

Macdonald House, 1-3 Grosvenor Square

in the City of Westminster

planning application no. 15/07800/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

A full planning application for the demolition of the existing building, dismantling and re-assembling the principal facades onto Grosvenor Square and the western wing on Grosvenor Street, and redevelopment to provide three basement levels, lower ground, ground and first to seventh floor levels for use as 44 residential units (Class C3) with associated ancillary leisure facilities, car parking, cycle parking, mechanical plant and associated works within the basement levels. Use of part of the lower ground and ground floor levels as a restaurant unit fronting Grosvenor Street (Class A3).

The applicant

The applicant is **Lodha Developers 1GSQ Ltd**, the architect is **Eric Parry Architects**, and the agent is **DP9**.

Strategic issues

The proposed residential development is supported in strategic planning terms; however issues with respect to **housing, affordable housing, urban design, inclusive design, transport** and **climate change** should be addressed before the application is referred back to the Mayor at his decision making stage. **Employment and historic environment** 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 65 of this report; but that the possible remedies set out in that paragraph could address these deficiencies.

Context

1 On 7 October 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 17 November 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 0.27 hectare site is located on the south-east corner of Grosvenor Square. It is bounded to the east by Beauchamp Place, to the west by Grosvenor Square and to the south by Grosvenor Street. To the north it adjoins the Italian Embassy at 4 Grosvenor Square. Beauchamp Place is accessed via Three Kings Yard.

6 The site is currently occupied by a neo-Georgian building with lower ground and 7 upper floors. The building is not listed, but does lie within the Mayfair Conservation Area. The current building was completed in 1938 and was in diplomatic use as part of the American Embassy until 1961, when the building was occupied by the Canadian High Commission, with office floorspace over part of the basement to fifth floor and seven residential units over basement to first floors and at fifth and sixth floor level, with plant rooms at seventh floor level. The Canadian High Commission vacated the building in March 2015, relocating its office and related functions to Trafalgar Square.

7 The site is within the Central Activities Zone.

8 The nearest connection to the TfL Road Network (TLRN) is approximately 1 kilometre away (A4202), whilst the nearest part of the Strategic Road Network (SRN) is approximately 0.5 kilometre away (Orchard Street). The site is well served by buses with 14 services stopping nearby. The site is also within walking distance to two London Underground stations, Oxford Circus and Bond Street. Bond Street will be served by Crossrail when the service opens in 2018. Measured on a scale of 1a – 6b, the site has the highest possible PTAL of 6b. There are two cycle hire docking stations in close proximity to the site (Millennium Hotel and Grosvenor Square).

Details of the proposal

9 The proposal is to demolish the existing building, dismantling and re-assembling the principal facades onto Grosvenor Square and the western wing on Grosvenor Street, and redevelopment to provide three basement levels, lower ground, ground and first to seventh floor levels for use as 44 residential units with associated ancillary leisure facilities at lower ground and basement level 3, including a gym, swimming pool and spa and other amenities for residents including a cinema room and children's room. Car parking, cycle parking, mechanical plant and associated works are also included within the basement levels, including 35 car parking spaces, 4 disabled spaces and 79 cycle parking spaces. A further 16 cycle parking spaces will be provided to serve the restaurant use. The basement car parking will be accessed via car lifts, accessed from Grosvenor Street. Part of the lower ground and ground floor levels are proposed for use as a restaurant unit fronting Grosvenor Street.

10 As well as dismantling and re-assembling the principal facades onto Grosvenor Square and the western wing on Grosvenor Street, a new roof with new dormers will be added and the plan of the building extended upwards to the north at second floor and between the three projecting wings to the south. The deep recesses/light wells between the three wings of the building on the Grosvenor Street elevation will be reduced in depth. The central wing on this elevation would also be widened to five windows in width. All materials for the extended elements will match the existing, with existing stone retained where possible.

Case history

11 In May 2014, the applicant submitted a planning application for the residential redevelopment of the existing building behind retained facades on Grosvenor Square and Grosvenor Street. The planning application sought full permission for:

- "Demolition behind the retained Grosvenor Square and Grosvenor Street facades and redevelopment to provide basement, lower ground, ground and first to seventh floor levels to provide 41 residential units. Associated ancillary leisure facilities, car parking, cycle parking, mechanical plant and associated works at lower basement level. Creation of a green roof at roof level, courtyard gardens at ground floor level, terraces at second, sixth and seventh floor levels, and photovoltaics at roof level. (LPA ref. 14/05137/FULL)."

12 The proposal was not referable to the Mayor and planning permission was granted in November 2014, subject to the signing of the section 106 agreement. An affordable housing contribution comprising the delivery of 9 affordable units (affordable rent tenure) off-site at Dorset Place, Marylebone, and a financial contribution by way of a payment in lieu was accepted.

13 A pre-application meeting was held on 14 August 2015 for the current proposal; however the application had already been submitted by that date. The principle of the scheme was supported; however issues were raised in relation to housing, historic environment, urban design, transport and climate change.

Strategic planning issues and relevant policies and guidance

14 The relevant issues and corresponding policies are as follows:

- Employment *London Plan; draft Central Activities Zone SPG*

- Housing *London Plan; Housing SPG; Housing Strategy; Shaping Neighbourhoods: Play and Informal Recreation SPG; Shaping Neighbourhoods: Character and Context SPG*
- Affordable housing *London Plan; Housing SPG; Housing Strategy*
- Density *London Plan; Housing SPG*
- Historic Environment *London Plan*
- Urban design *London Plan; Shaping Neighbourhoods: Character and Context SPG; Housing SPG; Shaping Neighbourhoods: Play and Informal Recreation SPG*
- Inclusive design *London Plan; Accessible London: achieving an inclusive environment SPG;*
- Transport *London Plan; the Mayor's Transport Strategy*
- Parking *London Plan; the Mayor's Transport Strategy*
- Crossrail *London Plan; Mayoral Community Infrastructure Levy; Use of planning obligations in the funding of Crossrail and the Mayoral Community infrastructure levy SPG*
- Climate change *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*

15 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).

16 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

17 The proposal will result in the loss of 9,699 sq.m. (GIA) of B1 office space, to be replaced by residential use, with some restaurant space. 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 loss 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. The draft CAZ SPG (September 2015) emphasises that it is important to strike a balance between residential and business use, to ensure that business clusters and agglomerations in CAZ are not undermined, and particular regard should be taken to the impact of new residential development and whether it could compromise the use and assembly of larger sites for business use. Residential uses can also impact on neighbouring development sites and uses through the acquisition of residents' amenity rights, such as daylight, sunlight, overshadowing and overlooking. However, it is recognised that the site is in an area with existing residential uses, the nature of much of the office use is compatible with residential use, and the historic nature of the area imposes some limitations on large scale redevelopment of business use.

18 It should also be noted that Policy 4.3 'Mixed Use development and offices' allows that *"where justified by local and strategic office demand assessments and in areas identified in LDFs as having a particular need for local office provision, require residential proposals within the CAZ which would otherwise result in the loss of office space to make a proportionate contribution to provision of new office space within, or nearby, the development"*. 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 it is noted that the principle of conversion of the existing office space to residential use has been established through the previous permission, and subject to any requirements that Westminster may have for re-provision, the loss of office space, to be replaced by residential use, does not raise any strategic concerns.

Residential

19 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 44 residential units, an uplift of 37 units compared to those existing, is therefore supported in principle.

Restaurant use

20 The proposal includes 383 sq.m. (GIA) of restaurant space on Grosvenor Street. This is supported in line with London Plan Policy 4.5 'London's Visitor Infrastructure' and Policy 2.10 'Central Activities Zone', which 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.

Housing

21 The proposals include the following residential breakdown:

	Market units
Studio	5 (11%)
One bed	6 (14%)
Two bed	4 (9%)
Three bed	5 (11%)
Four bed	9 (21%)
Five bed	15 (34%)
Total	44

Affordable housing

22 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

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

Housing' seeks to secure the maximum reasonable amount of affordable housing. As the proposed residential floorspace is greater than 1,000 sq.m and 10 units, affordable housing will be required in line with Westminster's City Plan Policy S16. 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. The application indicates that an affordable housing offer will be provided on a site owned by the applicant at Dorset Close in Marylebone, in conjunction with a payment in-lieu contribution where viability allows. 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 and the high market values that are likely to be achieved on the site, 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"*.

23 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

24 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. Although some of the units have a greater than usual floorspace in reflection of the location and the likely market, the density of the scheme is 163 units, or 789 habitable rooms per hectare, which is within the density range.

Housing Choice

25 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. A good mix of unit sizes is proposed; however a relatively high proportion of studio units is included. Some of which will be rather dark.

26 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 (MALP) 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". In advance of the MALP, a Housing Standards Policy Transition Statement sets out how the existing housing standards should be applied from October 2015. This is also set out in the

draft Interim Housing SPG, alongside the other London standards which are not affected by the introduction of national standards.

27 The application indicates that the proposals meet Lifetime Homes requirements, where feasible, and that 10% will be wheelchair adaptable. The applicant should detail the areas where Lifetime Homes will not be feasible. Notwithstanding this, the Council should secure M4(2) and M4(3) requirements by condition, including the submission of a plan to identify which units will be 'wheelchair user dwellings', prior to commencement, to ensure the design of a scheme has considered the standard.

Residential quality

28 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 treatment of London Plan housing standards in relation to new national housing standards is set out above.

29 In general, the residential units proposed are of a high quality, with very generous floorspace and a minimum floor to ceiling height of 2.6 metres. The constrained site and the historic environment impose some restrictions, for example some units have no private external amenity space; however this is mitigated by the provision of extensive resident facilities on the site, including spa, swimming pool and gym. However, five studio units and one one-bed unit are located on the lower ground floor, facing north towards a courtyard surrounded by five-six storey buildings, will have very low levels of light. It is recognised that these units have floor to ceiling heights of 2.8 metres and larger windows; however information provided by the applicant indicates that all would have an average daylight factor of zero. The applicant may wish to reconsider this layout.

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 detail on play space, GLA officers calculate a low child yield of seven, with four under-five year olds. The limited options to include external play provision on the site are recognised; however the proposals include on-site facilities including a children's room and swimming pool, which is welcomed, and the site is adjacent to the large open space of Grosvenor Square.

Historic environment and urban design

Heritage assets

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. The proposal will have an impact on designated heritage assets in terms of the Mayfair Conservation Area, which it lies within; Grade II* listed 46 Grosvenor Street; Grade II* 34 Grosvenor Street, Grade II listed 4 Grosvenor Square; Grade II listed 33, 43, 49, 50, 51, and 52 Grosvenor Street; and Grosvenor Square gardens, a Grade II registered park and garden. Other designated heritage assets in terms of listed buildings are a greater distance from the site, and

the impact of the proposal will be negligible. These heritage assets are considered to be of high (national) significance, with the Grade II* buildings of very high (national) significance.

33 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*”.

34 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. Recent judgements have provided detailed consideration of the duty imposed on local planning authorities. The Court of Appeal in *Barnwell Manor* held that a finding of harm to a listed building or its setting is a consideration to which the decision-maker must give considerable weight, and that there should be a strong presumption against granting permission that would harm the character or appearance of a conservation area.

35 Policy 7.8 also applies to non-designated heritage assets. The Mayfair Conservation Area does not have a Conservation Area Audit in place, so the existing building is not specifically identified; however GLA officers consider the building to be a non-designated heritage asset of townscape merit, which makes a positive contribution to the character of the Conservation Area. 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. This non-designated heritage asset is considered to be of medium (district) significance.

36 The applicant has provided a Townscape, Heritage and Visual Impact Assessment (THVIA), which provides a detailed analysis of heritage assets, including a verified views assessment containing 7 fully rendered views and 5 wireline views.

Impact on heritage assets (designated and non-designated)

37 The application proposes to demolish a fine example of interwar neo Georgian architecture on a very prominent site in the Mayfair Conservation Area and reassemble its two street frontages. All materials for the extended elements will match the existing, with existing stone retained where possible, with certain modifications to adjust internal floor-to-ceiling heights and the new residential layouts within, the addition of a penthouse storey (the principle already having been granted consent as part of a recent previous permission), introduce a restaurant use and new townhouse entrances on the ground floor and the reduction in the depth of the above-first-floor recesses on the Grosvenor Street facade.

38 It is accepted that the applicant has made a convincing case for the proposed approach. A similar approach was taken by the same architect at Eagle Place on Piccadilly, which also

entailed the demolition and reconstruction of an historic building in a Conservation Area, and this has resulted in a high quality development which has preserved and indeed enhanced the character and appearance of that particular Conservation Area.

39 The proposal will lead to a temporary loss of significance of the non-designated heritage asset, and some temporary harm to the significance of the Conservation Area, a designated heritage asset. There will also be some temporary harm to the significance of the nearby listed buildings, chiefly through the effect on their setting. However, once the building has been reconstructed, GLA officers do not consider that any harm will be caused to the significance of designated heritage assets, and the harm caused to the non-designated heritage asset through the demolition of the internal areas is acceptable considering its medium (district) significance. In coming to this conclusion, GLA officers have taken account of the strong presumption against granting permission that would harm the character or appearance of the Conservation Area, and have placed considerable importance and weight to the harm caused to the setting of the listed buildings.

40 It is therefore considered that the proposed development would satisfy London Plan Policy 7.8; however the Council should strictly condition any permission, to ensure that the facades are completed to a very high standard.

Urban design

41 The proposed ground floor layout includes townhouse entrances on both Grosvenor Square and Grosvenor Street, the main residential access to other units on Grosvenor Square, and restaurant access from Grosvenor Street. This provides good levels of active frontage on both street facing frontages and is supported. Residents' parking is accessed through the building from Grosvenor Street and servicing is to the rear via Three King's Yard, which is an appropriate arrangement. The ground floor layout of the building is 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 'housing choice' above, the application confirms that residential units will be designed to Lifetime Homes standards where feasible, with 10% designed as wheelchair adaptable. It is recognised that the nature of the site and its historic context imposes some restrictions; however the applicant should provide further information to detail where this has not been feasible. As a minimum, it should detail how the proposals respond to Building Regulation requirement M4(2) 'accessible and adaptable dwellings' and M4(3) 'wheelchair user dwellings'. The wheelchair accessible units should be identified on floorplans and typical flat layouts provided.

44 The dismantling and reassembly of the elevations provides the opportunity to remove the existing stepped access into the building and provide at-grade access directly on to street level, which is welcomed.

45 In line with London Plan Policy 6.13 'Parking', Table 6.2 and the Housing SPG, sufficient Blue Badge parking has been provided for each wheelchair adaptable unit.

Transport

46 The development proposals are unlikely to have a negative impact on the capacity of either public transport or the TLRN; however a delivery and service plan (DSP) and a construction logistics plan (CLP) should be secured by condition to appropriately manage any potential adverse effects on the local road network.

47 Overall, 95 cycle spaces are proposed, which exceeds London Plan (2015) minimum requirements and is welcomed. Cyclist facilities (showers, lockers and changing areas) should be provided for staff of the commercial uses. It is noted in the Transport Assessment that lifts will be provided to the basement level cycle parking and the dimensions of the lift should accord with the London Cycle Design Guidance (2014).

48 Overall, 39 car parking spaces are proposed, including 4 Blue Badge car parks. Given the excellent public transport accessibility of the site, a reduction in provision is encouraged, preferably to car free or car capped. Blue Badge parking provision and its appropriate management should be secured by condition. Electric vehicle charging points (EVCPs) should also be secured by condition and be in accordance with London Plan (2015) standards. Residents should be exempt from applying for parking permits (except for Blue Badge holders).

49 London Underground (LU) infrastructure lies beneath the site and any excavations for the installation of any foundations would require the separate approval of LU.

50 The travel plan should contain ambitious targets, particularly relating to the uptake of cycling and should be secured, enforced, monitored and reviewed as part of the section 106 agreement.

Community infrastructure levy

51 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

52 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.

53 The applicant is proposing mechanical cooling to the residential dwellings, with the demand for cooling minimised through suitably sized glazing ratios and solar control glazing. The applicant should provide evidence to demonstrate that the cooling demand has been reduced in line with the cooling hierarchy of Policy 5.9 'Overheating and Cooling' and that the dwellings are not at risk of overheating now and in the future (without reliance on mechanical cooling). Dynamic overheating modelling in line with CIBSE Guidance TM52 and TM49 is

recommended. Should it be demonstrated that the passive or other measures proposed have successfully addressed the risk of overheating without the need for mechanical cooling, the applicant should reconsider the inclusion of comfort cooling. It should be noted that demonstrating the development avoids a 'high' risk of overheating under the Part L compliance assessment is not sufficient to demonstrate compliance with Policy 5.9.

54 The development is estimated to achieve a reduction of 39 tonnes per annum (15%) in regulated CO₂ emissions from this first stage of the energy hierarchy, compared to a 2013 Building Regulations compliant development. Sample SAP calculation worksheets (both DER and TER sheets) and BRUKL sheets, including efficiency measures alone should be provided to support the savings claimed.

55 The applicant should carry out an investigation into whether there are any existing or planned district heating networks within the vicinity of the proposed development. The applicant should provide a commitment to ensuring that the development is designed to allow future connection to a district heating network should one become available.

56 A site heat network is proposed; however, the applicant should confirm that all apartments and non-domestic building uses will be connected to the site heat network. Further information on the floor area and location of the energy centre should be provided.

57 The applicant is proposing to install a 50 kW_e 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 (approximately 50%). A reduction in regulated CO₂ emissions of 36 tonnes per annum (14%) will be achieved through this second part of the energy hierarchy ('Be Clean'). The applicant should 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.

58 The applicant has investigated the feasibility of a range of renewable energy technologies and is proposing to install 27 sq.m. of photovoltaic (PV) panels on the roof of the development. A roof layout drawing should be provided to demonstrate that the available roof area for PV has been maximised. The applicant should also investigate installing higher efficiency panels in order to maximise the on-site carbon savings. A reduction in regulated CO₂ emissions of 1 tonnes per annum (0.4%) will be achieved through this third element of the energy hierarchy ('Br Green').

59 Based on the energy assessment submitted, a reduction of 76 tonnes of CO₂ per year in regulated emissions is expected, compared to a 2013 Building Regulations compliant development, equivalent to an overall saving of 1%.

60 The on-site carbon dioxide savings fall short of the targets within Policy 5.2 of the London Plan. While it is accepted that there is little further potential for carbon dioxide reductions onsite, in liaison with the Council the developer should ensure the shortfall in carbon dioxide reductions, equivalent to 16 tonnes of CO₂ per annum, is met off-site.

Climate change adaptation

61 It is recognised that the restricted nature of the site limits opportunities for climate change adaptation responses. The inclusion of planted areas on upper levels will help to store rainwater and also contribute to urban greening in line with Policy 5.10 'Urban Greening', and is welcomed. Surface water shall be attenuated by a tank underneath the basement, providing

controlled pumped discharge up to the street drainage level, with part of this stored volume will be used for WC flushing, in line with Policy 5.13 'Sustainable Drainage'.

Local planning authority's position

62 Westminster Council's position is not yet known.

Legal considerations

63 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

64 There are no financial considerations at this stage.

Conclusion

65 London Plan policies on employment, 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.
- **Housing:** The provision of 44 residential units is supported in principle. The proposed residential density and size/mix of units are acceptable. The applicant may wish to review the layout of the units that lack daylight.
- **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 proposal will lead to a temporary loss of significance of the non-designated heritage asset, and some temporary harm to the significance of the Conservation Area, a designated heritage asset. There will also be some temporary harm to the significance of the nearby listed buildings, chiefly through the effect on their setting. However, once the building has been reconstructed, GLA officers do not consider that any harm will be caused to the significance of designated heritage assets, and the harm caused to the non-designated heritage asset through the demolition of the internal areas is acceptable considering its medium (district) significance.
- **Inclusive design:** The applicant should provide further information on the accessibility of the proposals.

- **Transport:** A reduction in the level of car parking is encouraged. Electric vehicle charging points; Blue Badge parking; controlled parking zone restrictions; showering/changing and storage facilities for staff; delivery and servicing plan; construction logistics plan; and a detailed travel plan should be appropriately secured by the Council.
- **Climate change:** Further information is required concerning the energy strategy for the site. The carbon dioxide savings fall short of the target within Policy 5.2 of the London Plan and the applicant and the Council should ensure that the shortfall is met off-site.

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

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