zone; S18 Commercial Development.

PART IV: CITY-WIDE SPATIAL POLICIES

HOUSING PROVISION

4.3 Due to its historic fabric, densely built up areas, and lack of surplus industrial land that can be 'released' for housing, change within Westminster is typically small-scale and achieved through the sensitive redevelopment of smaller sites and refurbishment of existing buildings. This gives the urban environment its richness and strong local identity. The lack of available land is a considerable constraint for Westminster in meeting its housing needs. In many other parts of London, surplus industrial land makes a significant contribution to meeting the borough's housing targets. This is not typically the case in Westminster where many sites already contain offices, shops and housing with existing high values, and new housing is delivered by change of use, making more efficient use of floorspace and building to higher densities.

4.4 Westminster has very few large sites, and some of the larger sites that are expected to deliver housing will also be providing a mix of commercial or other uses. For example, the three Opportunity Areas have been designated for major growth for housing and employment uses. Paddington Opportunity Area is expected to deliver at least 1,000 new homes over the plan period 2011 to 2031, Victoria Opportunity Area at least 1,000 new homes. The Tottenham Court Road Opportunity Area is expected to deliver at least 420 new homes, but the majority of this area lies within the London Borough Camden and the parts within Westminster's boundary are Crossrail sites in the West End International Shopping Centre so are only expected to contribute about fifty residential units. The majority of the housing target will therefore be provided in the London Borough of Camden. In the Central Activities Zone (particularly Core CAZ), housing development competes with office development and other uses which contribute to the unique commercial agglomeration in the heart of the city. These uses must be balanced and the strategic function and fine-grained mix of uses must be protected to ensure the future sustainability of the CAZ. ~~, and whether housing proposals come forward depends on the vagaries of the market for these competing land uses.~~ The London Plan sets targets for housing delivery and the policies set out below aim to achieve these targets whilst not compromising other strategic objectives such as economic sustainability, growth, heritage,

health and well-being. The council will need to actively and rigorously pursue housing development if it is to meet its statutory housing target.

OPTIMISING HOUSING DELIVERY

4.8 The lack of large sites means that housing development in Westminster is usually small scale and involves changes of use and refurbishment and extensions of existing buildings. New homes are therefore expected to be delivered by change of use and redevelopment from ~~offices and other~~ commercial uses where their loss is appropriate and some redundant public sector uses, such as hospital sites; building to higher densities on existing housing sites, and housing required by the mixed use policy. ~~In most circumstances employment uses will be permitted to change use to residential, and Residential use will need to grow alongside significant expansions in commercial floorspace as part of a mix of uses.~~

4.9 Westminster's housing target set out in the London Plan¹⁹ is ~~1,068 770~~ new homes per year (equates to ~~21,360 7,700~~ units between ~~2016/17 2011~~ and ~~2036/37 2021~~). Westminster does not have land that it can 'release' for housing development so in order to ensure that there is a continuous five year supply of deliverable housing sites available to achieve the housing target, the council will engage in discussions with landowners to identify and bring forward sites for housing. The council has and will continue to participate in regional assessments of housing land availability and capacity, the London Strategic Housing Land Assessment (SHLAA). In order to meet future housing targets set out in the London Plan in the longer term, the council will take account of the evidence set out in the SHLAA, supplemented by local viability testing, and discussions with landowners to prepare the 6-10 and 11-15 year lists of developable housing sites. The housing land supply schedules will also help facilitate housing development by providing guidance to potential developers about what will be expected from development sites, and instigating discussions with landowners of stalled sites. The housing land supply schedules of deliverable and developable sites will be updated through the Authority's Monitoring Report.

POLICY S14 OPTIMISING HOUSING DELIVERY

Reasoned Justification

To achieve and exceed Westminster's housing targets it is necessary to protect existing housing and have bring forward new housing as appropriate the priority use across the city. This means that schemes which retain or increase the overall housing floorspace should not reduce the number of residential units as this would reduce the number of homes in the

¹⁹ London Plan 2015 2014.

city. Affordable housing is an exception as Westminster’s own housing stock is dominated by one and two bedroom units; whilst need is focused on two and three bedroom units. Formerly converted houses which would provide family-sized homes will also be an exception because of the shortage of family homes with gardens in the city and the benefits such ‘de-conversion’ would bring to providing a range of accommodation. This also creates a flexibility and sustainability within the housing stock for different sizes and types of accommodation to be provided throughout a building’s lifetime.

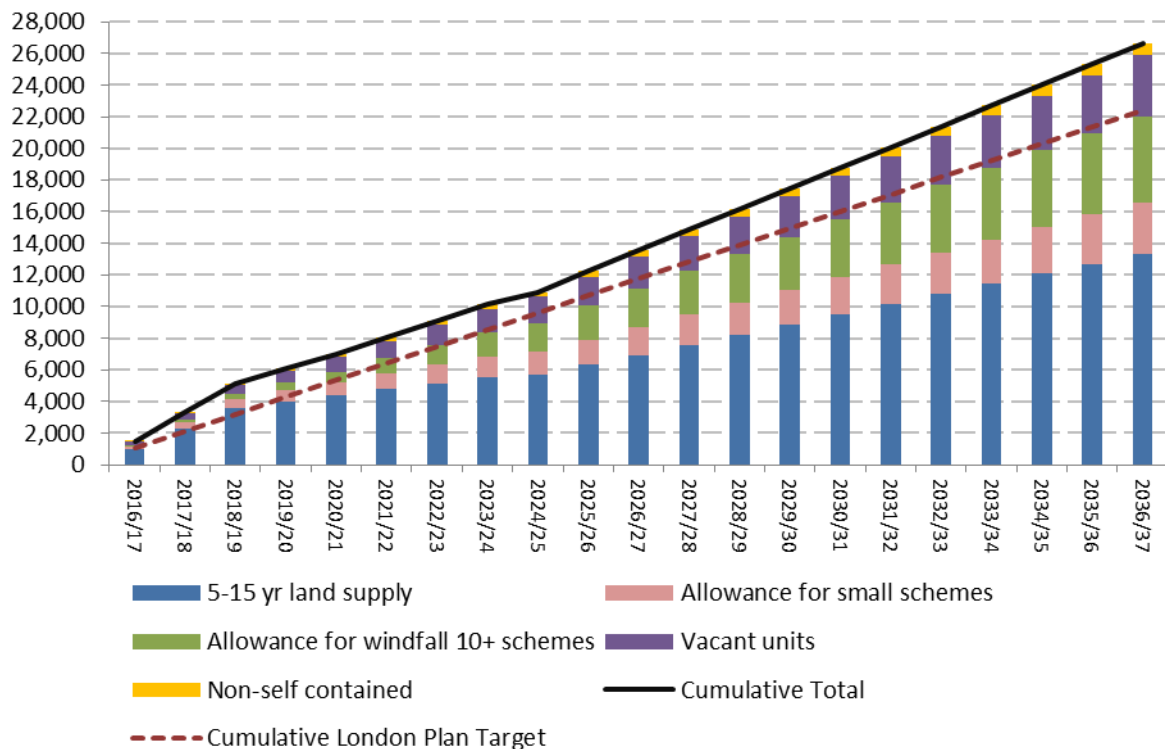


FIGURE 37 WESTMINSTER’S HOUSING TRAJECTORY

Westminster will be able to meet the London Plan target of **1,068 770** units **from all sources**.

This graph is based on the 15 year Land Supply Assessment **2012/13—2026/27** included in the Annual Monitoring Report **2010/11**, plus an allowance for windfall sites of 10 or more units and an allowance for sites yielding 1-9 units. It also includes sources of non-conventional housing: bringing vacant homes back into use and non-self contained housing. Westminster has local circumstances which justify including an allowance for windfalls and smaller sites, and that these can legitimately be included in the trajectory as set out in the spatial strategy. The justification is set out in Appendix 4, and is based on the following:

- The 15 year Land Supply Assessments include sites which are expected to deliver 10 or more residential units. However, 93% of housing sites in the city yield less than 10 units, and these small sites have yielded about 25% of new homes in the city.

- ~~This plan does not give general protection to office use; offices may therefore change to housing. Many applications for change of use from B1 use to housing are ‘windfalls’, which depend on the vagaries of the market and cannot be anticipated.~~
- Historically, windfalls have accounted for 80% of housing delivered in the city. However, the 15 year Land Supply Assessments will now capture many of these sites **and there will be less ‘windfalls’ from the loss of offices** so a far lower **proportion of new housing from this source figure** needs to be projected into the future.

The inclusion of these windfall and small sites allowances reflects the advice in the National Planning Policy Framework as such sites have consistently come forward and will continue to provide a reliable source of housing. It is based on new development and conversions, and does not rely on development of residential gardens. The 5 year housing land supply includes an additional 5% buffer to ensure choice and competition, although as most sites in Westminster are available for housing, this will include an element of windfalls as set out above.

...

Policies relating to Special Policy Areas (Policy S2), the Opportunity Areas (Policies S3, S4 and S5), Core CAZ and the West End Special Retail Policy Area (Policies S6 and S7), and North Westminster Economic Development Area (Policy S12) have other priorities **instead of, or** in addition to housing.

Cross-reference to Policy S1 Mixed Use in the Central Activities Zone; **S20 Offices and other B1 Floorspace**; Appendix 1 Proposals Sites: Strategic Sites for Housing.

BUSINESS AND EMPLOYMENT

4.17 The City of Westminster, in the heart of London, plays a definitive role in London's economy, accommodating more jobs than any other local authority, and providing opportunities for investment, enterprise and creativity. Employing over 600,000 half a million people across a wide range of sectors, the local economy is both significant and diverse²⁰. Westminster has more employees in the UK and its employment density is second-highest behind the City of London. Over 60% of Westminster's employees and GVA are in just two wards: St James's and West End. Westminster needs to remain competitive as a business location within a context of increasing globalisation and competition from other European and international cities, and fluctuations in economic circumstances and cycles.

4.18 ~~The working population of Westminster is projected to grow by about Westminster is projected to accommodate growth in employment of between 56,000 people 77,000 and 100,000 jobs~~ between ~~2016/17 2012/13~~ to ~~2036/37 2026/27~~²¹. There is significant development for new jobs to be created within the Opportunity Areas. There will be capacity for a further 5,000 new jobs within Paddington (capacity for over 27,000 jobs has already been created), 4,000 new jobs in Victoria, and 5,000 new jobs within Tottenham Court Road (shared with the London Borough of Camden). Increases in jobs are also sought within the Core Central Activities Zone and North Westminster Economic Development Area, particularly Church Street, Edgware Road and Harrow Road.

~~4.2720~~ The Creative Industries are a major element in Westminster's economy and Westminster is one of the most creative hubs in the world. Seven percent of the UK's Creative Industries' employees work in Westminster. Soho alone accounts for about 11% of the creative turnover of the entire UK, and makes up 20% of London's new creative jobs., and Westminster's central area has the highest concentration of creative businesses in the UK, and probably the world. For example, 75% of London's top fine art dealers and quarter of the UK's antique dealers are located in Mayfair and St James's, while X% of the UK's film and television production houses lie within an area of just X in the heart of Soho. Westminster also accommodates a third of London's advertising employment.

Westminster's attraction to Creative Industries is its centrality, connectivity, density of

²⁰ ONS BRES 2014. This differs from the number of jobs as some people have more than one job.

²¹ The GLA have projected employment growth from the current 673,000 employees to 750,000 in 2036, an increase in 77,000 jobs (GLA Employment Projections 2013). The target could also be based on retaining Westminster's share of the London-wide growth projections, a target of an additional 98,000 jobs. Finally, a target based on employment growth matching London's (working age) population projected growth rate, an additional 105,000 jobs. London Office Policy Review, 2012

business and consumers and availability of talent²². Protecting and enhancing the Creative Industries is a priority²³; however, they do not fall within a specific use class and therefore require a customised approach. **In 2007, about 63%** of Creative Industries operated from B1 Use Class units and a further 17% occupied A1 Use Class retail units²⁴. However, the availability of other types of business floorspace remains important to the diversity and functioning of this sector.

4.20 4.21 However, there are limits to the level of growth that can realistically be achieved due to the already densely developed built form, transport capacity, the need to retain all areas of open space and the need for new development to be appropriate to its context, particularly in relation to the mix of uses and historic fabric of much of the city. Therefore, growth needs to be directed to the most appropriate locations in Westminster, **and the appropriate balance between commercial floorspace and residential needs to be struck, particularly for Westminster's core commercial areas.**

POLICY S18 COMMERCIAL DEVELOPMENT

Commercial Development will be encouraged and directed to the Core Central Activities Zone, the Named Streets, Paddington, Victoria and Tottenham Court Road Opportunity Areas, the Core Central Activities Zone, the Named Streets, the North Westminster Economic Development Area and designated Shopping Centres.

The council will work to achieve and exceed the target of additional floorspace capacity for 77,000 new jobs between 2016/17 and 2036/37, an average of 3,850 new jobs per annum. Commercial and other non-residential activity is the priority in the Core Central Activities Zone.

Proposals for new commercial uses must be appropriate in terms of scale and intensity of land uses, and character and function of the area.

Reasoned Justification

Westminster is the economic powerhouse of the UK, with the business activity centred around the West End. Its preeminent role must be protected and enhanced for the benefit of the economy, Westminster and London's global reputation as a place for business and to visit, and to nurture the unique business clusters that exist and will evolve in the future. The West End Commission, reporting in 2013, recognised the importance of

²² Creative Industries Report, 2007

²³ Westminster Economic Development Strategy, 2007

²⁴ Creative Industries Report, 2007

the role of the West End as a major economic asset and its uniqueness, but also recognised the challenges that needed to be addressed in the future. The loss of commercial floorspace fails to meet the needs of neither Westminster's business community nor those who are seeking a West End location. This is detrimental to the economy, driving up rents and reducing supply. Ultimately, at scale, it will be detrimental to the economy of London and the UK more widely if allowed to continue.

A balance must also be struck between business and residential activity in this strategically important area. Housing is an important part of the mix of the area, but too much housing can erode the agglomeration benefits which make the West End and Opportunity Areas so successful, and lead to unrealistic expectations of residential amenity which is not compatible with meeting legitimate business needs.

Ensuring delivery against the strategic target for jobs will ensure that the needs of the business community are met through growth of Westminster's commercial floorspace.

This policy approach encourages the growth of commercial uses in the context of the already densely built form of predominantly human scale, mixed use character including residential, and the historic fabric of much of Westminster.

Cross-reference to Policies S3, S4 and S5 for the Opportunity Areas; S6 Core Central Activities Zone; S8 Marylebone and Fitzrovia; S12 North Westminster Economic Development Area; **S20 Offices and other B1 Floorspace.**

OFFICES AND BUSINESS FLOORSPACE

4.23 Between 1996 and 2010/11, office floorspace within Westminster increased, with much of these gains being within the Paddington Opportunity Area. The Core Central Activities Zone (Core CAZ), particularly the West End, accommodates the greatest proportion of Westminster's office stock, with a net increase in the overall amount of office floorspace of 70,400 sqm between 1996 and 2010/11. The proportion of the total floorspace within Core CAZ which is in office use ~~has~~ remained relatively stable during this period, ranging between 48% and 51% of the total floorspace between 1983 and 2009/10. However a sustained period of office losses began in the 2010/11 monitoring period, indicative of unprecedented changes to market conditions linked to the exceptionally strong performance of the housing market. ~~comprising 50% of total floorspace in 1983, 51% in 1990, 48% in 2008 and 46% in 2011.~~ This resulted in the loss of a significant amount of office floorspace with the loss of 167,000sqm in the four years 2010/11 to

2013/14. If continued unchecked, this would have had irreparably damaged UK's economic core.

4.24 The strategic approach to commercial and residential floorspace in the CAZ was changed in 2015 to ensure that the right mix and balance of uses was secured to support a sustainable and diverse economy. Crucial to achieving this balance is recognising the importance of the economic benefits that the agglomeration of unique clusters of commercial activity - and their overlap and coming together - bring, underpinning the success of places like Soho, Mayfair, St James's and Covent Garden. Enabling enterprises and people in key sectors to locate together, broadening opportunities for firms and workers, is key to making places like these so attractive to businesses, workers, visitors and residents alike. These long term trends in office floorspace reflect the fact that, generally, unlike most other places in the UK, developers would rather bring forward office floorspace than any other land use.

~~4.26—Offices are supported as an important use within Westminster. However, because of the unique market pressures for office floorspace and long term stability in provision, it is not considered necessary to provide a specific policy to protect offices.~~

POLICY S20 OFFICES AND OTHER B1 FLOORSPACE

The council will work to achieve and exceed the target of additional floorspace capacity for 58,000 new jobs between 2016/17 and 2036/37²⁵, an average of 2,900 new jobs per annum.

New office development will be directed to the Core Central Activities Zone, the Named Streets, the Paddington, Victoria and Tottenham Court Road Opportunity Areas, the Core Central Activities Zone, the Named Streets, and the North Westminster Economic Development Area.

Inside the Core Central Activities Zone, Opportunity Areas and the Named Streets, changes of use from office to residential or replacement of office floorspace with residential floorspace will only be acceptable where the council considers that the benefits of the proposal outweigh the contribution made by the office floorspace, taking into account:

4. the employment and housing targets set out above, and as referred to in Policies S18 and S14;

²⁵ This target is based a) on the average office floorspace projections taking into account forecast employment and past stock growth, and assuming an occupation rate of 9sqm per employee for B1 uses and b) securing 49% of the employment growth target set out in Policy S18 in office-based employment. Both of these assessments are based on the London Office Policy Review 2012 Update, and both methods suggest a target of 58,000 jobs.

5. the contribution of the office floorspace to meeting business and employment needs; and
6. the mix of type, size and tenure of housing proposed.

Where 3) above is not met due to site constraints and/or viability, the floorspace will be retained as B1 office floorspace.

Where appropriate, the council will request a range of business floorspace including workshops and studios.

Reasoned Justification

Westminster contributes approximately 9 million sqm of office floorspace to London and the UK's stock; the largest and most diverse office agglomeration in the country and one of the most significant globally. The workers using this space support the success of local retail, leisure and other sectors. However, there were losses of office floorspace since 2010/11, a trend that will take some time to reverse due to the significant number of office losses granted permission between 2010/11 and September 2015. Given the strategic and local importance of this office and wider commercial agglomeration in terms both of meeting the needs of business and supporting the success of other important uses such as retail, it is crucial that housing does not displace offices within the core commercial areas until employment capacity has recovered in line with the employment targets and an appropriate balance of uses is re-established. Losses of office to other commercial or social and community uses are acceptable as they likewise contribute to the commercial activity in the area.

New offices are encouraged within these locations to retain **and enhance** Westminster's strategic role in London's office sector, and support London's global competitiveness. The policy also identifies Westminster's capacity for growth, predominantly in the three Opportunity Areas and North Westminster Economic Development Area.

In addition to offices, a range of other B1 floorspace is required in Westminster to ensure diversity across employment sectors. This supports a range of business activities, including Creative Industries, and employment opportunities. It will be sought where non-office type floorspace such as workshops and studios are appropriate as part of the overall mix of uses because of their location or existing use.

Cross-reference to Policies S1 Mixed Use in the Central Activities Zone; S3 Paddington Opportunity Area; S6 Core Central Activities Zone; S12 North Westminster Economic Development Area; **S14 Optimising Housing Delivery**; S18 Commercial Development.

PART VI:

IMPLEMENTATION

Insert the following new text after Policy S47 The Presumption in Favour of Sustainable Development:

POLICY CM47.1 LAND USE SWAPS AND PACKAGES

Planning permission for the swapping of uses between sites and for land use packages (swaps between more than 2 sites) which are located in the Central Activities Zone will be appropriate where:

1. the sites are in the vicinity of each other;
2. the mixed use character of the immediate area is secured at a fine grain;
3. there is no net loss of floorspace which is protected by other policies in the plan;
4. the uses are appropriate within each area and there is no loss of amenity resulting from the introduction or intensification of a use into an area;
5. any residential accommodation is of a higher quality than could have been achieved without the land use swap or package;
6. the applications for all sites are submitted at the same time and all elements of the scheme are completed within a time frame agreed by the City Council.

This policy does not prejudice the application of any other policies in the plan, and requirements for floorspace to be provided must be met in full.

If agreed, the sites subject to the land use swap or package will be treated as though the development is on a single site, including for consideration of viability.

Applications must be accompanied by a full schedule of the existing and proposed floorspace including the following:

1. the floorspace of each use (Gross Internal Area) proposed for each site, and for all of the sites taken as a whole;
2. in the case of residential floorspace, the breakdown of floorspace provided in accordance with 1. (immediately above) by the tenure, unit floorspace, and the

number of bedrooms of each unit , and the total floorspace for all of the sites taken as a whole;

3. details of any draw downs of Mixed Use Credits or Affordable Housing Credits; and
4. calculations of any floorspace shortfalls being met from Payment in Lieu.

Reasoned Justification

In order to maximise the potential of sites within the commercial areas of Westminster’s Central Activities Zone, flexibility is provided through land use swaps and packages to ensure a mix of uses is retained locally, but maximising the potential of each individual site.

POLICY CM47.2 CREDITS

A) Registering Credits

In addition to Policy S1 in the case of mixed use credits, credits must:

1. be agreed as a credit at application stage and registered as a credit at the time of permission being granted, or have been granted permission prior to *[date at which this document is formally adopted]* and have not been implemented;
2. establish a nominal floorspace value for the affordable housing credit in agreement with the council, with each credit equating to 1 sqm;
3. fund the development and maintenance of a credit monitoring database which will be the definitive list of credit sites;
4. not be listed in Appendix 1 Proposals Sites with that use as a Preferred Use;
5. comply with the following policies;

Residential Mixed Use Credits	S14 Optimising Housing Delivery; Policy S16 Affordable Housing excluding Payments in Lieu; CM16.1 Meeting the Range of Affordable Housing Needs; and CM14.1 Housing Quality
Commercial Mixed Use Credits	S18 Commercial Development; S19 Inclusive Local Economy and Employment; and where relevant S21 Retail

In considering if a proposal should be agreed as a credit scheme, the council will take into account the scheme's location, scale and quality and in the case of residential floorspace, the type, tenure, mix and number of units to be provided and the type, tenure and mix of uses/housing in the local area.

B) Drawing Down Credits

In addition to Policy S1 in the case of mixed use credits, when drawing down credits:

1. They must be drawn down within 7 years of registration;
2. The floorspace registered by the credits must be completed, and the completion certificate provided to the council;
3. The nominal value referred to in A) 2. above must be used in any viability assessment for the host scheme;
4. Credits may be pooled from more than one credit scheme, or used in combination with on-site, off-site or payment in lieu provision;
5. The credits must be available for draw down, as follows;
 - i. Credits are allocated to a host scheme at the time the planning application is submitted for the host scheme. After this, they will not be available for any other host scheme until they are released.
 - ii. To release credits the council must be notified in writing that:
 - a) the host scheme planning application has been refused and the time for an appeal has expired, or an appeal dismissed;
 - b) the host scheme planning application has been withdrawn;
 - c) the host scheme has been superseded by an alternative host scheme and the credits are transferred to the latter scheme;
 - d) the host scheme has been superseded by an alternative scheme that does not use the credits; or
 - e) the host scheme planning permission has expired.
 - iii. Credits can only be drawn down once, and the credit has been drawn down when the council is notified in writing that the host scheme is completed.

Reasoned Justification

Land use credits enable development to be bought forward early which can then meet policy requirements of a later scheme. This provides additional flexibility to support developers in delivering mixed use. However, it is important that the credits provide additionality to contribute towards the objectives of the mixed use policy. It is also important that there is certainty around the value of the credit both at the time of the credit application and at the time of the host application, to ensure the drawing down of the credit at a later date does not impact on the ‘book’ viability of the host scheme and to avoid value escalation.

RISK AND REVIEW

FIGURE 55 RISK ASSESSMENT

Area	Risk	Reason	Actions	Key Partners
Housing	Inability to meet housing target	Difficulty bringing housing forward as high existing use values, lack of brownfield sites, and wider economic downturns. <u>Less housing delivered from changes of use/redevelopments involving office losses.</u>	<u>Undertake regular reviews of housing delivery, and in appropriate locations, compare this to delivery against commercial targets. The policy approach enables approvals of residential from office losses once the commercial targets are better met. Make housing the priority use, and require it against commercial development in appropriate locations.</u>	Development industry.
	Inability to secure significant amounts of affordable housing	Affected by viability, particularly high existing use values, increasing reliance on viability testing, competing planning	Changed threshold for requiring affordable housing (1,000 sqm), and amount sought (proportion floorspace). Housing Renewal Programme to provide about 500	Westminster City Council (Housing), CityWest Homes, Registered Providers, Mayor of London (previously Homes and

		obligations demands and wider economic downturns. Uncertainty about future funding regimes. Proportion target strongly affected by small schemes below threshold.	affordable homes. Affordable Housing Fund to 'top up' Mayoral/ Registered Provider affordable housing funding. Working to develop an appropriate affordable rent product for Westminster and widen Intermediate Housing products to better meet needs of low- and medium-income families (through Housing Strategy and City Management policy).	Communities Agency).
<u>Sustainable Economy</u>	<u>Continued loss of offices, loss of economic diversity, and loss of key business agglomerations, resulting in a less sustainable economy, economic resilience and loss of character and reputational damage in the longer term</u>	<u>Strong performance of the residential market</u>	<u>Inclusion of strategic jobs target and strategic office jobs targets, and protection of offices in appropriate circumstances</u>	<u>Development industry Key Employment Sectors Business Improvement Districts</u>

FIGURE 56 MONITORING FRAMEWORK

HEADLINE OBJECTIVES	KEY INDICATORS' TOPICS	POLICY REF
Objective 1: To accommodate sustainable growth and change that will contribute to enhancing London's Westminster's role as the heart of a pre-eminent a sustainable world class city, including building on its internationally renowned business, retail, cultural, tourism and entertainment functions within the Central Activities Zone; to support the unique economic breadth and diversity of the West End and its fringe areas including the Opportunity	<ul style="list-style-type: none"> Retail development in the West End Special Retail Policy Area (WESRPA), and other shopping centres, and outside shopping centres Hotel development by area Development of new arts and cultural uses by area Entertainment use development by area Development in Paddington, Victoria and 	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 18, 20, 21, 22, 23, 24, 25, 26, 27, 33, 47.1, 47.2

<p>Areas; whilst maintaining its unique and historic character, mix, functions, and townscapes.</p>	<p>Tottenham Court Road Opportunity Areas</p> <p>progress against housing and job targets; and delivery of key social and transport infrastructure identified in the plan policy</p> <p>Change in land uses in Special Policy Areas.</p> <p>Development affecting identified views.</p>	
<p>Objective 5: To manage the pressures on the city from its national and international roles and functions, supporting business communities and tourism, and to ensuring a safe and enjoyable visitor experience.</p>	<p>Tourism-related and visitor accommodation uses</p> <p>Entertainment uses within Stress Areas</p> <p>Crime rates associated with the 24 hour economy</p>	<p><u>1, 2, 3, 4, 5, 6, 7, 8, 11, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 31, 32, 33, 34, 35, 36, 37, 41, 42, 43</u></p>

SUPPORTING INFORMATION

APPENDIX 3: KEY PARTNERSHIPS

PARTNERSHIP	LEVEL	EXAMPLES OF PROJECTS / ACHIEVEMENTS	STAKEHOLDERS INVOLVED
Business Improvement Districts (from 2001)	Local Area	<p>These locally controlled partnerships are made up of groups of businesses. These include Paddington, Baker Street, New West End Company (around Oxford Regent and Bond Street), Heart of London (around Leicester Square and Piccadilly Circus), Bayswater, North Bank (around the Strand), Victoria and Piccadilly & St James's. There are also emerging BIDs for Baker Street and the Strand. Within these areas business occupiers pay an additional levy to fund improvements to their local areas, often in conjunction with voluntary contributions with landowners.</p>	Westminster City Council and groups of local businesses

APPENDIX 4: HOUSING DELIVERY

HOUSING DELIVERY

The table below sets out the projected delivery of housing for the ~~15~~ 20 year period ~~2012/13 – 2026/27~~ 2016/17 -2036/37. The council anticipates a net increase in conventional housing of ~~9,329~~ 22,041, and a further ~~2,640~~ 4,578 from non-conventional sources. This is based on annual estimates of ~~81~~ 183 vacant units bought back into use, ~~95~~ 35 non-self contained units, an average of ~~130~~ 260 windfalls of over 10 units, and ~~200~~ 150 units from schemes of <10 units.

These allowances accord with the London Strategic Housing and Land Availability Assessment ~~2009~~ 2013. However it is noted that delivery of units, particularly non-self contained units is, in reality, very ‘lumpy’. The annual allowance from all sources of housing includes a 5% buffer, although as most sites in Westminster are appropriate for housing, there is already a significant degree of choice and competition.

These are the raw figures shown in Figure 37 Westminster’s Housing Trajectory, to deliver against a ~~15~~ 20 year target of ~~11,550~~ 21,360 new units.

	Year	Conventional homes from 5-15 year land supply	Allowance for schemes under 10 units	Allowance for windfalls sites of 10+ units	Total conventional units	Bringing vacant homes back into use	Non-self contained units	Cumulative TOTAL
<u>1</u>	2012/13	725	200	0	925	81	95	886
<u>2</u>	2013/14	977	200	50	1,227	81	95	1,987
<u>3</u>	2014/15	546	200	50	796	81	95	3,390
<u>4</u>	2015/16	477	200	75	752	81	95	4,362
<u>5</u>	2016/17	780-948	150-200	75-100	1,005-1248	81-183	95-35	5,290-1,466
<u>1</u>								
<u>6</u>	2017/18	147-1324	150-200	100	397-1624	81-183	95-35	6,471-3,308
<u>2</u>								
<u>7</u>	2018/19	147-1324	150	100-150	397-1624	81-183	95-35	7,044-5,150
<u>3</u>								
<u>8</u>	2019/20	147-389	150	150	447-689	81-183	95-35	7,617-6,057
<u>4</u>								

9 <u>5</u>	2020/21	147-389	<u>150</u>	<u>150</u>	447-689	<u>81183</u>	<u>9535</u>	8,240-6,964
10 <u>6</u>	2021/22	147-389	<u>150</u>	200-300	497-839	<u>81183</u>	<u>9535</u>	8,863-8,021
11 <u>7</u>	2022/23	60-389	<u>150</u>	200-300	410-839	<u>81183</u>	<u>9535</u>	9536-9,078
12 <u>8</u>	2023/24	60-389	<u>150</u>	250-300	460-839	<u>81183</u>	<u>9535</u>	10,122-10,135
13 <u>9</u>	2024/25	0-120	<u>150</u>	250-300	400-570	<u>81183</u>	<u>9535</u>	10,758-10,923
14 <u>10</u>	2025/26	0-640	<u>150</u>	250-300	450-1,090	<u>81183</u>	<u>9535</u>	11,334-12,231
15 <u>11</u>	2026/27	0-640	<u>150</u>	<u>300</u>	450-1,090	<u>81183</u>	<u>9535</u>	11,960-13,539
<u>12</u>	<u>2027/28</u>	<u>640</u>	<u>150</u>	<u>300</u>	<u>1,090</u>	<u>183</u>	<u>35</u>	13539-14,848
<u>13</u>	<u>2028/29</u>	<u>640</u>	<u>150</u>	<u>300</u>	<u>1,090</u>	<u>183</u>	<u>35</u>	14847-16,155
<u>14</u>	<u>2029/30</u>	<u>640</u>	<u>150</u>	<u>300</u>	<u>1,090</u>	<u>183</u>	<u>35</u>	16155-17,463
<u>15</u>	<u>2030/31</u>	<u>640</u>	<u>150</u>	<u>300</u>	<u>1,090</u>	<u>183</u>	<u>35</u>	17463-18,771
<u>16</u>	<u>2031/32</u>	<u>640</u>	<u>150</u>	<u>300</u>	<u>1,090</u>	<u>183</u>	<u>35</u>	<u>20,079</u>
<u>17</u>	<u>2032/33</u>	<u>640</u>	<u>150</u>	<u>300</u>	<u>1,090</u>	<u>183</u>	<u>35</u>	<u>21,387</u>
<u>18</u>	<u>2033/34</u>	<u>640</u>	<u>150</u>	<u>300</u>	<u>1,090</u>	<u>183</u>	<u>35</u>	<u>22,695</u>
<u>19</u>	<u>2034/35</u>	<u>640</u>	<u>150</u>	<u>300</u>	<u>1,090</u>	<u>183</u>	<u>35</u>	<u>24,003</u>
<u>20</u>	<u>2035/36</u>	<u>640</u>	<u>150</u>	<u>300</u>	<u>1,090</u>	<u>183</u>	<u>35</u>	<u>25,311</u>
<u>21</u>	<u>2036/37</u>	<u>640</u>	<u>150</u>	<u>300</u>	<u>1,090</u>	<u>183</u>	<u>35</u>	<u>26,619</u>
	TOTAL	4,870 <u>13,341</u>	2,550 <u>3,250</u>	1,950 <u>5,450</u>	9,320-22,041	1,215 <u>3,843</u>	1,425 <u>735</u>	<u>26,619</u>

FIGURE 57 PROJECTED HOUSING SUPPLY FROM ALL SOURCES ~~2011/12 – 2026/27~~ 2016/17 – 2036/37

WINDFALL DEVELOPMENTS

There are a number of unique local circumstances in Westminster which justify the inclusion of windfalls and smaller schemes (which are nearly always windfalls) when demonstrating deliverability in terms of housing land supply, and producing the housing trajectory for Westminster's City Plan.

1. Westminster, being at the heart of Central London, is already densely built up, and has only has brownfield sites, and very few large sites. Any large sites coming forward will

be expected to provide either solely housing (with supporting community facilities), e.g. Chelsea Barracks; or mixed uses to include housing, e.g. the three Opportunity Areas designated for mixed use to provide significant employment uses and housing.

2. Because Westminster is intensively built up, over 90% of housing schemes completed in the city have less than 10 additional residential units. Small schemes of less than 10 units produced ~~2,179~~ **3,283** units in the ~~nine~~ **twelve** years 2002 to ~~2013/14~~ **2010/11**, and make up about ~~27%~~ **44%** of additional residential units completed. This equated to an average figure of ~~242~~ **274** units per annum from these small sites. An allowance of 200 units per year for small schemes is therefore considered to represent a realistic estimate of likely units arising.

~~3. There are no general policies in Westminster's City Plan protecting employment uses (i.e. B1 office). Housing is given the highest priority in the plan. Therefore, any office building can, in principle, change use to housing, and many do. However, it would be inappropriate to include all B1 buildings in the housing land supply as it is not known if, or when, any specific site will be developed for housing. Hence, whilst some such schemes, particularly those in the investment strategies of the major landowners, can be included in the 5-15 year land supply assessment, many applications for change of use from B1 use to housing are 'windfalls' and depend on the vagaries of the market and cannot be anticipated.~~

Period	No of < 10 unit schemes	Net units from < 10 unit schemes	Total net units from conventional housing	Percentage of conventional housing from < 10 unit schemes
2002	27	109	703	16%
2003	89	192	1,318	15%
2004	103	234	596	39%
2005/06	169	360	1,809	20%
2006/07	124	252	665	38%
2007/08	92	206	671	31%
2008/09	118	274	850	32%
2009/10	110	243	653	37%
2010/11	134	309	831	37%
2011/12	198	458	837	24%

2012/13	<u>127</u>	<u>286</u>	<u>591</u>	<u>21%</u>
2013/14	<u>163</u>	<u>360</u>	<u>527</u>	<u>31%</u>
Total/ Average	966 <u>1,454</u>	2,179 3,283	8,096 10,051	27% 44%

FIGURE 58 RESIDENTIAL SCHEMES WITH 1 TO 9 ADDITIONAL RESIDENTIAL UNITS

4.3. The market will also dictate when it is viable to redevelop existing housing sites to a higher density. Most of these applications will be ‘windfalls’; though an exception will be existing Registered Provider/CityWest Homes sites, but the majority of these estates are already high density.

5.4. Westminster’s mixed use policy requires an equivalent amount of residential floorspace be provided in proposals for increases in ~~commercial office~~ floorspace of over **30% of the original building (or less than 400sqm, whichever is greater) 200 sqm (or 400 sqm in the case of A1 or private health, education and leisure facilities)**. This policy also therefore leads to new housing units in the city, but as with change of use schemes, mixed use developments cannot always be anticipated.

6.5. Between 2002 and 2009/10, ‘windfalls’ i.e. developments on sites not included in the UDP schedules of Major Development Sites or Opportunity Sites have accounted for 80% of housing units delivered in Westminster. However, the ~~new~~ system of preparing 5-15 year Land Supply Assessments will capture many sites that were previously considered to be ‘windfalls’. So a reduced allowance for windfalls sites with the capacity for 10 plus residential units needs to be made. In the nine year period 2002 – 2010/11, 5,917 completed units were the result of windfall sites of 10 or more units. It is therefore reasonable to make an allowance of 130 units per annum, which represents about 20% of this figure, reflecting the fact that windfalls will be significantly reduced in the future due to the improved site capture afforded by the preparation of the 5 - 15yr supply list. However, at the time of preparation of this Plan most sites which will deliver housing in the city beyond ~~2016/17~~ **2021/22** are unknown to the council and therefore must be treated as windfalls, hence the ‘windfall’ allowance increases over time in the assessment.

MEETING HOUSING TARGETS

The housing targets for Westminster are updated over time, including though changes to the London Plan. This has made it difficult to assess performance against the London Plan targets because the overall time period has never been completed before the target has been changed. Whenever a new target is introduced, any surplus housing that may have

been built in previous years does not count against the new target, and the borough essentially starts from zero again.

The housing trajectory set out at Figure 37 assumes an annual target of ~~770~~1,068 units. It applies these targets cumulatively over the ~~15~~ 20 year time period of the plan. However, the London Plan targets are actually as follows:

1999-2003	No London Plan target
2004-2006/07	970p.a. 1997-2016 or 2,910 for the three year period
2007/08 -2010/11	680p.a. 2007/08-2016/17 or 2,720 for the four year period
2011/12- 2014/15 <u>current</u>	770p.a. 2011/12-2021/22 or 7,700 for the ten year period
<u>2015/16-2036</u>	<u>1,068 p.a., or 21,360 for the twenty year period</u>

The figure above shows past and projected performance against these targets. It also rolls out the target of ~~770 1,068 units per year p.a.~~ beyond the 2021/22 2034/35 time period of the London Plan to cover the entire Core Strategy City Plan time period. This figure shows that, although the target may not be reached in any one year, cumulatively sufficient surplus is built up in other years to cover the target over the longer term. When the new 680 p.a. target was introduced in 2007/08, the surplus that had been built up previously was essentially deleted, although in that year the target was exceeded (1,011 homes were delivered) and therefore a surplus was still recorded for that year.

Overall, the figure demonstrates that Westminster has always met its London Plan target, and is confident of doing so in the future.

GLOSSARY

Add the following Glossary Definitions:

Credits	Where floorspace is delivered and registered as a credit, which is then used to off-set a policy requirement for that floorspace generated by another scheme at a later date.
Land use swaps and packages	Where two (land use swap) or more (land use package) sites are considered as a single application for the purposes of determining a planning application. These are used to provide the floorspace required by policies over more than one site.
Host Scheme	tbc

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Add the following References:

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Delete the following References:

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