

City Plan 2040 - Regulation 19 Consultation

Scanlon, Dan [REDACTED]

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To: Planning Policy Consultations <PlanningPolicyConsultations@cityoflondon.gov.uk>

Cc: [REDACTED]

1 attachments (3 MB)

240605 30Fen City Plan 2040 Reqs.pdf;

THIS IS AN EXTERNAL EMAIL

Dear Sir/Madam,

Please find attached our consultation feedback on the draft City Plan 2040, particularly in relation to the property at 30 Fenchurch Street, EC3M 3BD.

Grateful if you can confirm receipt by return.

Regards
Dan

Daniel Scanlon
President | UK

[REDACTED]

Brookfield
Properties

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Date: 5 June 2024

Ref: 240605_30Fen_City Plan 2040 Reps

Rob McNicol
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Dear Rob,

City Plan 2040 – Regulation 19 Consultation

Thank you for inviting us to provide comments on the City of London's draft City Plan 2040 (April 2024).

Our interest relates specifically to 30 Fenchurch Street, EC3M 3BD (the "Property") which is located within the City Cluster.

Brookfield Properties are writing in our capacity as the Asset Manager on behalf of the owner of the Property - 30 Fenchurch Trustee 1 Limited and 30 Fenchurch Trustee 2 Limited (as Trustees of the 30 Fenchurch Street Unit Trust).

In addition to our representations on the Property, we have also taken the opportunity below to provide general representations on the draft City Plan for your consideration.

30 Fenchurch Street Representations

The existing building on the Property was designed by Arup Associates and completed in 2001. It is a relatively low rise building on this large City block (G+15 storeys / 91m AOD), currently providing circa 85,000 square metres (GEA) of office floorspace and ground floor retail amenity. The Property is positioned directly in between two towers - the existing 20 Fenchurch Street building (known as the Walkie-Talkie, G + 37 storeys / 177m AOD) and the Eric Parry designed 50 Gracechurch Street scheme which is currently under construction (G + 35 storeys / 165m AOD).

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The Property therefore presents an excellent opportunity to both consolidate and strengthen the southern boundary to the City Cluster, whilst making a significant contribution towards achieving the ambitious targets set out in the draft City Plan, namely to deliver at least 1.2 million square metres of net additional office floorspace during the plan period.

As outlined in our representations relating specifically to the office chapter in the draft City Plan, we strongly believe that the target floorspace figure should be increased up to 1.8 million to reflect the evidence base which has informed the draft policy. Given this context, and the fact that the City are expecting the majority of this increase to be delivered within the City Cluster, the ability to optimise the potential of this Property should be a primary consideration for the City.

The tall building contours plan in the draft City Plan (Figure 15) currently proposes a range of stepped heights across the Property, ranging from 90m AOD in the south up to 140m AOD in the north. Having undertaken our own feasibility study for the Property with Make Architects, in conjunction with The Townscape Consultancy and DP9 planning consultants, it is clear that the current profile of the stepped heights will significantly restrict both the ability to utilise the existing structure and the ability to add sufficient additional office floorspace to the Property for a retrofit or redevelopment to be economically viable.

The width of the Property lends itself to accommodating two buildings, and the existing/consented scale of surrounding developments suggests that the maximum heights on the Property could extend well beyond what is currently shown on the draft building contours plan.

Hence, with small adjustments to the contours, whilst remaining respectful to the adjacent buildings and principles that the City are seeking to achieve, we consider that the Property is capable of accommodating circa 170,000 square metres of office floorspace, a net additional 85,000 square metres.

Maximising the development potential of the Property will also help to maximise its contribution towards achieving the City Plan's key objectives relating to Destination City. A new north south pedestrian route running through the Property could create new active frontages, and the position of the Property on the southern edge of the City Cluster could ensure that any elevated public/cultural offer will benefit from spectacular views across Central London. Both components of a maximised scheme on the Property will help to attract greater numbers and a more diverse range of visitors to the City, transforming the leisure and cultural offer of the Square Mile and ensuring it becomes a vibrant destination 7 days a week and into the evenings.

The attached representations prepared by The Townscape Consultancy provide further details on our review of the tall building contours plan, and our suggestions as to how the plan should be amended to reflect the true development potential of the 30 Fenchurch Street site.

General Representations

In preparing these representations, we have considered the tests within the National Planning Policy Framework ("NPPF") and whether the City Plan and its policies are sound, meaning; positively prepared, justified, effective and consistent with national policy. We have also reviewed and analysed the evidence base where relevant to interrogate certain policies in detail.

Chapter 1 – Strategic Priorities

1.2 Economic Objective – We endorse the City Corporation’s aspiration for growth and the need to set out a minimum requirement for 1.2 million sqm net additional office floorspace by 2040. We support the delivery of significant new office floorspace, aligned with the ‘return of in-person scenario’ of 1.8 million sqm, as set out in the Offices Topic Paper, across the plan period.

1.4 Environmental Objective – Underpinning this priority is the City Corporation’s Climate Action Strategy, which we endorse and will work with partners towards the delivery of a net zero carbon City of London by 2040, taking a ‘retrofit first not retrofit only’ approach to development. Further, we support the aspiration to deliver exemplary designed developments and to respond to the City’s unique heritage assets. In addition, we endorse delivery against sustainability initiatives, urban greening and greater biodiversity across the City.

Chapter 2 – Spatial Strategy

The Spatial Strategy seeks to retain the City’s function as an international and national commercial centre, and support growth and development over the plan period. The growth and net addition of office floorspace will largely be delivered in the City Cluster and supplemented by other Key Areas of Change (KAOC). The City’s Spatial Strategy will enable the City to adapt and introduces further emphasis on the retail and leisure sectors to boost the evening and weekend economy, alongside diversifying the delivery of accommodation. We endorse the principles of the Spatial Strategy.

Chapter 5: Offices

The NPPF emphasises the importance of planning for economic growth and productivity. Planning policies should set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth. The London Plan supports creating and improving the quality, flexibility and adaptability of office space of different sizes.

The draft Plan states that the office market is the primary function of the City and identifies significant economic and employment growth over the plan period. We concur that to maintain the City’s position as a world leading financial and professional services centre, it is vital that sufficient office floorspace is available to meet projected employment growth and demand from a range of occupiers over the plan period.

Draft strategic policy S4 and draft policy OF1 are strongly supported. The ambition to see the delivery of at least 1.2m sqm of new office over the plan period will enable continued economic growth for the City of London and wider London and UK economy. Draft Policy OF1 'Office Development' prioritises the 'retrofitting of existing buildings', but it is also clear that this it is not a retrofit only approach, which we endorse.

The City's evidence base, 'Future of Office Use' prepared by Arup and Knight Frank and the Offices Topic Paper, identifies that anywhere between 6 & 20 million square feet of net additional office space will be required by 2040. We concur with Arup and Knight Frank that much of the demand for floorspace will be for best-in-class office space, reflecting a flight to quality.

However, the Offices Topic Paper states that "current office occupancy and movement trends are showing a middle ground between the Hybrid Peak and Return of In-Person scenarios", which translates to an additional office floorspace requirement between 1.2 million sqm and 1.8 million sqm.

We believe that the draft Local Plan needs to be updated to reflect the unique current working patterns in the Square Mile, which are different to other office sub-markets in the Central London area, and which have changed materially in the last two years. Whilst we support the use of the term 'minimum' in part 1 of the policy, we are firmly of the view that the draft Local Plan should be consistent with the realisation of the higher figure of 1.8 million sqm.

We believe the appropriate office floorspace target will require greater flexibility in the City Cluster Tall Buildings Area to ensure that all potential sites are fully optimised. The current evidence base indicating potential capacity is limited (see Office Topic Paper, March 2024) but the modelling which has been undertaken places very heavy reliance upon delivery within the City Cluster (85%), with the Fleet Valley (5%) and the rest of the City (10%) making comparatively modest contributions to the overall total. The City Cluster Tall Buildings Area and the Tall Building Contours Plan (Figure 15) should be defined to accommodate the anticipated level of employment growth and occupier demand over the plan period.

We do however question the need for part F of the policy which states, "where appropriate, provide a proportion of flexible and affordable workspace suitable for micro, SMEs". London Plan Policy E3 'Affordable Workspace' part C, states that Boroughs, in their development Plans, should consider detailed affordable workspace policies in light of local evidence of need and viability.

However, within the evidence base supporting this policy, there is no evidence provided to demonstrate a need for affordable workspace. We consider that the sub-markets in the Square Mile provide a wide variety of inherently affordable office accommodation options, including serviced offices. Furthermore, the draft policy sets out that this affordable workspace should be suitable for micro, SMEs. Arup and Knight Frank's 'Future of Offices' Report states that over 98% of all City businesses are Small and Medium Enterprises (SMEs), with fewer than 250 employees, Therefore, whilst we support the principle of the delivery of affordable workspace in appropriate circumstances, we would query the soundness of its inclusion within draft Policy OF1, on the basis that there is no identified need for it and that the City is characterised by many SMEs.

Chapter 7: Culture and Visitors

The aspirations of this part of the City Plan are broadly supported. It is key to the ongoing success of the City that a balance is struck between providing spaces and uses for visitors (both City and London residents, domestic and international) and the significant and increasing working population within the Square Mile. Accommodating these needs is a challenge that should be recognised, and uses which overlap between the two groups should be supported.

The relationship between the City Plan and the Cultural Planning Framework (CPF) is unclear – it appears to be part of the evidence base but references are made in the Plan to alignment with the CPF. The City of London should clarify whether the CPF is intended to form part of a future Supplementary Planning Document which would be subject to consultation and independent examination.

In relation to draft policy CV2, it should be recognised that there is no commercial marketplace for speculative cultural uses due to operational funding constraints. It is very challenging to secure cultural occupiers until developments are nearing completion; the policy should support cultural uses which can be occupied flexibly by a range of different users.

Chapter 9: Design

We support the City's overall ambition to promote sustainable design and a 'retrofit first not retrofit only' approach.

To ensure the draft Plan as a whole is positively prepared and effective, Policy DE1 should make clear that the delivery of sustainable design will involve balancing the economic, social and environmental dimensions of development with regard to the Plan's strategic objectives. This would ensure the policy is in general conformity with the London Plan's 'Good Growth' objectives, as well as Policy D3 (optimising site capacity through the design-led approach) and Policy SD4 in respect of the Central Activities Zone.

We acknowledge that the draft City Plan (Policy DE1) introduces a requirement for applicants to 'commit to achieving a minimum Nabers UK rating of 5*'. A Nabers rating of 5* may not be practical or reasonable for retrofit schemes, particularly those with retained facades, where it may not be possible to achieve the fabric efficiencies necessary for ratings at the upper end of the Nabers scheme. The application of Nabers 5* needs therefore to be applied proportionally and with appropriate flexibility, reflecting the recent introduction of the scheme to the UK. It is assumed that the requirement for Nabers rating only relate to office developments, however this should be clarified. The policy should recognise that there is a need to deliver some private spaces (such as office receptions) and back of house spaces (loading bays, sub stations etc) and that a balance should be struck between the functional components of buildings, particularly large developments and the public experience at ground floor level.

The aspirations of draft policy DE3 (public realm) are supported in principle, however the management of spaces which are to be designated as public highway are maintainable at the City's expense and can create quite a limiting palette of materials / landscaping. It should be recognised that on larger sites, ones which could include alterations to the road and footpaths would need to be jointly managed.

Draft policy DE4: Terraces and Elevated Public Spaces would require all major development to provide free to enter, publicly accessible elevated space. This will not be justified, reasonable or practical in many instances. In our view this policy should be amended to make clear that publicly accessible elevated spaces will only be appropriate in specific circumstances, having regard to the overall scale of development and the wider public benefits offer that development may deliver, including any retail, leisure or cultural offer.

We suggest that draft policy DE4 is amended as follows "Requiring all tall buildings or major developments to provide free to enter, publicly accessible elevated spaces where appropriate, which may include roof gardens, terraces, public viewing galleries, or other retail or leisure facilities to create attractive destinations for people to enjoy the City's spectacular skyline and views".

As more developments complete and new planning permissions are granted, we would strongly encourage the City of London to ensure that there is a diverse offering of ground floor and elevated spaces and uses to ensure that there is not a saturation of similar offers (such as high level public viewing galleries).

Chapter 10: Transport

We consider that the Transport Chapter is largely aligned and consistent with the City's Transport Strategy and the City's proposed revised Transport Strategy. Policies that contribute to inclusivity and accessibility of the City's streets are supported. Freight and servicing networks are complex, and we support the City's pragmatic approach to reducing the number of freight vehicles within the Square Mile, including via river and rail freight (Policy VT2).

Chapter 11 – Heritage and Tall Buildings

We recognise the importance of preserving the City's rich and diverse heritage and supports the adoption of a robust local policy framework that will allow the City's historic buildings and places to be preserved and enhanced, whilst adapting to new challenges, including those of climate change.

In our view, point 2 of draft Policy HE1 would benefit from redrafting. In its current form, the policy conflates different phrasing from Chapter 16 of the NPPF in a manner which is at variance with and more difficult to interpret than the original national policy.

“There will be a presumption against heritage harm and development causing harm to, or total loss of, the significance of designated heritage assets will be refused unless it is clearly demonstrated that the heritage and/or wider public benefits outweigh that harm or loss. Applicants should clearly demonstrate that all reasonable efforts have been made to sustain the existing use, find new appropriate uses, or mitigate the extent of the harm to the significance of the asset; and whether the works proposed are the minimum required to secure the long-term use of the asset”

Specifically, we consider the policy should be clear that any harm to a designated heritage asset requires a clear and convincing justification. Where the degree of harm is less than substantial, that harm should be weighed against the public benefit of the proposal. Where substantial harm or total loss of a designated heritage asset arises, that should require a corresponding reference to substantial public benefit, or the satisfaction of the separate and specific provisions laid out at paragraph 207 of the NPPF.

On the basis that this part of the Policy is not intended to be at variance with national policy, we believe that clear and consistent drafting would avoid unnecessary confusion and subsequent attempts to draw meaning from the apparent discrepancies.

Point 6 of the Policy should also be amended as follows.

“Development in conservation areas should preserve, and where possible, enhance and better reveal the character, appearance and significance of the conservation area ~~and its setting~~. The buildings and features that contribute to the character, appearance, setting or significance of a conservation area should be conserved and opportunities to enhance conservation areas should be considered”.

It is generally accepted that development *in* a conservation area would have a direct effect on the designated heritage asset, as distinct from development outside the designated area, which may affect setting.

Strategic Policy S12: Tall Buildings

We recognise the detailed work undertaken in developing Strategic Policy 12: Tall Buildings, however our main concern in relation to this policy centres on the importance of flexibility in decision-making, and the need to optimise individual sites based on robust analysis at application stage.

The Plan acknowledges the need for a minimum of 1.2 million sqm of net additional office floorspace in the period to 2040. However, the evidence base indicating the potential capacity to accommodate that minimum quantum of development is limited. The modelling which has been undertaken places heavy reliance upon delivery within the City Cluster (85%), with the Fleet Valley (5%) and the rest of the City (10%) making comparatively modest contributions to the overall total. We therefore believe the Plan must have sufficient flexibility to deliver a higher quantum of floorspace.

Please refer to the attached representations prepared by The Townscape Consultancy which provides further detail in this regard, and also includes specific commentary relating to 30 Fenchurch Street.

Chapter 12 - Open Spaces & Green Infrastructure

Whilst the introduction of a City Urban Greening Factor score is welcomed, we are of the view that it will not always be possible to achieve these targets in the City. There needs to be flexibility to take account of circumstance of sites, particularly where roof space is constrained or can better serve other priorities in the draft Plan such as renewable energy or public access where these are feasible and appropriate.

It must be recognised that the highly urbanised nature of the City, and constraints in terms of availability of land, roof space and public realm, and proximity of neighbouring buildings could restrict the ability to include features that will assist in achieving urban greening on all developments.

We retain our view that in order to be sound, Policy OS2 (2) should be amended as follows:

“Major development proposals will be required to - Include an Urban Greening Factor (UGF) calculation demonstrating how the development will meet the City’s target UGF score of 0.3 as a minimum, unless site specific considerations make this undeliverable”.

Conclusion

The draft City Plan sets out a series of economic, social and environmental objectives which include the delivery of a minimum of 1.2 million square metres of net additional office floorspace while delivering new, inclusive open spaces and enhancing the City’s public realm for everyone; transforming the seven key areas of change; creating a more inclusive city; and ensuring that development is environmentally sustainable and transitions to net zero carbon by 2040, delivers urban greening and greater biodiversity, celebrates and protects the City’s unique heritage assets, enhances the City’s skyline while preserving strategic views and ensures exemplary design and transforming the City’s streets.

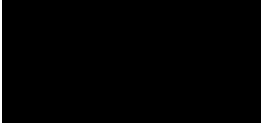
It is considered that an optimised scheme on the 30 Fenchurch Street site is capable of fully aligning with the aspirations of the NPPF to deliver sustainable development, alongside regional and local strategic objectives in the London Plan, Local Plan and draft City Plan.

With small adjustments to the tall building contours as shown in the attached document prepared by Make Architects, 30 Fenchurch Street is capable of providing approximately 85,000 square metres of net additional office floorspace within the City Cluster, which represents over 7% of the City of London’s projected office floorspace growth over the period of the draft City Plan.

The contribution of the Property to accommodate economic growth is substantial. The principle of providing a denser concentration of office floorspace, through a design led approach, in this regionally and locally allocated area for the clustering of significant additional office floorspace is strongly supported in policy terms.

We would welcome the opportunity to discuss our representations in further detail as the draft City Plan moves through the consultation process.

Yours sincerely,



Dan Scanlon
President, UK

Brookfield Properties (UK RE) Limited

Enc: 30 Fenchurch St Representations; The Townscape Consultancy, 5 June 2024 (7 pages)
Reps Material including proposed contours, massing & views; Make, June 2024 (13 pages)