

22 Hanover Square

in the City of Westminster

planning application no. 15/03972/FULL

Strategic planning application stage II referral

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008.

The proposal

Demolition of the existing building and redevelopment to provide a new building on three basement levels, lower ground, ground and first to ninth floors to provide a 51 bedroom hotel with ancillary bar/lounge/restaurant/gym/ swimming pool and meeting rooms (Class C1); 41 residential units, with external terraces at sixth and eighth floor levels; a flexible retail (Class A1)/restaurant (Class A3)/hotel (Class C1) use on part ground floor; basement car and cycle parking; plant at basement and roof levels; alterations to existing access on Brook Street and associated highway works.

The applicant

The applicant is **Eros Limited**, the agent is **DP9**, and the architect is **Rogers Stirk Harbour**.

Strategic issues

The strategic issues in this case relate to **housing, affordable housing, urban design, climate change and transport**.

The Council's decision

In this instance City of Westminster Council has resolved to grant permission subject to the signing of a S106 agreement.

Recommendation

That City of Westminster Council be advised that the Mayor is content for it to determine the case itself, subject to any action that the Secretary of State may take, and does not therefore wish to direct refusal or direct that he is to be the local planning authority.

Context

1 On 19 June 2015 the Mayor of London received documents from the City of Westminster Council notifying him of a planning application of potential strategic importance to develop the above site for the above uses. This was referred to the Mayor under Category 1C of the Schedule to the Order 2008:

1C: *“Development which comprises or includes the erection of a building of one or more of the following descriptions....(c) the building is more than 30 metres high and is outside the City of London.*

2 On 29 July 2015 the Mayor considered planning report D&P/3619/01, and subsequently advised the City of Westminster Council that while the application was generally acceptable in strategic planning terms the application did not comply with the London Plan, for the reasons set out in paragraph 69 of the report; but that the possible remedies set out in that paragraph could address these deficiencies.

3 A copy of the above-mentioned report is attached. The essentials of the case with regard to the proposal, the site, case history, strategic planning issues and relevant policies and guidance are as set out therein, unless otherwise stated in this report. Since then, the applicant has submitted further information in response to the Mayor’s concerns (see below). On 20 October 2015 Westminster City Council decided that it was minded to grant planning, and on 12 November 2015 it advised the Mayor of this decision. Under the provisions of Article 5 of the Town & Country Planning (Mayor of London) Order 2008 the Mayor may allow the draft decision to proceed unchanged, direct the City of Westminster Council under Article 6 to refuse the application or issue a direction to the City of Westminster Council under Article 7 that he is to act as the Local Planning Authority for the purposes of determining the application and any connected application. The Mayor has until 25 November 2015 to notify the Council of his decision and to issue any direction.

4 The decision on this case, and the reasons will be made available on the GLA’s website www.london.gov.uk.

Update

Affordable housing

5 At the consultation stage the Council was advised that given the small number of residential units (41 units) an off-site provision of affordable housing may be acceptable and that a cash in-lieu contribution should only be accepted where this would have demonstrable benefit in furthering the affordable housing and other policies in the London Plan, and should be ring-fenced and, if appropriate, pooled to secure additional affordable housing either on identified sites elsewhere or as part of an agreed programme for provision of affordable housing. The applicant’s viability assessment should be submitted to the GLA, along with the Council’s independent appraisal of the viability assessment. Subject to the outcome of the viability assessment, the Council was asked to confirm that the proposed affordable housing provision is in line with local needs.

6 Since then the applicant has demonstrated that due to the constraints of the site it is not viable to provide the additional core required to include affordable units on site. It has also advised GLA officers that it does not own a donor site in the vicinity or within the borough where the affordable housing could be located. As such it is agreed that a cash in-lieu sum is acceptable.

7 The applicant’s viability assessment concludes that the proposal is unable to support any affordable housing contribution; however the Council’s viability consultant concludes that the proposal can provide £14,250,000 for affordable housing. The applicant has not been able to reach agreement with the Council’s viability consultant but following discussion with the Council has made an ex gratia offer of £10,000,000 (an increase on the original ex gratia offer of £6,000,000) for affordable housing and £2,000,000 for public realm improvements to Hanover Square. This offer has been accepted by the Council’s planning committee. Policy 3.12 of the London Plan seeks to secure the maximum reasonable amount of affordable housing. Given the disparity in the applicant’s and the Council’s viability assessments, the substantial ex gratia offer by the applicant

and the Council's acceptance of this offer; GLA officers accept that £10,000,000 is the maximum reasonable amount for this site.

8 The draft S106 agreement submitted by the Council confirms that the affordable housing contribution will be paid into the Council's ring fenced affordable housing account which is administered for the purpose of delivering affordable housing in the City of Westminster.

Climate change

9 At the consultations stage the Council was advised that the applicant needed to provide further information and data to support the proposed energy strategy.

10 Since then the applicant has undertaken a dynamic overheating study using CIBSE TM52 guidance and the London Design Summer Year weather file. The applicant has investigated the current proposals and further scenarios with MVHR boost functions in order to increase the air changes per hour. The results of the analysis show that an MVHR system with a boost function capable of providing three air changes per hour is required for all habitable rooms to meet the CIBSE requirements. The applicant should ensure that the mechanical ventilation system is designed and commissioned to ensure that these high air change rates are achieved.

11 The applicant has provided the sample SAPs and the requested BRUKL document. The applicant has resized the combined heat and power engine to provide 100% of the hot water and 35% of the space heating requirements with an engine sized at 151kWe and 232kWth to meet this demand. The applicant has confirmed that the gross efficiency of the combined heat and power plant is 83% and has updated the carbon emission figures. A reduction in regulated carbon dioxide emissions of 155 tonnes per annum (25%) will be achieved for the 'be clean' element of the energy hierarchy.

12 The applicant anticipates that the management arrangements of the proposed system would be met by the on-site facilities management team. The applicant should investigate these issues further at an early stage in order to ensure that the combined heat and power plant will operate effectively and the carbon savings be realised. The applicant has reviewed the potential for photovoltaic panels and is now proposing to install an 88 sq.m. photovoltaic array (~13kWp), which will be integrated into the green roof. A roof layout has been provided which details the location of the photovoltaic array. A reduction in regulated carbon dioxide emissions of 5 tonnes per annum (1%) will now be achieved through this third element of the energy hierarchy.

13 As such the proposed energy strategy complies with the London Plan energy policies.

Urban design

14 At the consultation stage the Council was asked to confirm whether off-site contributions are required for children's play space and how improvements to the public realm would be secured. If shared surfaces are proposed, the applicant was also asked to illustrate what design features will be incorporated to ensure that the area are safe and usable for disabled people.

15 As mentioned above a contribution of £2,000,000 has been secured towards the public realm improvements for Hanover Square. The enhancement of Hanover Square and the surrounding streets are a priority for the Council which is seeking to improve the environment ahead of the Crossrail line's opening in 2018. The applicant is working with the Council to bring forward proposals for the area which fit with the wider public realm proposals. This contribution will be secured through the S106 agreement and is strongly supported.

16 The Council's committee report makes no reference to child play space contributions or the inclusion of shared surfaces. The Council has also confirmed that the proposed public realm improvements do not form part of this application.

Transport for London

17 Suitable conditions or s106 obligations have been identified in regard to car parking management, Delivery & Servicing Management Plan, Construction Management / Logistics Plan, Crossrail 1 safeguarding construction method statement, wheelchair accessible car parking provision and (internal) cycle parking levels. A potential Mayoral CIL payment of £2,622,225 is recorded within the committee report.

18 TfL is disappointed that a Travel Plan has not been sought by the Council, that no reduction to the level of residential car parking has been delivered, and that no mechanism will be secured to prevent the take up of further parking permits within the local controlled parking zone.

19 It is noted that the s106 contribution request set out at the consultation stage in the stage 1 report, to address the shortfall in short stay cycle parking proposed to serve this development has been misinterpreted within the committee report, and no such contribution has been secured. The committee report does however also note that the wider Hanover Square public realm square will review “cycle...facilities”. This should take into account the failure of the Council to secure the necessary minimum level of short stay cycle parking spaces required by London Plan Policies 6.9 & 6.13 for this development.

20 The proposed conditions drafted in regard to cyclist showering / changing / storage facilities (within an “Operational Management Plan”) and passive Electric Vehicle Charging Point (EVCP) provision, as referred to within the committee report, are at present not properly reflecting in the text of proposed draft conditions (numbers 32,33 & 39). The Council should ensure that these conditions are revised to secure those necessary elements, and should contact TfL if further assistance is required in this regard.

21 Subject to the revision of the relevant conditions, and the separate, later consideration of short stay cycle parking levels within the Hanover Square public realm scheme, the development would not be considered to be significantly deficient in regard to compliance with the transport policies of the London Plan.

Representations

Neighbourhood consultation

22 The Residents Society of Mayfair and St James welcome the development and raise no objection.

23 Fenwick the adjoining retail store does not object to the proposal but expresses concern regarding right to light, means of fire escape and on-street servicing proposals.

24 One letter of objection was received by the Council relating to the impact on traffic, road access, parking and servicing and the noise generated by the proposal.

Statutory consultation

25 Crossrail raise no objection subject to the inclusion of conditions safeguarding the construction of Crossrail.

26 Historic England (Archaeology) raise no objection subject to the inclusion of conditions safeguarding archaeological interest on the site.

27 The Crime Prevention Officer raise no objection.

Response to representations

28 Matters relating to parking, servicing and transport have been addressed in this and the previous report (D&P/3619/01). Matters relating to noise have been addressed in the Council's committee report.

29 Issues relating to right of light and fire escape access are not planning matters. It is noted however that the applicant has entered into discussions with Fenwick to re-provide a means of fire escape and has submitted a plan showing the alternative route.

Article 7: Direction that the Mayor is to be the local planning authority

30 Under Article 7 of the Order the Mayor could take over this application provided the policy tests set out in that Article are met. In this instance the Council has resolved to grant permission with conditions and a planning obligation, which satisfactorily addresses the matters raised at stage I, therefore there is no sound planning reason for the Mayor to take over this application.

Legal considerations

31 Under the arrangements set out in Article 5 of the Town and Country Planning (Mayor of London) Order 2008 the Mayor has the power under Article 6 to direct the local planning authority to refuse permission for a planning application referred to him under Article 4 of the Order. He also has the power to issue a direction under Article 7 that he is to act as the local planning authority for the purpose of determining the application and any connected application. The Mayor may also leave the decision to the local authority. In directing refusal the Mayor must have regard to the matters set out in Article 6(2) of the Order, including the principal purposes of the Greater London Authority, the effect on health and sustainable development, national policies and international obligations, regional planning guidance, and the use of the River Thames. The Mayor may direct refusal if he considers that to grant permission would be contrary to good strategic planning in Greater London. If he decides to direct refusal, the Mayor must set out his reasons, and the local planning authority must issue these with the refusal notice. If the Mayor decides to direct that he is to be the local planning authority, he must have regard to the matters set out in Article 7(3) and set out his reasons in the direction.

Financial considerations

32 Should the Mayor direct refusal, he would be the principal party at any subsequent appeal hearing or public inquiry. Government Planning Practice Guidance emphasises that parties usually pay their own expenses arising from an appeal.

33 Following an inquiry caused by a direction to refuse, costs may be awarded against the Mayor if he has either directed refusal unreasonably; handled a referral from a planning authority unreasonably; or behaved unreasonably during the appeal. A major factor in deciding whether the Mayor has acted unreasonably will be the extent to which he has taken account of established planning policy.

34 Should the Mayor take over the application he would be responsible for holding a representation hearing and negotiating any planning obligation. He would also be responsible for determining any reserved matters applications (unless he directs the council to do so) and determining any approval of details (unless the council agrees to do so).

Conclusion

35 Having regard to the details of the application, the matters set out in the City of Westminster Council's committee report, consultation responses, the draft conditions and draft

S106 agreement, the scheme is acceptable in strategic planning terms. Nevertheless the Council is advised to redraft conditions 32, 33 & 39 to reflect the content of the committee report.

for further information, contact GLA Planning Unit (Developments and Projects Team):

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22 Hanover Square

in the City of Westminster

planning application no.15/03972/FULL

Strategic planning application stage 1 referral

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008.

The proposal

Demolition of the existing building and redevelopment to provide a new building on three basement levels, lower ground, ground and first to ninth floors to provide a 51 bedroom hotel with ancillary bar/lounge/restaurant/gym/ swimming pool and meeting rooms (Class C1); 41 residential units, with external terraces at sixth and eighth floor levels; a flexible retail (Class A1)/restaurant (Class A3)/hotel (Class C1) use on part ground floor; basement car and cycle parking; plant at basement and roof levels; alterations to existing access on Brook Street and associated highway works.

The applicant

The applicant is **Eros Limited**, the agent is **DP9**, and the architect is **Rogers Stirk Harbour**.

Strategic issues

The proposed mixed use development is supported in strategic planning terms; however issues with respect to **housing, affordable housing, transport** and **climate change** should be addressed before the application is referred back to the Mayor at his decision making stage. **Employment space, visitor infrastructure, historic environment, urban design, and inclusive design** policies are also relevant to this application.

Recommendation

That Westminster Council be advised that while the application is generally acceptable in strategic planning terms, the application does not yet comply with the London Plan, for the reasons set out in paragraph 69 of this report; but that the possible remedies set out in that paragraph could address these deficiencies.

Context

1 On 19 June 2015, the Mayor of London received documents from Westminster Council notifying him of a planning application of potential strategic importance to develop the above site for the above uses. Under the provisions of The Town & Country Planning (Mayor of London) Order 2008, the Mayor has until 30 July 2015 to provide the Council with a statement setting out whether he considers that the application complies with the London Plan, and his reasons for taking that view. The Mayor may also provide other comments. This report sets out information for the Mayor's use in deciding what decision to make.

2 The application is referable under Category 1C(c) of the Schedule to the 2008 Order:

- *1C "Development which comprises or includes the erection of a building that is (c) more than 30 metres high and is outside the City of London".*

3 Once Westminster Council has resolved to determine the application, it is required to refer it back to the Mayor for his decision as to whether to direct refusal; take it over for his own determination; or allow the Council to determine it itself.

4 The Mayor of London's statement on this case will be made available on the GLA website www.london.gov.uk.

Site description

5 The site is located in the south-west corner of Hanover Square, at the junction of Brook Street and St. George Street. The existing eight storey office building (11,321 sq.m. GIA) was constructed in the 1920s, with Portland Stone facades to the front, and glazed brick to the rear. The massing of the building steps back at the fifth, sixth and seventh floors, providing a series of terraces. A ground floor parking/servicing area is accessed from the Brook Street frontage, providing ten parking spaces.

6 The site adjoins the Grade II listed 24 Hanover Square to the east, with the rear of the building in close proximity to the Grade II* listed 15 St. George Street and Grade II listed 14, 16 and 17 St. George Street. To the west on Brook Street is Fenwick's department store. The new Bond Street Crossrail station entrance, with over station development, is under construction on the opposite side of Brook Street. A number of other sites in the Square are also under development.

7 The site is located within the Mayfair Conservation Area.

8 The site lies at a highly accessible location (PTAL 6b) in central London and is within close walking distance of both Bond Street and Oxford Circus Underground Stations, with Piccadilly Circus and Green Park also within a reasonable walking distance. The closest part of the Strategic Road Network (SRN), at Oxford Street and Regent Street (A4201) lie 100-200 metres to the north and east of the site. The closest point of the Transport for London Road Network (TLRN) at Park Lane (A4202) is some 850 metres to the west.

Details of the proposal

9 The application proposes to demolish the existing building and redevelop the site to provide a new building with three basement levels, lower ground, ground and first to ninth floors, to provide a 51 bedroom hotel with ancillary bar/lounge/restaurant/gym/swimming pool and meeting rooms (Class C1); 41 residential units, with external terraces at sixth and eighth floor levels; a flexible retail (Class A1)/restaurant (Class A3)/hotel (Class C1) space on part of the ground floor; 41 car parking and 93 cycle parking spaces at basement level; plant at basement and roof levels; alterations to the existing access arrangements on Brook Street; and associated highway works.

Case history

10 On 15 April 2015, a pre-application meeting was held at City Hall for a residential, hotel and retail, mixed use redevelopment, comprising an eleven storey building containing 36 residential units and 40 hotel rooms. The GLA's pre-application advice report of 29 April 2015 concluded that the principle of the proposal was supported, subject to satisfactory justification for the loss of office space and resolution of issues with respect to affordable housing, inclusive access, transport and climate change.

Strategic planning issues and relevant policies and guidance

11 The relevant issues and corresponding policies are as follows:

- | | |
|------------------------|---|
| • Mix of uses | <i>London Plan</i> |
| • Employment | <i>London Plan</i> |
| • Housing | <i>London Plan; Housing SPG; draft interim Housing SPG; Housing Strategy; Shaping Neighbourhoods: Play and Informal Recreation SPG; Shaping Neighbourhoods: Character and Context SPG</i> |
| • Affordable housing | <i>London Plan; Housing SPG; draft interim Housing SPG; Housing Strategy</i> |
| • Density | <i>London Plan; Housing SPG; draft interim Housing SPG</i> |
| • Historic environment | <i>London Plan</i> |
| • Urban design | <i>London Plan; Shaping Neighbourhoods: Character and Context SPG; Housing SPG; Shaping Neighbourhoods: Play and Informal Recreation SPG</i> |
| • Inclusive design | <i>London Plan; Accessible London: achieving an inclusive environment SPG</i> |
| • Transport | <i>London Plan; the Mayor's Transport Strategy;</i> |
| • Parking | <i>London Plan; the Mayor's Transport Strategy</i> |
| • Crossrail | <i>London Plan; Mayoral Community Infrastructure Levy</i> |
| • Climate change | <i>London Plan; Sustainable Design and Construction SPG; Mayor's Climate Change Adaptation Strategy; Mayor's Climate Change Mitigation and Energy Strategy; Mayor's Water Strategy</i> |

12 For the purposes of Section 38(6) of the Planning and Compulsory Purchase Act 2004, the development plan in force for the area is the **Westminster City Plan: Strategic Policies (2013)**; the saved policies in the **Westminster Unitary Development Plan (2007, saved 2010)**; and the 2015 London Plan (Consolidated with Alterations since 2011).

13 The following are also relevant material considerations:

- The National Planning Policy Framework and accompanying Planning Practice Guidance.

- The 2015 draft Minor Alterations to the London Plan.

Principle of development

Employment space

14 The proposal will result in the loss of 11,321 sq.m. (GIA) of B1 office space. The applicant states that the scale and nature of the current building does not meet market demand that seeks smaller floorspace requirements, which the building cannot efficiently meet to the required standard.

15 Whilst the London Plan does not specifically protect office uses, Policy 4.2 'Offices' does support rejuvenation of the office stock within the Central Activities Zone (CAZ) in order to improve the quality and flexibility of office stock so that it can meet the distinct needs of the central London office market. Policy 4.2 also states that any losses of office space in the CAZ should be considered in the context of local policies and evidence. However strategic policy also acknowledges the diverse range of uses that exist within the CAZ, and recognises that the CAZ is a place where people live, and that having a range of homes within the CAZ helps to support its strategic function.

16 Although Westminster Council has no protection for office use on this site, it is noted that the Council has stated that after 1 September 2015, *"in the core CAZ, Named Streets and Opportunity Areas, housing is no longer acceptable in principle where it results in the loss of office floorspace"*¹ and has published a draft Mixed Use Revision to Westminster's City Plan. However, pre-application discussions with Westminster Council have indicated that the loss of office space is acceptable in principle in this location.

17 Although the level of employment space on the site will be reduced, it is recognised that an element of employment will be re-provided on the site in the form of the hotel, retail and leisure uses, estimated to provide 101 full time equivalent (FTE) jobs. Furthermore, several large office developments are under construction or have recently been completed on Hanover Square, which will result in an increase in the amount of office floorspace in the area. Considering this, and in reflection of London Plan policies, the loss of office space, to be replaced by residential and hotel use, does not raise any strategic concerns.

Residential

18 London Plan Policy 3.3 'Increasing Housing Supply' recognises the pressing need for new homes in London and Table 3.1 gives an annual monitoring target of 1,068 new homes per year in Westminster between 2015 and 2025. As stated above, London Plan CAZ policies also support residential uses in the CAZ. The provision of 41 residential units is therefore supported in principle.

Visitor infrastructure and retail use

19 London Plan Policy 4.5 'London's Visitor Infrastructure' seeks 40,000 additional hotel rooms by 2036, with at least 10% accessible. Westminster Council promotes hotel use in the core CAZ, and to streets that do not have a predominantly residential character.

¹http://transact.westminster.gov.uk/docstores/publications_store/Statement%20on%20office%20to%20resi%2022nd%20July%202015.pdf

20 London Plan Policy 2.10 'Central Activities Zone' states that within the CAZ the Mayor will support the improvement of the retail offer for residents, workers and visitors, especially in the West End.

21 The provision of a 51 bedroom hotel, retail, and restaurant floorspace is therefore supported in principle.

Housing

22 The proposals include the following residential breakdown:

	Market units
One bed	3 (7%)
Two bed	22 (54%)
Three bed	14 (34%)
Four bed	2 (5%)
Total	41

Affordable housing

23 London Plan Policy 3.9 'Mixed and Balanced Communities' seeks to promote mixed and balanced communities by tenure and household income. Policy 3.12 'Negotiating Affordable Housing' seeks to secure the maximum reasonable amount of affordable housing. As the proposed residential floorspace is greater than 1,000 sq.m., affordable housing will be required in line with Westminster's City Plan Policy S16, with the aim to exceed 30% of new homes as affordable. In line with London Plan Policies 3.11 'Affordable Housing Targets' and 3.12 'Negotiating Affordable Housing', a viability assessment has been provided to the Council, which considers the ability of the proposed development to provide affordable housing on-site, the availability of sites for off-site provision, and a financial contribution in lieu of affordable housing the proposed development can support. The viability assessment should be independently verified by the Council, and supplied to the GLA together with a copy of the Council's independent report. In recognition of the small number of units, an off-site provision of affordable housing may be acceptable in this case; however the Council should note that Policy 3.12 states that *"a cash in lieu contribution should only be accepted where this would have demonstrable benefits in furthering the affordable housing and other policies in this Plan and should be ring-fenced and, if appropriate, pooled to secure additional affordable housing either on identified sites elsewhere or as part of an agreed programme for provision of affordable housing"*.

24 London Plan Policy 3.11 sets out that affordable housing should be provided at a ratio of 60:40 social/affordable rent to intermediate housing. Westminster's City Plan sets out that within this strategic framework, the Council will agree what proportions of social/affordable and intermediate housing will be applied to individual schemes. Subject to the outcome of the viability assessment, the Council should confirm that the proposed affordable housing provision is in line with local needs.

Residential density

25 The applicant's attention is drawn to London Plan Policy 3.4 'Optimising Housing Potential', which states that taking into account local context and character, the design

principles in Chapter 7 and public transport capacity, development should optimise housing output within the relevant density range shown in Table 3.2. The site is within a central location where the density matrix sets a guideline of 650-1100 habitable rooms per hectare, or 140-405 units per hectare, with a PTAL of 4-6. The applicant calculates the density to be 227 units per hectare, which does not raise any strategic concerns.

Residential quality

26 London Plan Policy 3.5 'Quality and Design of Housing Developments' promotes quality in new housing provision, with further guidance provided by the Housing SPG. The Mayor has published draft Minor Alterations to the London Plan, which have been prepared to bring the London Plan into line with new national housing standards and car parking policy. A draft Interim Housing SPG has also been published reflecting these and other changes.

27 Although the application materials do not respond specifically to the 'baseline' and 'good practice' standards within the Mayor's Housing SPG, as discussed under 'historic environment and urban design' below, the residential quality is considered to be high, reflecting the location and market for the proposed units. As is recognised by the Housing SPG, the exceptional constraints of the site mean that private external space is not possible for all units; however a proportion have instead been provided with additional internal living space equivalent to the area of the private open space requirement. It is also noted that the future residents will have access to the hotel leisure facilities.

Housing Choice

28 London Plan Policy 3.8 'Housing Choice' encourages a choice of housing based on local needs, while affordable family housing is stated as a strategic priority. Subject to confirmation of the affordable family contribution, a good mix of units is proposed, which is welcomed in line with Policy 3.8.

29 Policy 3.8 also requires all new housing to be built to 'Lifetime Homes' standards. In order to bring the London Plan into line with new national housing standards, the draft Minor Alterations to the London Plan proposes to replace this with "*ninety percent of new housing meets Building Regulation requirement M4(2) 'accessible and adaptable dwellings'*". Policy 3.8 also requires 10% of units to be wheelchair accessible or easily adaptable, which the draft Minor Alterations to the London Plan proposes to replace this with "*ten per cent of new housing meets Building Regulation requirement M4(3) 'wheelchair user dwellings', i.e. is designed to be wheelchair accessible, or easily adaptable for residents who are wheelchair users'*". The applicant states that all residential units will be designed to Lifetime Homes standards, with 10% designed as wheelchair accessible, which is welcomed in line with Policy 3.8.

Children's play space

30 Policy 3.6 of the London Plan seeks to ensure that development proposals include suitable provision for play and recreation. Further detail is provided in the Mayor's supplementary planning guidance 'Shaping Neighbourhoods: Play and Informal Recreation', which sets a benchmark of 10 sq.m. of useable child play space to be provided per child, with under-5 child play space provided on-site as a minimum.

31 Although the applicant has not provided any information on play space, GLA officers calculate a low child yield of seven, with four under-five year olds. The limited options to include on-site play provision are also recognised; however the Council should confirm if off-site contributions are required.

Historic environment and urban design

32 London Plan Policy 7.8 'Heritage Assets and Archaeology' states that development should identify, value, conserve, restore, re-use and incorporate heritage assets where appropriate. Policy 7.8 applies to both designated and non-designated heritage assets. The proposal will have an impact on designated assets in the form of the neighbouring Grade II listed 24 Hanover Square to the east, and to a limited extent on the Grade II* listed 15 St. George Street and Grade II listed 14, 16 and 17 St. George Street. It will also impact the Mayfair Conservation Area, in which it lies. The Planning (Listed Buildings and Conservation Areas) Act 1990 sets out the tests for dealing with heritage assets in planning decisions. In relation to listed buildings, all planning decisions should *"have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses"* and in relation to conservation areas, special attention must be paid to *"the desirability of preserving or enhancing the character or appearance of that area"*.

33 The NPPF states that when considering the impact of a proposal on the significance of a designated heritage asset, great weight should be given to the asset's conservation, and the more important the asset, the greater the weight should be. Significance is the value of the heritage asset because of its heritage interest, which may be archaeological, architectural, artistic or historic, and may derive from a heritage asset's physical presence or its setting. Where a proposed development will lead to 'substantial harm' to or total loss of the significance of a designated heritage asset, local planning authorities should refuse consent, unless it can be demonstrated that the substantial harm or loss is necessary to achieve substantial public benefits that outweigh that harm or loss. Where a development will lead to 'less than substantial harm', the harm should be weighed against the public benefits of the proposal, including securing its optimum viable use.

34 The site is surrounded by a number of historic buildings, in particular the neighbouring Fenwick's department store. The NPPF states that the effect of an application on the significance of a non-designated heritage asset should be taken into account in determining the application, and a balanced judgement is required having regard to the scale of any harm or loss and the significance of the heritage asset.

35 The applicant has provided a Townscape, Heritage and Visual Assessment, which examines the existing building, the impact of its demolition on heritage assets and the impact of the new building on heritage assets, including verified views of the proposal from key locations as agreed with the Council. This recognises that although the existing building frontage of 1928 is of some merit, its exposed blank gables relate very poorly to its neighbours, in particular the listed 24 Hanover Square. GLA officers consider that the existing building is of some merit; however its blank gable walls have a negative impact on the adjacent historic buildings and the removal of the building will not cause any harm. As discussed below, the replacement building is considered to relate more sensitively to the neighbouring heritage assets, improving the setting of the neighbouring listed buildings and enhancing the appearance of the Conservation Area.

36 The proposals are of a high quality and are considered to be an improvement on the existing building, in particular through the improved relationship to the neighbouring buildings; an increase in active frontage onto Hanover Square; and the illustrative public realm proposals for the southern portion of the Square, which are intended to align with the wider public realm upgrade.

37 The building is well conceived within the spatial constraints of this enclosed site. The shared entrance area to the hotel and residential lobbies provides an open route into the building, linking to a new publically accessible two storey glazed courtyard space, which is

welcomed. The building is set back from the site boundaries at the rear to enable daylight/sunlight penetration to be maximised to both common areas and hotel units on the lower levels. The residential units are laid out to achieve a high proportion of dual aspect units, which combined with rational internal layouts and large residential floor areas, results in high residential quality. A balance with the privacy and natural daylighting requirements of neighbouring properties has been achieved, in some cases through the use of translucent panels. The hotel accommodation is arranged efficiently, with hotel rooms on either side of a double loaded corridor, providing the potential for cross ventilation.

38 The form and massing strategy draws on that of the existing building, but introduces a paired back and clean-lined appearance, which also reflects the rhythm and proportions of adjoining buildings. This results in a more refined visual language on this prominent corner of Hanover Square, while retaining the building line and existing corner definition. The proposal has taken the opportunity to reduce the massing of the frontages adjacent to the neighbouring historic buildings, aligning with the scale of the adjoining Grade II listed building to the east and the Fenwick's building to the west, which is strongly supported. The top two storeys of the building are set back from the Brook Street elevation, which helps to reduce its impact on views from Brook Street and Hanover Square and is welcomed.

39 The main body of the Hanover Square and Brook Street elevations are made up of vertical bands of black-red bespoke 'long' bricks, which respond to the colours and textures in the immediate context. The use of white lining frames contrast with the dark brick panels, creating an interesting visual dynamic that softens the appearance of the building in oblique views. Towards the top of these elevations, translucent glass bands reduce the weight of the building against the skyline. The appearance of the building is considered to be a sensitive and high quality response to this sensitive site.

40 The illustrative public realm proposals for the southern portion of the Square is intended to align with the wider public realm upgrade and is strongly supported, subject to the resolution of inclusive access concerns as discussed below; however the Council should confirm how these improvements will be secured.

41 In summary, the design of the building and the public realm is strongly supported.

Inclusive design

42 The aim of London Plan Policy 7.2 'An Inclusive Environment' is to ensure that proposals achieve the highest standards of accessibility and inclusion (not just the minimum). The application includes a comprehensive Access Statement, which is welcomed.

43 As discussed under residential quality above, the Statement confirms that all residential units will be designed to Lifetime Homes standards, with 10% designed as wheelchair accessible, comprising two two-bed and two three-bed units, which is welcomed in line with London Plan Policy 3.8 'Housing Choice'. Typical flat and hotel room layouts and plans have been provided. The proposals indicate that accessibility into, and within, the building has been fully considered.

44 The aim of London Plan Policy 7.1 'Building London's neighbourhoods and communities' is that people have a good quality environment in an active and supportive local community, with the best possible access to services, infrastructure and public transport. It is not clear what level of segregation is proposed to the road and footpath network in the illustrative public realm proposals. Paragraph 6.37 of the London Plan emphasises the importance of providing "*safe and attractive routes that are easy to navigate*", and paragraph 6.38 explains that "*walking issues should be addressed in development proposals, to ensure that walking is promoted and*

that street conditions, especially safety, security and accessibility for disabled people, are enhanced.” If shared surfaces are proposed, the applicants should illustrate what design features will be incorporated to ensure that the areas are safe and usable for disabled people.

45 In line with London Plan Policy 6.13 ‘Parking’, Table 6.2 and the Housing SPG, each wheelchair accessible unit has its own designated Blue Badge bay, with each parking level includes three accessible bays, and one ‘enlargeable’ bay. Residents or visitors will have the use of six on-street accessible parking bays on St. George Street, which are proposed to be repositioned as part of the landscape works. A car parking management plan should be secured as discussed under ‘transport’ below.

Transport

46 The proposed ratio of residential car parking is one space per dwelling. This is excessive for the highly accessible location and is not considered to reflect the requirements of London Plan Policy 6.13 ‘Parking’, which requires development to aim for “*significantly less than 1 space per unit*”. The level is also significantly higher than the ten spaces that are currently on site and exceeds the percentage of car owning households in the West End Ward (0.29). Westminster City Council should accordingly seek a reduction.

47 Notwithstanding the above comments on parking levels, 20% active and 20% passive provision for electric vehicle charging points (EVCPs) should be secured by condition or section 106 agreement, within any retained parking levels proposed. Blue Badge parking provision should also be secured by condition or section 106 agreement, with ongoing allocation and management of all parking spaces, within a car parking management plan. An obligation restricting the eligibility of future residents to apply for parking permits within the controlled parking zone (CPZ) should also be secured.

48 No dedicated coach parking is proposed as part of this application, although the wider demand for such provision should be considered by Westminster City Council as part of the wider public realm proposals for Hanover Square and its surroundings. The development is considered to therefore be in accordance with London Plan Policy 6.8 ‘Coaches’. The need for local taxi parking provision is also understood to be included within the scope of this scheme, and indicative locations relate adequately to the proposed development.

49 The proposed levels of cycle parking fall short of London Plan standards, which were adopted prior to the submission of this application. However, the shortfall relates to short stay spaces (19 spaces are required across the various proposed uses), which can be delivered through public realm proposals for Hanover Square. Westminster City Council should confirm that section 106 contributions will ensure that the appropriate uplift in short stay spaces (from this site and as also required by the Crossrail over-site development site scheme) will be delivered through those works. Subject to securing adequate additional off-site short stay spaces, and to securing by condition, showering/changing and storage facilities for staff of both the hotel and flexible commercial use, the development would then be in accordance with London Plan Policy 6.9 ‘Cycling’.

50 Analysis of TRICS / TRAVL and census data has informed conclusions on trip generation and mode share. The methodology used is not robust, particularly with regard to the hotel use trip forecasting; however despite this, it is clear that the development would lead to a reduction of trips in all modes, excluding taxi. Consequently, no section 106 contributions to mechanised public transport infrastructure or services would be required as a result of the proposed development.

51 The applicant's commitment to contribute towards the Council's wider public realm improvements on and around Hanover Square is welcomed. Subject to the delivery of adequate short stay cycle parking, the proposed scheme would accord with London Plan Policy 6.10 'Walking'.

52 Servicing is proposed to continue to occur on street. Given the difference in the relative servicing demands between the existing and proposed developments and the limited size of the site, this is considered to be reasonable. The management of this activity should be secured within a detailed delivery and servicing plan (DSP), which should be secured by section 106 or condition, along with a construction logistics plan (CLP). Subject to this, the development would accord with London Plan Policy 6.14 'Freight'. The CLP should be submitted and agreed prior to commencement of the development, and the DSP prior to first occupation. With regard to the CLP, construction vehicles should be fitted with cycle specific safety equipment, including side-bars, blind spot mirrors, and detection equipment, to reduce the risk of collisions. These requirements should be secured in the section 106 agreement.

53 Whilst the different elements/uses proposed do not individually exceed TfL's travel plan thresholds, the development as a whole is considered to warrant the provision of a framework travel plan prior to the determination of the application. Subsequently, a detailed travel plan, in line with London Plan Policy 6.3 'Assessing Effects of Development on Transport Capacity', should be secured, enforced, funded, and monitored as part of the section 106 agreement.

Community infrastructure levy

54 In accordance with London Plan Policy 8.3 'Community Infrastructure Levy' (CIL), all new developments that create 100 sq.m. or more of additional floor space are liable to pay the Mayoral CIL. The levy is charged at £50 per square metre of additional floor space in the City of Westminster. The site is also in the area where section 106 contributions for Crossrail will be sought in accordance with London Plan Policy 6.5 'Funding of Crossrail' and the associated Supplementary Planning Guidance (SPG) 'Use of planning obligations in the funding of Crossrail'. However, as the scheme proposes a large, net reduction in Crossrail section 106 chargeable floorspace, only the higher CIL charge will be applicable.

Climate change

Energy strategy

55 A range of passive design features and demand reduction measures are proposed to reduce the carbon emissions of the proposed development. Both air permeability and heat loss parameters will be improved beyond the minimum backstop values required by building regulations. Other features include low energy lighting and mechanical ventilation with heat recovery.

56 The applicant should provide evidence demonstrating how Policy 5.9 'Overheating and Cooling' has been addressed to avoid overheating and minimise the cooling demand. The applicant should also ensure that the dwellings are not at risk of overheating (without reliance on mechanical cooling). Dynamic overheating modelling in line with CIBSE Guidance TM52 and TM49 should be undertaken.

57 The development is estimated to achieve a reduction of 4 tonnes per annum (1%) in regulated CO₂ emissions from the first stage of the energy hierarchy ('Be Lean'), compared to a 2013 Building Regulations compliant development. Sample SAP full calculation worksheets

(both DER and TER sheets) and BRUKL sheets, including efficiency measures alone, should be provided to support the savings claimed.

58 The applicant has carried out an investigation and there are no existing or planned district heating networks within the vicinity of the proposed development. The applicant has, however, provided a commitment to ensure that the development is designed to allow future connection to a district heating network should one become available.

59 A site heat network is proposed; however the applicant should confirm that all residential and non-domestic uses will be connected to the site heat network. The floor area and location of the energy centre should be provided.

60 The applicant is proposing to install a gas fired CHP unit as the lead heat source for the site heat network. The CHP is sized to provide the domestic hot water load, as well as a proportion of the space heating. A reduction in regulated CO₂ emissions of 167 tonnes per annum (26%) will be achieved through this second part of the energy hierarchy ('Be Clean').

61 The applicant should confirm the size of the CHP (in kW_e and kW_{th}) and the system efficiencies (gross). The applicant should also provide information on the management arrangements proposed for the system, including anticipated costs, given that the management and operation of small CHP systems can significantly impact their long term financial viability.

62 The applicant has investigated the feasibility of a range of renewable energy technologies but is not proposing to install any renewable energy technology for the development. Photovoltaic (PV) panels were identified as a suitable technology; however, their inclusion was discounted due to the roof space being prioritised for green roofs, the development being situated in a Conservation Area, and limited carbon emission savings. The applicant should consider if the PV can be integrated with the green roof, including investigating higher efficiencies to maximise available space. Evidence detailing any restrictions due to the Conservation Area should be provided.

63 Based on the energy assessment submitted, a reduction of 171 tonnes of CO₂ per year in regulated emissions is expected, compared to a 2013 Building Regulations compliant development, equivalent to an overall saving of 26%. The on-site carbon dioxide savings fall short of the targets within Policy 5.2 'Minimising Carbon Dioxide Emissions' of the London Plan. While it is accepted that there is little further potential for carbon dioxide reductions onsite, in line with Policy 5.2 and in liaison with the Council, the applicant should ensure that the shortfall in carbon dioxide reductions, equivalent to 57 tonnes of CO₂ per annum, is met off-site.

64 The comments above should be addressed before compliance with London Plan energy policy can be verified.

Climate change adaptation

65 It is recognised that the restricted nature of the site limits opportunities for climate change adaptation responses. The proposals include measures to limit the use of supplied water in the development, in line with London Plan 5.15 'Water Use and Supplies'. The inclusion of a green roof is proposed over a large percentage of the roof area, which will also contribute to urban greening in line with Policy 5.10 'Urban Greening' and 5.11 'Green Roofs', and is welcomed.

Local planning authority's position

66 Westminster Council's position is not yet known.

Legal considerations

67 Under the arrangements set out in Article 4 of the Town and Country Planning (Mayor of London) Order 2008, the Mayor is required to provide the local planning authority with a statement setting out whether he considers that the application complies with the London Plan, and his reasons for taking that view. Unless notified otherwise by the Mayor, the Council must consult the Mayor again under Article 5 of the Order if it subsequently resolves to make a draft decision on the application, in order that the Mayor may decide whether to allow the draft decision to proceed unchanged, or direct the Council under Article 6 of the Order to refuse the application, or issue a direction under Article 7 of the Order that he is to act as the local planning authority for the purpose of determining the application and any connected application. There is no obligation at this present stage for the Mayor to indicate his intentions regarding a possible direction, and no such decision should be inferred from the Mayor's statement and comments.

Financial considerations

68 There are no financial considerations at this stage.

Conclusion

69 London Plan policies on employment space, visitor infrastructure, housing, affordable housing, historic environment, urban design, inclusive design, transport and climate change are relevant to this application. The application complies with some of these policies but not with others, for the following reasons:

- **Employment space:** The loss of office space in this location does not raise any strategic concerns.
- **Visitor infrastructure:** The provision of hotel, retail and restaurant space is supported in principle.
- **Housing:** The provision of 41 residential units is supported in principle. The proposed residential density, residential quality, and choice of units are acceptable. The Council should confirm if off-site contributions are required for children's play space.
- **Affordable housing:** The applicant's viability assessment should be independently verified by the Council, and supplied to the GLA together with a copy of the Council's independent report. Subject to the outcome of the viability assessment, the Council should confirm that the proposed affordable housing provision is in line with local needs.
- **Historic environment and urban design:** The loss of the existing building is not considered to cause any harm to the historic environment and the high quality of the new building is welcomed. The indicative public realm proposals are supported; however the Council should confirm how these improvements are to be secured.
- **Inclusive design:** The proposal meet the requirements of the London Plan, subject to detailed public realm designs that confirms what design features will be incorporated to ensure that the areas are safe and usable for disabled people.

- **Transport:** The proposed level of parking is considered excessive and the Council should seek a reduction. Electric vehicle charging points; Blue Badge parking; controlled parking zone restrictions; additional off-site short stay cycle parking spaces; showering/changing and storage facilities for staff; detailed delivery and servicing plan; construction logistics plan; and a detailed travel plan should be secured.
- **Climate change:** The applicant should provide further information on dynamic overheating; sample SAP and BRUKL sheets; the floor area and location of the energy centre; the size of the CHP and the system efficiencies; information on the management arrangements proposed for the system; and investigate higher efficiencies to maximise available PV space. The on-site carbon dioxide savings fall short of the targets within Policy 5.2 'Minimising Carbon Dioxide Emissions' of the London Plan and the applicant should ensure that the shortfall in carbon dioxide reductions, equivalent to 57 tonnes of CO₂ per annum, is met off-site.

70 The resolution of the issues set out above could lead to the application becoming compliant with the London Plan.

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