

# Representations to City Plan 2040 on behalf of HP IBEX Investment SARL

Jonathan Smith [REDACTED]

Mon 6/17/2024 8:59 PM

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

Cc: [REDACTED]

1 attachments (861 KB)

Representations on City Plan 2040 HP IBEX Investment SARL 170624 FINAL.pdf;

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THIS IS AN EXTERNAL EMAIL

Dear Sir/Madam,

Please find attached representations to the City Plan 2040 on behalf of HB IBEX Investment SARL, regarding their site at Ibex House.

I would be grateful if you could kindly acknowledge receipt.

Kind regards

Jonathan Smith

[REDACTED]

website: [www.dp9.co.uk](http://www.dp9.co.uk)

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JS/SM/DP6673

17 June 2024

**Development Plans Team  
Environment Department  
City of London Corporation  
Guildhall  
London  
EC2P 2EJ**

By email to: [Planningpolicyconsultations@cityoflondon.gov.uk](mailto:Planningpolicyconsultations@cityoflondon.gov.uk)

Dear Sir/Madam,

**REPRESENTATIONS TO THE CITY OF LONDON CORPORATION'S CONSULTATION ON THE  
PROPOSED SUBMISSION DRAFT CITY PLAN 2040 (REGULATION 19 PUBLICATION)**

**HP IBEX Investment SARL**

We write in relation to the above-mentioned consultation on the Proposed Submission Draft City Plan 2040 ('the Plan') on behalf of HP IBEX Investment SARL ('the Client'), who own Ibex House at 42,47 Minorities, EC3 ('the Site' – see Appendix 1).

*Context*

Ibex House is located in the eastern part of the City, close to Aldgate and Tower Hill. It is listed at Grade II, and is currently in use as Grade B offices. Whilst our Client is making representations on the Plan as a result of its position on this specific building, some of the matters raised in the representations relate to outdated office buildings generally, and we consider this to be a particularly key matter for the City Plan to tackle.

These representations are therefore being made in order to secure the future of this specific building and others with similar characteristics, but also to more broadly ensure the continued success of the City of London as a leading international financial centre, through the delivery of a vibrant and attractive mix of land uses and the provision of public amenities that will deliver on the City's vision.



### *Summary position*

On behalf of our Client, we have considered the policies of the Plan relating to the broad opportunity for development on the Site, and whether the relevant draft policies would meet the NPPF (December 2023) requirements for soundness.

We are supportive of the Plan's vision for the Square Mile and the strategic priorities it sets out, and we fully appreciate the considerable amount of work that has been put into the Plan to date. However, we do consider that the relevant draft policies are not sound i.e. not positively prepared; and/or not justified, effective or consistent with national policy, and so we propose that modifications are made in order to make the Plan sound. Our proposed modifications relate to the following policies:

- Policy OF2: Protection of Existing Office Floorspace

Our detailed representations are set out below, including the elements of the Plan our client supports and suggested modifications to policies as required in order to ensure that the Plan is sound. For the proposed modifications, new text is in bold blue, deletions are struck through.

### *Detailed representations*

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#### **Policy OF2: Protection of Existing Office Floorspace**

##### *Commentary*

The City Plan proposes to adopt an updated approach towards protecting existing office buildings to the adopted Local Plan, in order to better support the aims and aspirations of the Destination City vision, and in order to encourage and support a retrofit-first approach. Both of these aims are fully supported, and we do not wish to challenge or question them. We do, however, want to ensure that the policy mechanism is fit for purpose and does not result in unintended consequences for buildings such as Ibex House.

Paragraph 5.3.4 states that “The City of London Local Plan has for many years sought to protect suitably located and viable office floorspace, with marketing and viability evidence required to support proposals that result in a loss of office floorspace. This approach, supported by policy in the London Plan, has successfully protected the critical mass of office floorspace in the City, helping to maintain its primary office function”.

The Plan goes on to explain how there are specific circumstances where the conversion of office buildings to other uses may assist in making the retention of existing buildings a more attractive investment opportunity. This is welcomed, however, the Plan makes one big change which we consider will have a negative impact on the overall strategy and on a number of specific buildings – the introduction in Part 1 of draft Policy OF2 of a requirement for office buildings to have been



marketed for ‘at least 12 months’ before alternative uses (whether for retrofit, viability or housing reasons) can even be considered. We object to the introduction of this requirement for the following reasons:

- By its own admission, the City’s adopted policy approach works, and it does not require marketing to have been undertaken for a minimum of 12 months. Instead, general market evidence has proven to be sufficient, where provided by a qualified and reputable office leasing agency/agencies;
- The need to keep a building vacant for at least 12 months before anything can be done with it risks damaging the City’s environment, and is an un-commercial approach which will hamper the City’s ability to respond quickly and intelligently to changing market conditions;
- The office building typology is currently facing several significant challenges, including the need for amenity, the introduction of minimum EPC ratings and required response to climate change driving certain energy and sustainability solutions, all of which the City needs to respond to. Not all buildings can positively respond to these factors, and the passage of time will not change that. As such, a 12 month marketing period will in many cases simply delay the inevitable but with additional detrimental impacts for building owners and the City’s environment; and
- It risks creating stranded assets, by preventing owners from finding the most viable and attractive future for their buildings when they are vacated.

The new policy represents a significant step change from the current Local Plan position which requires applicants to provide the following evidence:

- That the building has depreciated such that office use would not be viable or suitable in the longer term, having regard to the physical state of the building and its functional and location obsolescence and;
- Marketing evidence to show there is no recent or likely future demand for continued office use on a site or building with no specific timeframe of marketing required.

The above concerns apply to all office buildings, and we think justify the need for modifications to the policy. However, we think they are specifically relevant for listed buildings, where a forced 12 month period of marketing could be particularly harmful. NPPG, in defining optimum viable uses for heritage assets, states that *“It is important that any use is viable, not just for the owner, but also for the future conservation of the asset”*. *“If there is only one viable use, that use is the optimum viable use”* (Paragraph 015). As such, national policy and guidance identifies the need for economic viability to drive the appropriate use for a heritage asset, and so we think it is appropriate and sound to introduce a specific route into Policy OF2 to reflect this priority.

Given other policies in the Plan, the controlled loss of offices from heritage assets would not result in harm, and could in fact also benefit the delivery of other policy aspirations – for example the identified need under Policy CV4 to deliver an additional 350 hotel bedrooms per year.



Para 5.3.3 recognises that *“Refurbishment of office floorspace will be encouraged to accommodate future needs, whilst aligning with the sustainability principles set out in Policy DE1 and the need to find suitable and sustainable uses for historic buildings”* (our emphasis). Part 3 of draft Policy HE1 (Managing Change to the Historic Environment) states that *“Change of use to heritage assets should be consistent with their long-term conservation and should help to retain and enhance the asset, particularly those which have been identified at risk”*. Part 7 of draft Policy CV4 (Hotels) states that proposals for hotels and other visitor accommodation will be permitted where they *“Ensure continuing beneficial use for historic buildings, including enhanced and inclusive public access to and interpretation of that heritage, where appropriate”*.

We think Policy OF2 as drafted is not entirely consistent with these other policies, by forcing a long period of vacancy for office buildings which may clearly be obsolete, and by not explicitly recognising the special consideration that should be given to heritage assets. This is particularly relevant given the shifting tenant requirements for office space which increasingly focus on the quality of space, which is an area where historic buildings are often less able to achieve through their inherent constraints.

In order to address this risk, we propose modifications to the policy on two fronts, first to remove the requirement for at least 12 months of marketing evidence, and secondly to make explicit reference to special considerations relating to heritage assets.

#### *Proposed modification (OF2)*

The following modification is proposed to part 1 of the policy:

1. The loss of existing office floorspace will be resisted unless it can be demonstrated that, **either:**
  - a. The proposed development would not lead to the loss of office floorspace that is, or sites that are, of a strategically important scale, type and/or location for the City;
  - b. The proposed development would not compromise the potential for office development on sites within the vicinity;  
and
  - c. There is ~~no~~ **insufficient** demand in the office market, supported by **market evidence and/or** marketing evidence ~~covering a period of no less than 12 months~~ **and/or evidence of a lack of interest from the investment market for the continued use of the asset for offices.**

**Or, where the building is a heritage asset, another use would secure the optimum viable use of the building and/or avoid the asset becoming stranded, subject to compliance with other policies in the Plan.**

With these modifications, we consider that the draft Policy would be sound.



If these modifications are not considered to be justified or appropriate, then we would instead prefer to revert to the adopted policy approach, whereby marketing and viability information can both be provided together to support the loss of offices from a site.

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## **Strategic Policy S20: Aldgate, Tower and Portsoken**

### *Commentary*

The Site is located within the Aldgate, Tower and Portsoken Key Area of Change ('KAOC'). The Plan, at draft Policy S20, states that the KAOC will be promoted as a mixed-use area, through the promotion of a *"greater mix of development including commercial, residential, education and hotels supported by complementary cultural and community use development to assist in the further renewal of the area"*.

We wish to support this policy thrust, in particular its support and promotion for the introduction of new hotels in the KAOC. The Aldgate office market does not command the same rents as other parts of the City, being seen as a peripheral location. Whilst it is acknowledged that there will remain demand for Grade B office accommodation in some form, there is no need for the City to hold on to Grade B office accommodation when this can be found in abundance within neighbouring boroughs, including in particular Tower Hamlets. The City of London should focus its efforts on delivering the highest quality floorspace and environment across all uses, and so we strongly support the Plan utilising the best mix and location of land uses that will enable the delivery of the level of environmental improvements that are needed in order to achieve the Plan's objectives for this KAOC.

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### **Conclusion**

In summary, we consider that the draft City Plan 2040 sets out a bold and ambitious vision for the City of London, but in order for the Plan to be considered sound, we request a number of minor modifications to ensure that its policies operate in a coordinated manner which will support and encourage the development that the City needs.

We respectfully request that due consideration is given to these representations and would like to be kept informed of progress with the Plan. In addition, we would like the opportunity to attend and participate in relevant examination hearing sessions.

Should you wish to discuss any aspect of these representations, please contact Jonathan Smith of this office.

Yours faithfully

DP9 Ltd.



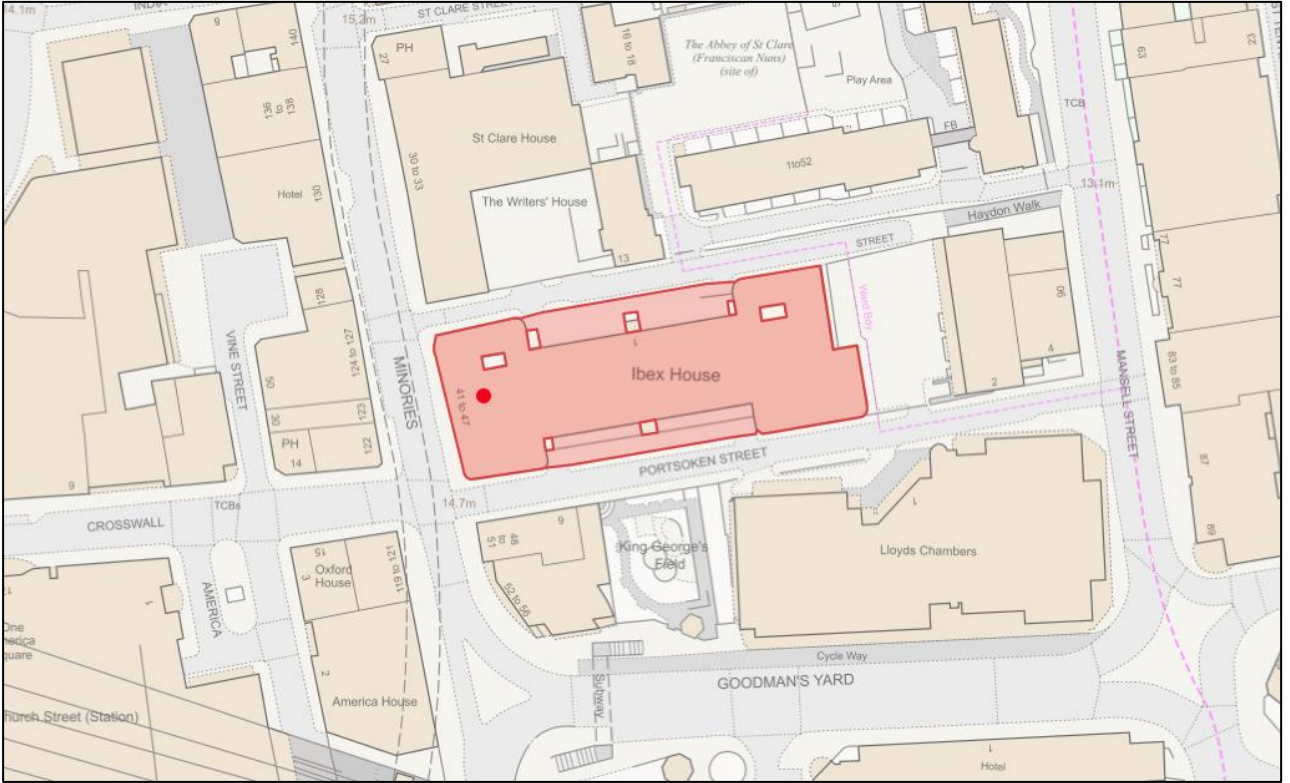
**DP9 Ltd.**

**Enc.**



## APPENDIX 1 – SITE LOCATION PLAN








**APPENDIX 2 – COMPLETED RESPONSE FORM**

## Model Representation Form for Local Plans

 <b>CITY OF LONDON</b>	<b>Local Plan</b> Publication Stage Representation Form	<b>Ref: Reg 19</b>  <b>(For official use only)</b>
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**Name of the Local Plan to which this representation relates:**

City Plan 2040

**Please return to City of London Corporation BY 11:00PM 31 May 2024** emailing to: [planningpolicyconsultations@cityoflondon.gov.uk](mailto:planningpolicyconsultations@cityoflondon.gov.uk)

Please note that all representations will be made public on our website in line with the Town and Country Planning (Local Planning)(England) Regulations 2012. This will include the name of the person and, where relevant, the organisation making the representation. All other personal information will remain confidential and managed in line with the City Corporation's privacy notice.

For more information on how we collect and process personal information, and your rights in relation to that information, please refer to the Environment Department's privacy notice available at [Environment Department Privacy Notice \(cityoflondon.gov.uk\)](http://Environment.Department.Privacy.Notice.cityoflondon.gov.uk) and the City Corporation's privacy notice available at [www.cityoflondon.gov.uk/privacy](http://www.cityoflondon.gov.uk/privacy)). Please also see our Statement of Representations Procedure available at: [City Plan 2040 - City of London](http://City.Plan.2040.City.of.London).

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This form has two parts –

Part A – Personal Details: need only be completed once.

Part B – Your representation(s). Please fill in a separate sheet for each representation you wish to make.

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### Part A

1. Personal Details\*

*\*If an agent is appointed, please complete only the Title, Name and Organisation (if applicable) boxes below but complete the full contact details of the agent in 2.*

2. Agent's Details (if applicable)

Title

Mr

First Name

Jonathan

Last Name

Smith

Job Title  
(where relevant)

Senior Director

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Organisation (where relevant)	HP IBEX Investment SARL	[REDACTED]
Address Line 1	C/O agent	[REDACTED]
Line 2		[REDACTED]
Line 3		
Line 4		
Post Code		[REDACTED]
Telephone Number		[REDACTED]
E-mail Address (where relevant)		[REDACTED]

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## Part B – Please use a separate sheet for each representation

Name or Organisation: HP IBEX Investment SARL

3. To which part of the Local Plan does this representation relate?

Paragraph  Policy  Policies Map

4. Do you consider the Local Plan is:

4.(1) Legally compliant	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
4.(2) Sound	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
4 (3) Complies with the Duty to co-operate	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

Please tick as appropriate

5. Please give details of why you consider the Local Plan is not legally compliant or is unsound or fails to comply with the duty to co-operate. Please be as precise as possible.

If you wish to support the legal compliance or soundness of the Local Plan or its compliance with the duty to co-operate, please also use this box to set out your comments.

The City Plan proposes to adopt an updated approach towards protecting existing office buildings to the adopted Local Plan, in order to better support the aims and aspirations of the Destination City vision, and in order to encourage and support a retrofit-first approach. Both of these aims are fully supported, and we do not wish to challenge or question them. We do, however, want to ensure that the policy mechanism is fit for purpose and does not result in unintended consequences for buildings such as Ibex House.

This is discussed in further details within our representation letter.

6. Please set out the modification(s) you consider necessary to make the Local Plan legally compliant and sound, in respect of any legal compliance or soundness matters you have identified at 5 above. (Please note that non-compliance with the duty to co-operate is incapable of modification at examination). You will need to say why each modification will make the Local Plan legally compliant or sound. It will be helpful if you are able to put forward your suggested revised wording of any policy or text. Please be as precise as possible.

The following modification is proposed to part 1 of the policy:

1. The loss of existing office floorspace will be resisted unless it can be demonstrated that, **either**:
  - a. The proposed development would not lead to the loss of office floorspace that is, or sites that are, of a strategically important scale, type and/or location for the City;
  - b. The proposed development would not compromise the potential for office development on sites within the vicinity;  
and
  - c. There is ~~no~~ **insufficient** demand in the office market, supported by **market evidence and/or** marketing evidence ~~covering a period of no less than 12 months~~ **and/or evidence of a lack of interest from the investment market for the continued use of the asset for offices.**

**Or, where the building is a heritage asset, another use would secure the optimum viable use of the building and/or avoid the asset becoming stranded, subject to compliance with other policies in the Plan.**

With these modifications, we consider that the draft Policy would be sound.

**Please note** In your representation you should provide succinctly all the evidence and supporting information necessary to support your representation and your suggested modification(s). You should not assume that you will have a further opportunity to make submissions.

**After this stage, further submissions may only be made if invited by the Inspector, based on the matters and issues he or she identifies for examination.**

7. If your representation is seeking a modification to the plan, do you consider it necessary to participate in examination hearing session(s)?

**No**, I do not wish to participate in hearing session(s)

**Yes**, I wish to participate in hearing session(s)

Please note that while this will provide an initial indication of your wish to participate in hearing session(s), you may be asked at a later point to confirm your request to participate.

8. If you wish to participate in the hearing session(s), please outline why you consider this to be necessary:

We wish to represent our client in person so that their proposed modifications can be most effectively supported.

**Please note** the Inspector will determine the most appropriate procedure to adopt to hear those who have indicated that they wish to participate in hearing session(s). You may be asked to confirm your wish to participate when the Inspector has identified the matters and issues for examination.