

WORKSHOP 8: COMMERCIAL ACTIVITY (NON RETAIL)

Tuesday 28th July 2009, 7th Floor, Westminster City Hall

Chairman: Councillor Moss

Facilitator: Lisa O'Donnell

Officer Panel: Collette Willis, Helena Merriot, Margaret Handovsky, Matthew Mason, Mike Fairmaner

PART A - OFFICES INSIDE AND OUTSIDE CAZ

1. Do you think there should be qualitative criteria for commercial floorspace (e.g. amenity, function, usable space for occupier requirements and sustainability), similar to those required for housing, or would this constrain development? Within the CAZ

No comments

2. Outside of those areas within in the CAZ where we propose to direct office development, should we allow extensions for office purposes where: the site is already in lawful office use and where this does not affect the character and function of the area?

Comments from workshop attendees Yes if not causing harm

Hugh Bullock
(Westminster
Property Association)

Some buildings need to be improved to raise the quality of buildings in Westminster. Good design outside of the CAZ and modest extensions would work. A figure of 170sq would be an appropriate figure. Outside CAZ modest extensions. Strict approach at the moment. There is no need for a complicated debate on sites. The policy approach should not be black or white otherwise there will be lost development opportunities.

3. Should we allow new offices on upper floors of premises in the designated shopping frontages to encourage small office occupiers in these locations or should they be used solely for retail uses and housing?

Liz Frimstone
(Victoria Interchange
Group)

There are a range of different views in Pimlico, relating to offices above shops.

Keith Hearn (CB
Richard Ellis)

Are there opportunities beyond small offices? Support for residential or retail.

4. In the Core CAZ offices can change to other commercial uses (subject to amenity considerations)

Do you think that this approach should be taken in:

- **Marylebone and Fitzrovia**
- **Pimlico**

• Knightsbridge? Or given the residential nature of these areas do you think that offices in these areas should only change to housing?

Outside CAZ

Comments from workshop attendees

In Marylebone and offices in Harley Street SPA, so change may apply. Are all the SPA's are an exception? Not opposed to offices but residential amenity should be considered.

Comments from workshop attendees

Support for extending the Core CAZ and changes to another commercial use. S106 agreements should be used to provide housing.

5. Do you consider that we should maintain our existing UDP approach to offices

outside the Central Activities Zone and only allow small extensions to lawful office premises providing the accommodation is for office based local services and/or improving access for those with disabilities?	
Keith Hearn (CB Richard Ellis)	Very difficult to apply criteria, this criteria approach not effective. A review is required of the work by Drivers Jonas on the West End office stock underlying trends are and the conclusions are important to the development of mixed use polices.
Cllr Moss	If we feel that areas should be exclusively residential or should be bold enough to say each case on it merits.
Duncan Blythe (Jones Lang LaSalle)	Policies for offices should be located in town centres. St Johns Wood support exception in the CAZ and will be in conflict with the London Plan.
Liz Frimstone (Victoria Interchange Group)	Residential amenity should be protected. Commercial development can have a negative impact on residential development. Commercial developments should have a lighting regime to minimise glare. The smoking ban means more smoking on streets. This situation has created a conflict between residential and commercial uses.
6. Do you consider that outside CAZ, commercial uses should only change to housing?	
Liz Frimstone (Victoria Interchange Group)	Housing or amenity uses supporting local communities and residential.
Hugh Morgan (DP9)	Other commercial uses might be appropriate, not just residential. Offices to retail may be appropriate, depending on the location. In the UDP typically everything went to housing.
Mike Fairmaner	Depends on the location, a variety of uses are encouraged in town centres, office uses may change to housing this is to meet the housing needs of the area. If do let office change might inhibit how we deliver housing
Mike Jones (Drivas Jonas on behalf of the Pollen Estate/Westminster Property Association)	Others uses should be considered. Flexibility is required, Hotel, Education, Student Housing, outside all of the designated areas.
Matt Humphries (Drivas Jonas)	Addressed on case by case basis, it's very difficult for Universities to supply student housing. Student housing can work well if well managed and organised within residential areas. Releasing student housing, would free up other housing for wider population. Having a positive knock on affect. Currently the Council says that Hotels must be in CAZ, if smaller they might be better suited to areas outside of CAZ.
Comments from workshop attendees	Can you define town centres are we talking about village centres? St Johns Wood, Marylebone are these town centres?
Lisa O'Donnell & Mike Fairmaner (WCC)	Yes outside CAZ St John's Wood, Marylebone, Bayswater, Queens Way, Church Street, Harrow Road, Praed Street and there are local parades Warwick Way and Tachbrook Street
Comments from workshop attendees	Therefore I do have some concerns about this approach you need to take into account the local community. Each area and proposal

	<p>should be dealt with on its own merits; blanket in town centres is not appropriate and wrong.</p> <p>The approach could be justified by introducing a range of policies encouraging mixed uses, introducing residential into commercial areas it works the other way too. Some uses are not appropriate to be introduced into residential areas. Therefore it should be a case of reviewing each site on its own merits.</p>
Cllr Moss	We shall be looking to the planning authority to apply more stringent controls. Currently I am not convinced that the controls are there through the national policy framework to allow us to approach this in a meaningful way.
Lisa O'Donnell (WCC)	Residential areas have a particular character at the moment. Introducing more commercial uses would change the character and function of these areas. Do people have concerns on these grounds, yet alone controlling the commercial activity? These new uses could change character.
Duncan Blythe (Jones Lang LaSalle)	For existing office buildings, you are just changing use, a problem which may affect these buildings is servicing. If you can address the concerns of local people. So it would continue as an office building.
Comments from workshop attendees	Mixed uses must be a starting point, within CAZ; mixed uses can be justified because of the support they give to the world city function. Outside CAZ residential uses will continue to be the priority provided controls are in place to limit the impact on residential amenity
Cllr Moss	Tighter controls are required to reduce any concerns and impacts on residential areas.
7. Should we allow new offices on the upper floors of premises in the designated shopping frontages to encourage small office occupiers in these locations or should they be used solely for retail uses and housing?	
Lisa O'Donnell (WCC)	Is there support for these uses?
	Yes there appears to be support.
8. Are there any issues that have not been covered in this part of the workshop that you would like to raise?	
	No comments
9. Are there issues for this topic that the Council should be aware of in its lobbying process?	
	No comments
PART B - SMALL OFFICES	
1. Should we remove protection for small offices in Core CAZ? If not:	
Comments from workshop attendees	<p>This policy was formulated in the 1980s because of the concern of building stock being cleared and replaced by buildings with large floor plates. This fear did not materialise. Existing historic stock ensures smaller spaces retained, large number of smaller offices in the West End and Mayfair. The policy is past its sell by date</p> <p>The market will supply demand for small office space, e.g. currently being met by business centres</p>

	<p>The Economic Development Team are looking to encourage small start up offices as low rents outside the core area</p> <p>Offices can reflect the character of an area, reluctant to relax the policy</p> <p>The West End and Mayfair are full of small scale and small floor plate buildings. The market naturally provides small offices, e.g. on the Pollen Estate there are many small offices because of the nature of the stock. No support for policy to protect small offices</p>
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2. Should there be more clearly defined boundaries and applicability such as:

- **A reduction in the definition of small office from 250 sq m to 150/200 sq m?**
- **Only protect small offices in buildings under 500 sq m or 1,000 sq m?**
- **Protect small offices only in areas with the highest density of start up companies or where the small offices (or occupiers such as the creative industries) particularly add to the character and function of the area?**
- **Not allow a change of use of small office buildings into housing?**

3. Are there any issues that have not been covered in this part of the workshop that you would like to raise?

4. Are there issues for this topic that the Council should be aware of in its lobbying process?

PART D - OFF-SITE PROVISION OF HOUSING REQUIRED BY THE MIXED USE POLICY

Alternatives to on-site provision: Having taken into account all the consultation to date, the Council's preferred way forward is as follows:

Where it is not appropriate and practical to provide residential units on-site in commercial schemes in the CAZ

- i. The residential accommodation will be provided on another commercial site in the vicinity.**
- ii. Off-site provision beyond the vicinity of the development must be provided within the Core Central Activities Zone and will only be acceptable where the residential provision is substantially greater than could be provided on a site in the vicinity and of a higher quality than would have been provided on-site and the off-site provision would not undermine the mixed use character of individual streets, localities or areas within the Core Central Activities Zone or add to an existing concentration of social housing.**
- iii. Where on- or off-site provision of residential accommodation is not feasible, a financial contribution to the Affordable Housing Fund will be required and, where the council considers it to be appropriate, the provision of a social and community use, cultural use, and/or affordable small business units may also be required.**

1. What positive aspects does the above option have?

	No comments.
2. What negative aspects does it have?	
	No comments.
3. Is there an alternative that you would prefer?	
Comments from workshop attendees	<p>Need a policy that is transparent, fair, and easy to manage and monitor, and operate on a floorspace basis. Should be able to provide off-site provision inside and outside the CAZ. These lower value areas could have more social housing. There is also merit in providing intermediate housing outside the CAZ to introduce greater mix of housing type.</p> <p>Clarity on where intermediate housing might be provided would be welcome.</p> <p>3 key issues with regard to objective of policy – incentive for development, providing good residential accommodation, and not to undermine the character of an area. Providing residential offsite provides a more attractive residential scheme and a more effective commercial building.</p> <p>Policy should allow for mixed use areas not mixed use buildings.</p> <p>Allowing off site provision would enable developers to be more strategic in their land acquisition.</p> <p>Should be able to share swap sites with other developers.</p> <p>Concern that the off site approach will make some areas of the city no go for residential. The joy of the city is its mixed use areas in St James's and Covent Garden. Should not direct housing out of the centre.</p> <p>Council should be clearer – social housing all to be provided in the CAZ, intermediate housing in more deprived areas outside the CAZ. At escalator floorspace.</p>
Implementation vehicles for off-site provision	
<p>4. Do you agree in principle that land use credits are a good idea? What are the advantages and disadvantages?</p> <p><i>A proposal for a land use credit will only be acceptable to the council if it delivers an equivalent or better planning outcome. Therefore, the credit site would always be a site formerly in commercial use; (as existing residential sites and redundant social and community uses are likely to be developed for residential use anyway and so no additional housing is achieved).</i></p> <p><i>In addition, the cost of the credit housing to the developer should not be taken into account when assessing the viability of a new commercial scheme.</i></p>	
Comments from workshop attendees	Benefits are that housing comes forward sooner.
5. What other parameters should govern a system of land use credits? For example:	
• should the credit site always be in the vicinity of the commercial site?	

<ul style="list-style-type: none"> • <i>If beyond should the credit site be permitted to be located outside Core CAZ; or even beyond the CAZ?</i> • <i>Within what time period should the credits be used up?</i> <ul style="list-style-type: none"> <i>i) 3 years,</i> <i>ii) 5 years,</i> <i>iii) 8 years, or</i> <i>iv) 10 years?</i> • <i>Should other developers, if it is agreed that on-site residential is not practical or appropriate, be allowed to purchase credits from the credit site to fulfil their own obligations, if this is agreeable to the landowner/ developer of the credit site?</i> 	
Comments from workshop attendees	<p>Length of term could be related to housing type, open market housing to have a more restrictive term, with affordable housing having a longer term.</p> <p>Should not have any time restriction.</p> <p>Need credit system to work, and not to require too much.</p>
<p>6. Do you agree that the conditions for the use of land use swaps should remain as set out in UDP policy COM 3?</p>	
Comments from workshop attendees	<p>The quality of commercial space is also a factor that should be considered, and could be the only aspect of a scheme that provides an improvement.</p>
<p>7. Are there any circumstances where roofed plant areas should be excluded from the calculation of gross floorspace? Are there any other parts of a development that you think should be excluded from the calculation?</p>	
Comments from workshop attendees	<p>Should not include any plant in calculation.</p> <p>Gave example of proposal to future proof and building for sustainable design, including space for potential improvements which should not be included in the calculation.</p>
<p>8. Are there any issues that have not been covered in this part of the workshop that you would like to raise?</p>	
Comments from workshop attendees	<p>The mixed use policy has made the presumption that it is viable to include residential within commercial schemes. In the next few years this will not be a viable option especially if there is a requirement to incorporate sustainable design, planning obligations etc.</p>
<p>9. Are there any issues on this topic that the council should be aware of in its lobbying process?</p>	
<p>PART C - CENTRAL LONDON ACTIVITIES</p>	
<p>1. Should we protect the following Central London Activities: government departments and national and international headquarters; facilities and establishments connected with publishing, advertising and media and if so how?</p>	
Comments from workshop attendees	<p>Historic reason for policy was to stimulate the new towns.</p> <p>This list is an old list – Need to think what really needs to be protected?</p>

	Is there a benefit to controlling /protecting? Serves no purpose.
2. Should private members clubs be protected in areas other than St James's?	
	No comments.
PART C – SPECIAL POLICY AREAS (SPAs)	
1. Special Policy Areas in general	
• Is there scope for complementary and ancillary functions in any of the SPAs? If so what could these include?	
	No comments
2. Harley Street Special Policy Area	
• Should we maintain the long standing approach to protect the provision of private medical facilities in the Harley Street Area and continuing the balance between medical and residential uses in the area?	
Comments from workshop attendees	<p>Continuing existing approach → yes continue approach but most physicians like to practice in a hospital with facilities.</p> <p>The spaces often get occupied by quasi-medical uses (quackery?)</p> <p>Support some loss of medical facilities to go to residential especially in spaces which were originally houses.</p> <p>Don't agree → some of the facilities are of very high quality e.g. London Clinic – which have been able to expand in Harley Street.</p> <p>Part of the character is the medical and there can be opportunities to change to residential. Medical practitioners are often top class. Maybe let some of the smaller facilities go.</p> <p>HS makes an enormous contribution to London in its international standing. Medical people are queuing up to locate there.</p> <p>Don't tamper with it → must continue to protect and encourage 1st class medical activity.</p> <p>Don't forget the large hospitals in the area, with world class specialists.</p> <p>London Clinic was allowed to expand using a land use swap.</p> <p>Economic benefits of the medical facilities are massive and do not interfere to residents.</p>
3. Portland Place Special Policy Area	
• Should we maintain the long standing approach to protect all institutional uses in this area or should there be any exceptions to this approach?	
Comments from workshop attendees	<p>Belgrave Square/Queen Anne Street/Gloucester Terrace have gone.</p> <p>Is it sustainable? It hasn't worked in the past.</p>

	<p>The buildings are listed and very hard to maintain.</p> <p>Policy needs to have a different approach → flexibility for e.g. residential/clubs.</p> <p>Once they fall out of use, need to be more proactive.</p>
Councillor Harvey	Not sure there are vacant premises.
Comments from workshop attendees	<p>Is there something we can do to encourage these uses to stay?</p> <p>Planners need to be flexible and helpful to facilitate alterations of buildings (many of which are listed).</p>
<p>3. Portland Place Special Policy Area</p> <ul style="list-style-type: none"> • Are diplomatic and allied uses only acceptable in principle in the SPA where they do not result in the loss of an existing institutional use? • Should there be some criteria (for example long term vacancy) where the loss of institutional uses would be acceptable? 	
Comments from workshop attendees	Diplomatic and allied are part of the character of PPSPA and should be equal in standing.
<p>4. East Marylebone Special Policy Area</p> <ul style="list-style-type: none"> • Should we protect wholesale showroom uses at basement and ground floor only? • Should the period of long term vacancy be reduced from 18 months? • In applications for re-development should showroom uses always be required to be replaced? 	
Comments from workshop attendees	<p>No showrooms left?</p> <p>There is still a cluster. This continually crops up. There is very limited demand for the fashion industry. Let's look at what could go there again.</p> <p>Be more flexible abolish 18 monthly term.</p> <p>Good example is Oxford Market. Balance is important. A3 and media could occupy the premises, but, not just chain stores. Could become a specialist shopping street.</p> <p>Is there a significant landowner that the Council could have discussions with?</p>
<p>5. Savile Row Special Policy Area</p> <ul style="list-style-type: none"> • Should we establish a set of criteria to allow the relocation of bespoke tailoring (sui generis uses), if so what should it include? <ul style="list-style-type: none"> • Relocation of uses should only take pace • as part of land use swaps within the Savile Row Special Policy Area, • Visibility of work rooms from the street (basement and ground floor level) • Any other criteria? • Should there be flexibility in this policy that would allow changes of use to result in legal agreement and s106 contribution that could be invested 	

into the street? If yes, should this been invested into public realm improvements or the provision of a tailoring academy on Savile Row?

• In accordance with the existing mixed use policy in the UDP and Core Strategy should increases in commercial uses be matched by equivalent uplift in residential floorspace or in Savile Row should the priority instead be investment into bespoke tailoring workrooms, tailoring academy or public realm improvements?

Comments from workshop attendees

Management of the area and the tailoring, very supportive of the SPA.

Need flexibility as some tailoring uses are actually B1 light industrial use.

Needs to be addressed – *(No, can't do this otherwise cannot protect them)*.

Need occupiers to work with Council.

Ambition to relocate to ground and basement.

Measuring is done on site → manufacturing off-site. No, don't agree → most of the work is done on the premises.

Its name is part of London's heritage.

There are 100 working tailors and 34 people in training. It isn't just commercial use – it's important for the London fashion reputation.

Viability of Savile Row depends on the concentration of uses. Should allow good quality office space but not retail shops.

Should the mixed use policy apply here or should they provide tailoring premises instead of residential.

Yes need flexibility.

But a consistent approach is required to the WESRPA policy and to other SPAs.

6. St. James's

- In St James's should we protect private members clubs (sui generis uses), specialist shops and art galleries?**
- Should new development in the vicinity make a contribution towards public realm improvements in St James?**
- Private Members Clubs are Sui Generis. These and art galleries, and specialist shops characterise the area. How can we protect it?**

Comments from workshop attendees

What is the intention of the SPA? It is part of the CAZ.

What don't we want there? Not entertainment uses like you get in Leicester Square, this is constrained through licensing. Public

	<p>Realm should be improved.</p> <p>Would support Covent Garden as a SPA.</p>
7. Are there any issues that have not been covered in this part of the workshop that you would like to raise?	
8. Are there issues that the Council should be aware of in its lobbying process?	
PART B – HOTELS/CONFERENCE AND RELATED FACILITIES	
1. Should policies distinguish between different types of visitor accommodation with regard to their impacts and needs? For example, purpose built hotels may have different impacts to hotels that have been converted.	
2. The Core Strategy hotel policy does not protect hotels in specific areas and where they are causing significant adverse effects on residential amenity, for example small converted hotels in Bayswater and Sussex Gardens. Should policies encourage these hotels to upgrade or convert to residential?	
3. How can policies encourage a range of visitor accommodation in Westminster?	
Comments from workshop attendees	<p>Lack of 3* hotels – 5* and 1* but few 3* as often not viable. <u>How can we encourage these?</u></p> <p>Agree, support different categories of hotels but some budget hotels are now coming through.</p> <p>Flexibility in terms of servicing for coaches would help.</p> <p>Most small hotels in Sussex Gardens are being upgraded. They should be retained especially as they have parking. Great Western Hotel is an exemplar 3* hotel.</p>
4. Do you consider that the City Council should ensure that the provision of new hotels and conference facilities in the Paddington Opportunity Area do not prejudice the provision of commercial and residential floorspace?	
Comments from workshop attendees	<p>There is one new hotel coming in addition to the Metropole.</p> <p>Do you or do you not need to protect hotels at all? Especially when new ones are coming forward. This stops new residential – do we want to do this?</p>
4a. Should we be accepting loss if it's for residential.	
Comments from workshop attendees	<p>Yes, if they are substandard and/or a nuisance. Need to keep the range.</p> <p>Coach issue is a big issue in prevailing 3* hotels.</p>
5. Are there any issues that have not been covered in this part of the workshop that you would like to raise?	
6. Are there issues that the Council should be aware of in its lobbying process?	

PART C - SOCIAL AND COMMUNITY FACILITIES	
<i>Dealt with in workshop 9 Social and Community Facilities</i>	
Comments from workshop attendees	Accommodation for elderly – need bathrooms en suite. Provision for casinos → some need but not too many.
<i>Other questions</i>	
END	