Draft London Plan

Response on behalf of the London Property Alliance

October 2026

London Property Alliance

WPA | CPA

Introduction

Our response to the Mayor of London's consultation on the draft London Plan strongly supports his ambition to deliver good growth across London and strengthen the capital's position as the UK's economic powerhouse. We welcome positive changes in the draft Plan, including recognition of **the need for net additional prime office space in the Central Activities Zone (CAZ), greater flexibility on affordable workspace policy via off-site provision and payment in lieu** and **proposed reductions to cycle parking standards**.

However, we have identified a number of areas where our members believe the draft Plan should go further to support growth, investment and delivery across central London.

Central to our response is the need for the London Plan to plan positively and aspirationally for office growth over the next 25 years. To support this, we are calling for a **dedicated office policy** that puts offices on a par with data centres in the Plan and sets out a clear vision for office growth, alongside overarching employment and floorspace targets linked directly to the Mayor's London Growth Plan.

This is particularly important at a time when London's success is increasingly at risk from a shortage of modern workspace, rising development costs and growing constraints on development. **Ensuring a sufficient supply of modern, high-quality office space is therefore fundamental to supporting business expansion, attracting investment and delivering the Mayor's ambitions for good growth.** Offices should be explicitly recognised as critical economic infrastructure, supporting jobs, investment, productivity and London's competitiveness.

Our key points are:

- **A standalone offices policy:** The Plan should include a standalone office policy that sets out a clear vision for office growth, consistent with previous London Plans, alongside strategic employment and floorspace targets aligned with the London Growth Plan. This will help ensure London can accommodate the businesses, jobs and investment that drive economic growth. Offices should also be recognised as critical economic infrastructure, reflecting their central role in delivering the objectives of the Government's Modern Industrial Strategy. We are particularly concerned that the evidence base underestimates future demand for office space in Westminster and the City of London. The Plan should therefore strengthen its approach to monitoring, requiring boroughs to track and report on the loss of office floorspace to ensure sufficient capacity is maintained to support future growth.
- **Recognising the benefits of high-quality office space:** We welcome the Plan's recognition of the need for net additional prime office space within the CAZ. However, the Plan should go further by giving significant weight to the economic benefits of delivering high-quality office accommodation, particularly HQ-quality workspace with large floorplates capable of accommodating major occupiers and supporting business growth. Such provision is critical to attracting and retaining investment, boosting productivity and sustaining London's global competitiveness. Local Plans within the CAZ should therefore plan positively for ambitious office growth, providing greater certainty for investors and developers and supporting the delivery of the next generation of commercial development.

- **Unlocking growth potential:** The Plan should take a positive approach to growth by supporting the optimisation of sites, enabling tall buildings in appropriate locations and providing a stronger framework for Transformational Gateways, including Liverpool Street and Victoria. This will help to maximise development potential in the CAZ, avoiding unnecessary constraints on height, density and sustainable intensification. The Plan should support a flexible approach to tall buildings and allowing for new metropolitan-scale clusters, such as Fleet Valley, where justified. Transformational Gateways should be backed by clear growth ambitions, infrastructure priorities and delivery frameworks.

- **Affordable workspace:** While we welcome greater flexibility around off-site provision and payment in lieu, affordable workspace policies should not apply within the CAZ, where rising development costs, increasing policy requirements and viability pressures are already constraining office delivery. This is reflected in a 54% decline in major commercial planning applications in central London between 2013 and 2023. The market already provides a diverse range of lower-cost, flexible and managed workspace products that cater to different business needs. Where affordable workspace policies are pursued in the CAZ, they should be supported by robust local evidence of need and subject to thorough viability testing to ensure they do not further undermine investment and development.

- **Carbon benchmarks:** We broadly support the proposed embodied carbon benchmarks, which are largely consistent with the findings of Arup's London Property Alliance *Embodied Carbon in Central London* (2026) analysis. However, that evidence suggests tall office buildings are less likely to meet the proposed targets. We therefore welcome the recognition in the supporting text that offices in the CAZ, tall buildings and developments on constrained sites may face particular challenges in achieving the benchmarks. This flexibility should be reflected more explicitly in the policy wording itself, making clear that where applicants have demonstrably minimised embodied carbon and provided justification, failure to meet a benchmark will not in itself constitute non-compliance with the policy. This is important to ensure carbon policy supports both decarbonisation and the delivery of the commercial development needed to drive jobs, investment and growth.

- **Cycle parking:** We strongly support the proposed reduction in cycle parking standards, reflecting our *Cycling & the City* (2024) and *The Cycle Storage Gap* (2026) research and positive engagement with TfL and the City of London. Where a development provides cycle-hire facilities or additional provision for dockless bikes, this should be reflected in corresponding reductions in cycle-space requirements and, where appropriate, public-realm obligations.



Charles Begley
Chief Executive, London Property Alliance

Representations on the Draft London Plan

Overarching Points

1. The London Property Alliance welcomes the opportunity to comment on the draft London Plan 2026 on behalf of its membership who represent more than 300 of the leading owners, investors, professional advisors and developers of real estate operating in the Cities of London and Westminster.

2. The Alliance strongly supports the Mayor in his aspirations to set out a strategic framework to help deliver good growth and strengthen London's position as the UK's economic powerhouse by creating the conditions for businesses to invest, innovate and create good jobs across the capital. This is essential to delivering 'good growth' for London's communities, as well as the UK.

3. We particularly welcome the London Growth Plan and its ambition to raise productivity growth to an average of 2% a year over 2025 to 2035. Central London will be essential to realising this ambition. Our research, *Good Growth in Central London* (July 2024), shows that the CAZ+[1] occupies 2.2% of London's land area but accounts for 48% of its GVA, 41% of its jobs and 65% of its office floorspace. With a balanced approach to growth and flexible planning policy, the CAZ+ could unlock 407,000 jobs, 50,700 new homes and an additional 55.7 million sq ft of commercial floorspace by 2045, boosting the UK economy by £101 billion (GVA).

4. However, this potential is not guaranteed. Our latest *Global Cities Barometer* (March 2026) finds that demand for high-quality office space in central London remains exceptionally strong, but that London's success is increasingly at risk from a critical shortage of modern workspace, rising development costs and a planning system that is constraining supply.

5. Our *Space for Change: Office space dynamics in central London* report (December 2025) shows that prime vacancy across the CAZ stands at just 0.8% and Grade A at 1.7%, while office stock in the CAZ fell by 14 million sq ft between 2018 and 2023. Prime offices, particularly in Westminster and the City of London, are essential to supporting London's competitiveness, productivity and growth ambitions. Upgrading secondary stock to prime and Grade A quality could generate an additional £83.6 billion in economic output over the next decade.

6. Notwithstanding the Alliance's overarching support of the draft Plan, we have considered the Plan against the soundness tests contained within the NPPF as published in August 2026. The Alliance considers there to be matters within the draft London Plan which, as drafted, are 'unsound' when set against these tests. These representations detail those matters. These representations also make comments on policy matters which do not raise soundness issues, but which we ask the Mayor to consider closely in light of their practical implications upon development.

[1] The CAZ and the Northern Isle of Dogs

7. We set out as follows the Alliance's key points as made within these representations, namely:

a) **Planning positively for office growth.** The draft Plan should give much stronger support to economic growth, and to offices in particular, through a dedicated office policy that provides a clear vision for office growth and overarching employment and floorspace targets linked directly to the London Growth Plan. The London Plan needs to plan positively and aspirationally for growth over the next 25 years. Offices should be explicitly recognised as critical economic infrastructure, essential to delivering the o

b) Objectives of a modern economy, the Modern Industrial Strategy and the London Growth Plan. The Plan has not objectively assessed the need for office floorspace, nor planned to meet it, and we have particular concerns that the evidence base underestimates future need in Westminster and the City of London.

c) **Recognising importance of prime office space.** Central London has an acute shortfall of prime office space, so we welcome the draft Plan's recognition of the need for net additional prime office space in the CAZ. Prime offices, particularly in Westminster and the City of London, are essential to supporting London's competitiveness, productivity and growth ambitions. The Alliance's upcoming report with Centre for London, *London HQ City* (October 2026), highlights the importance of HQ-quality workspace to London's economic success. However, the Plan should go further by giving significant weight to the benefits of commercial office development and directing Local Plans covering the CAZ to plan positively for ambitious office growth. This would provide greater certainty to investors and developers, help unlock the delivery of the next generation of office development and ensure London can meet the high demand for modern, high-quality workspace.

d) **Unlocking growth potential.** The London Plan should take a positive approach to growth by supporting optimisation, enabling tall buildings in appropriate locations and providing a stronger framework for transformational gateways. Policy should maximise the development potential of the CAZ and other key growth locations, avoiding unnecessary constraints on height, density and sustainable intensification. This includes supporting a flexible approach to tall buildings, allowing for new metropolitan-scale clusters where justified such as Fleet Valley, and recognise the role tall buildings can play in accommodating jobs, investment and commercial growth. Transformational gateways should be backed by clear growth ambitions, infrastructure priorities and delivery frameworks to ensure they fulfil their potential as major drivers of London's future growth.

e) **Affordable workspace.** The ability to bring forward new office development is under unprecedented pressure from rising finance, construction and labour costs, alongside an increasing burden of planning obligations. Against a backdrop of a 54% decline in major commercial planning applications in central London between 2013 and 2023,[2] affordable workspace policies should not be applied within the CAZ, where there is already a shortage of modern office space and a constrained development pipeline. The market already provides a wide range of lower-cost and flexible workspace. Where affordable

[2] London Property Alliance and Knight Frank, *Space for Change: Office space dynamics in central London*, December 2025

workspace policies are introduced, they must be justified by robust local evidence and fully tested for viability.

f) **Carbon targets.** Carbon policy must strike the right balance between decarbonisation and growth. Operational and embodied carbon targets should reduce emissions without preventing the delivery of viable development, particularly the commercial office and tall building schemes needed to support jobs, investment and productivity growth. London's dense, highly connected urban environment is one of the most sustainable places in which to locate and grow a business. Carbon policy should therefore support, rather than constrain, the investment and renewal needed to maintain the CAZ as a globally competitive, low-carbon economic centre. This includes enabling the delivery of tall building and development on constrained sites where justified.

g) **Cycle parking.** We strongly support the reduction in cycle parking standards, which reflects the evidence in our *Cycling & the City* (December 2024) and *The Cycle Storage Gap* (October 2026) research and positive engagement with TfL and the City of London. Where a development provides cycle-hire facilities or additional provision for dockless bikes, this should be reflected in corresponding reductions in its cycle-space requirements and, where appropriate, its public-realm obligations (where additional on-street space is provided for dockless bikes).

<u>Draft London Plan Consultation – General Questions</u>

Q1. Please tell us in what capacity you are responding?

1. Representing a stakeholder or organisation.

Q2. Please tell us what stakeholder you represent in the space below.

2. The London Property Alliance (the Alliance).

3. The Alliance is a not-for-profit membership body and advocacy group representing more than 300 of the leading owners, investors, professional advisors and developers of real estate operating in the Cities of London and Westminster, via our respective associations City Property Association (CPA) and Westminster Property Association (WPA). We provide a unified voice for the real estate sector across London's Central Activities Zone (CAZ)[3].

Q3. Which of the following most closely describes the sector you or your organisation belongs to:

4. Development and built environment sector.

Q4. Do you consider that, in overall terms, the draft London Plan complies with the relevant legal and procedural requirements applicable to its preparation?

[3] A full list of Members for the City Property Association can be found at https://www.citypropertyassociation.com/our-members/ and Members for the Westminster Property Association can be found at https://www.westminsterpropertyassociation.com/our-member-list/

5. No. The Alliance has considered the draft London Plan against the soundness tests as set out within the NPPF (August 2026), namely Policy PM14, as well as giving consideration to the other relevant NPPF policies.

Q5. Please provide reasons for your response and identify any specific areas where you consider that the draft London Plan may not meet the legal or procedural requirements, providing evidence where appropriate?

6. The Alliance does not consider that the London Plan has been prepared in accordance with the 2026 NPPF. The reasons for this are set out in the responses to the consultation questions, but are, in summary, principally because the Plan has not sought to objectively assess the need for employment generating floorspace, particularly office floorspace, nor to provide for it. It has introduced additional quantitative standards that will have an adverse effect on deliverability and viability, contrary to Policy PM13.

Chapter 2: Making best use of land and achieving good growth

MBUL1: Spatial Strategy

Q6. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

7. No.

Q7. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

8. **Overarching points:** NPPF Policy PM14 requires Spatial Development Strategies to set out a positive approach to delivering growth, with an appropriate strategy taking into account local growth plans (which would include the London Growth Plan). Policy MBUL1 is the London Plan's overarching spatial strategy and should clearly set out a positive, aspirational and deliverable economic objective. As drafted, the Policy does not provide this and is not positively prepared, nor consistent with national policy.

9. The importance of harnessing economic growth is emphasised both within the NPPF and the Government's Industrial Strategy (2025). The Mayor's London Growth Plan identifies that London is uniquely placed to accelerate growth and has an ambition to raise productivity growth rates to 2% average per year over 2025 to 2035. Should that ambition be realised, the London economy could be £107bn larger in 2035 and result in an extra £27.5 billion in taxes to the Treasury. The Alliance's research, *Good Growth in Central London* (2024), demonstrates that a balanced approach to growth with flexible planning policy in the CAZ and Northern Isle of Dogs (NIOD) could unlock 407,000 jobs, 50,700 new homes and an additional 55.7 million sq ft in commercial floorspace by 2045 – boosting the UK economy by £101 billion (GVA). Notwithstanding the importance of the CAZ and the potential it has to deliver upon the Mayor's London Growth Plan, Policy MBUL1 has no reference to the Growth Plan within policy wording and does not state that it seeks to support the Growth Plan's growth ambitions, particularly the increase in productivity growth rates.

10. In Policy MBUL1 (part (B)), housing targets are quantified whereas local plans are only directed to plan for *"proportionate space for employment"*. There is no reference to commercial office floorspace, despite its economic importance. Elsewhere in the plan, storage and distribution demand benchmarks are provided. We have suggested that overarching office floorspace and jobs targets be provided within a standalone office policy, or within Policy GLE1.

11. In respect of the CAZ, it is welcome at part (B)(1) that the "full potential" of the CAZ should be realised, however as drafted the policy wording is considered not to be directive and strong enough. As identified in the Alliance's *Good Growth in Central London* report (2024), the CAZ and NIOD contributes 48% of London's GVA and 41% of the capital's jobs, despite occupying just 2.2% of its land area. However, in respect of the CAZ, Policy MBUL1 does not provide an economic vision and instead refers to "maintaining a reservoir of well-located employment land". Policy E1 in the NPPF requires development plans to set out a clear economic vision and strategy and allocate sites to implement the economic vision and strategy and meet identified needs. The London Plan as drafted does not meet these requirements and therefore is inconsistent with national policy.

12. It is acknowledged that the 'transformational gateways' are addressed at a high level in Policy PV2, however given their potential contribution to growth objectives within the capital, the Alliance considers that Policy MBUL1 should make explicit reference to intensification especially within the Broad Locations of Growth which the transformational gateways would form a part. As set out within our comments on Policy PV2, the draft London Plan should include a strategic growth vision for each transformational gateway. Policy E2 in the NPPF states that "substantial weight should be given to: the economic benefits of proposals for commercial development"... "especially where this would support the economic vision and strategy for the area, the implementation of the Industrial Strategy". Policy MBUL1, as the overarching spatial strategy, should be clear in prioritising and supporting economic growth within the capital.

13. It is acknowledged that Policy GLE1 addresses employment space and that Policy PV2 considers growth within the CAZ. We comment on these policies separately but notwithstanding their content, it is vital that Policy MBUL1, as the guiding policy within the draft London Plan, sets out clearly London's economic vision and strategy.

14. **Modifications sought**. We summarise below the modifications suggested in order to make Policy MBUL1 'sound'. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

    a) Part (A) should expressly require development to be located, phased, co-ordinated and designed to support London's economic vision and strategy, focusing development within the Broad Locations of Growth. We have suggested amendments as follows:

    "New housing and employment development and infrastructure investment should be located, phased, coordinated and designed to:

    ...

(2) achieve intensification of land use across London, and especially in the identified Broad Locations of Growth, in a way that contributes to meeting London's different needs, and supports places to renew and evolve, responding positively to London's place assets, and building on the success of economic clusters.

(6) enhance London's global competitiveness, including by meeting the needs of a modern economy, support the ambitions within the London Growth Plan and ensure that economic success is shared amongst all Londoners."

b) Part (B)(1) should be amended as follows:

"B Local plans should plan to deliver at least 558,000 additional new homes, ~~proportionate~~ space for employment and appropriate infrastructure (including health and other locally assessed social infrastructure) to meet identified and anticipated need in a manner consistent with Part A of this policy; policies HN1 Increasing London's housing stock, GLE1 Sufficient and appropriate employment space and the Place-vision policies. This means local plans, with reference to the key diagram and Annex C, should:

(1) through site allocations and review of designations, give priority to and realise the full potential of the growth corridors, the Central Activities Zone (CAZ) and the Northern Isle of Dogs (NIOD), BFOAs and other identified BLGs within the existing urban area, addressing their specific strategic opportunity where relevant, accommodating a significant proportion of required new homes ~~and~~, maintaining a reservoir of well-located employment land and planning for economic growth aligned with the objectives within the London Growth Plan"

Q8. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

15. No response.

MBUL2: Optimising the use of land and site capacity

Q9. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

16. No.

Q10. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

17. **Overarching comments:** Whilst the objective of Policy MBUL2 to ensure that development makes the best use of land is supported, the Alliance is concerned that as drafted Policy MBUL2 could operate as a cap on capacity, rather than a minimum requirement. It is imperative that Policy MBUL2 be amended to ensure that it supports, rather than inhibits, the London Plan's ability to deliver commercial and residential development.

18. NPPF Policy S4 states that development within settlements (which London would be classed as) should "be approved unless the benefits of doing so would be substantially outweighed by any adverse effects, when assessed against the national decision-making

policies". NPPF Policy L3 states that development proposals should make efficient use of land. The Alliance is concerned that where a scheme exceeds the density requirements of Table 2.1 or any detailed design requirements in the Small Sites Design Code/a local code, that this be treated as a failure/conflict with policy. This approach would be misaligned with the NPPF.

19. Whilst the policy does acknowledge that the standards set out within Box MBUL2 are minimum, part (C) and the policy beneath Table 2.1 have not been drafted in a positive manner which directs sites to be optimised fully. There should be much greater support for schemes which exceed the criteria set out within Policy MBUL2 and any relevant design code, where such design can be justified.

20. Policy MBUL2 applies to all development, but it is clear that it has been drafted and designed to apply to a residential context. No differentiation is provided in respect of commercial and residential development, notwithstanding the fact that these typologies are designed and occupied very differently – for example they have different floorplate and access requirements, floor-to-ceiling heights, plant and servicing needs etc. Commercial office buildings, particularly in the core CAZ, often have the potential to deliver innovative designs. Given the acute shortage of high-quality commercial floorspace in central London, London Plan policy needs to be fully supportive of optimisation.

21. As drafted, there is a risk that Policy MBUL2 serves to constrain development, particularly commercial development within the CAZ, which would fail the NPPF soundness tests (Policy PM14, (a), (b) and (d)).

22. **Small Sites Design Code:** It is noted that the Small Sites Design Code or a rearticulated small sites design code prepared by plan-making authorities where applicable, will set out requirements for sites below 0.25ha. A significant number of sites, including larger scale commercial developments within the CAZ will fall under the 0.25ha threshold, and this will capture commercial as well as residential sites.

23. The Small Sites Design Code is being consulted upon separately, but it is relevant to this consultation. It does not include a typology specific to the CAZ, the nearest typology being High Streets. We will respond to the separate Small Sites consultation in due course, as required, but are concerned that the application of the High Streets typology to smaller-scale CAZ development opportunities may not support site optimisation and may constrain rather than enable development.

24. We are concerned that relatively prominent development sites, (such as 19-24 Dering Street in Westminster and 2 Moorgate, 7 Princes Street and 21 Whitefriars in the City of London) may be below 0.25ha in size. Applying the High Street design coding to them as mandatory risks constraining, rather than enhancing, their development capacity.

25. We support the potential role of design coding, including the Small Sites Design Code, to support good growth and site optimisation in the areas of London to which the typologies included relate, but suggest an additional CAZ typology is required for the Small Sites code to be applicable in this area, if that is practical.

26. An alternative could be that Policy MBUL2 is clear that the Small Sites Design Code or any rearticulated small sites design code should not be applied to development within the CAZ, or at least commercial development within the CAZ. Instead, Policy MBUL2 could rely on the design criteria set out within the NPPF Policy DP3. Such an approach would still ensure design excellence and appropriate optimisation, but would not potentially restrict development, which is misaligned with national policy objectives and the Mayor's London Growth Plan objectives.

27. As drafted, Part (C)(2) of Policy MBUL2 is unsound as it could constrain growth within the CAZ, which does not set a positive approach to delivering growth meeting objectively assessed needs (NPPF Policy PM14(a)), nor is it an appropriate strategy to deliver on the aspirations of the Government and the Mayor via the Industrial Strategy and London Growth Plan (NPPF Policy PM14(b)). It is also not effective (Policy PM14(c)) in that it contradicts Policy MBUL1(B)(1) which states that local plans should "realise the full potential" of the CAZ.

28. **Modifications sought:** We summarise below the modifications suggested to Policy MBUL2. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

a) Part (A) should direct plan-making authorities to ensure that any development documents are clear that development which exceeds minimum density/height criteria will be acceptable in principle where the site is being optimised and the design is justified. These changes could be:

"Plan-making authorities should plan for growth and make the best use of land in line with Box MBUL2, taking full advantage of existing and planned levels of sustainable transport connectivity and allowing character to evolve by:

(1) Developing strategies, design guides, design codes and/or masterplans that set clear expectations on scale, height, and form of development (and other parameters as relevant) for areas where a more pro-active approach is required to promote development. These should have regard to the Optimisation Framework in Table 2.1 and ensure that minimum net densities are met or exceeded. These should make clear that development which exceeds these parameters, or any set at a local level, will be supported in principle where a design-led approach demonstrates that the proposal optimises the site, unless any adverse impacts would substantially outweigh the benefits.

(2)

...

(3) Where they consider necessary, building on the London Small Site Design Code in a local design code. In doing so this should not deviate from the overall scale and ambition set out in the London Small Site Design code or undermine development viability through additional requirements or constraints. Any local design code should make clear that development which exceeds these parameters, or any set at a local level, will be supported in principle where a design-led approach demonstrates that

the proposal optimises the site, unless any adverse impacts substantially outweigh the benefits. The London Small Site Design Code or any local design code will not apply to development within the CAZ, which is expected to optimise site development to its full potential, giving due consideration to design considerations set out within the London Plan and NPPF Policy DP3.

b) A new part should be added to Part (C), as follows:

(4) "Schemes which optimise the use of land in accordance with this policy, including schemes which exceed the parameters of the Optimisation Framework or the London Small Sites Design Code or any applicable design strategy, design guide, design code or masterplan (where relevant), should be given very significant weight in planning decisions."

c) The text beneath Table 2.1 should be amended to read:

"~~It may be acceptable to exceed the heights and densities expressed in the table above~~ The heights and densities expressed in the table above are a starting point for a design-led assessment of site capacity and are not a maximum. Development which exceeds them should be supported where a design-led approach demonstrates that the proposal makes optimal use of the potential of the site and is otherwise acceptable, particularly in better-connected locations. Where the height range in the Optimisation Framework exceeds 30m, applicants should follow Policy MBUL3 (Tall Buildings) to identify whether the proposed height is appropriate."

Q11. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

29. No response.

MBUL3: Tall buildings

Q12. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

30. No.

Q13. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

31. **Overarching Comments:** We support the strategic ambition of Policy MBUL3, and the framework proposed for tall building development across London. The draft policy introduces a clear expectation for a plan-led approach to tall buildings, whilst retaining appropriate flexibility to permit tall buildings outside identified areas in certain circumstances.

32. **Threshold of 30m**: We support the 30m threshold for use outside the CAZ. This is an appropriate approach to supporting increases in density across Greater London. We do not, however, consider the use of 30m as a default or definitive height for tall building development within the CAZ to be appropriate. The built environment across significant

parts of the CAZ does not support this definition as existing prevailing building heights frequently meet or exceed this level, without being perceived as 'tall'.

33. Without amendment in respect of the CAZ, the height set in MBUL3 will be applied for plan-making and development management purposes as a definitional fiat, as though the policy intention is to resist any development over 30m in height across the CAZ. We do not understand this to be the policy's intention, but it would be its effect. In this way, a proposed building of 35m in height on a major thoroughfare will be held in conflict with MBUL3, even if the proposed development is only marginally taller, or no taller at all, than neighbouring buildings in the same area. The effect would be to introduce a significant and unnecessary constraint on development across the CAZ, whereby development which is entirely appropriate for its context is considered as a 'tall building' outside an identified tall building area, necessitating some form of departure from strategic policy.

34. We have included at Appendix 1A images (based upon accurate laser scanning) which were prepared by VuCity in 2019 identifying existing and approved buildings over 30m in height (shown in red). Whilst this document is dated, it is apparent that much of the centre of the City of Westminster is characterised by large buildings that exceed 30m. These buildings are not tall, in the sense that they are not substantially taller than their surroundings or cause a significant change to their skyline. Without the necessary amendment, the policy would not be positively prepared nor would it be consistent with national policy. It would not be effective as it would prevent the Plan from delivering its strategic objectives.

35. **Design criteria for tall buildings:** We also have serious concerns over the proposed inclusion of a series of unduly prescriptive design criteria for tall buildings, set out at B4(i)-(xi). For example, the 'requirement' for a tall building to avoid any significant detrimental effect upon solar energy generation on neighbouring buildings should not be a 'requirement' of MBUL3. In circumstances where such an effect arises, the policy pre-empts balanced decision-making where any adverse effect might need to be balanced against the benefits of a proposed development. In a similar way, we do not see any strategic need for the London Plan to contain policies around viewing galleries and public access. In the vast majority of tall building developments this will not be a relevant consideration. Where it is relevant, typically if not exclusively in the City of London, a clear framework for consideration of this provision already exists.

36. **Modifications sought:** We summarise below the modifications suggested to Policy MBUL3. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"Policy aim: to set an appropriate and positive framework for tall building development, recognising the contribution that tall buildings make to optimising the development capacity of sites across London

Applies to: all local plans, and all development 30m and above in height, or above such alternative local threshold as is identified in a local plan or indicated by the prevailing context in accordance with Part A(2) of the plan-making section

Locations: all

Plan-making

A Plan-making authorities should:

(1) undertake an assessment and identify areas that are more or less sensitive to tall buildings.

(2) identify the locations that may be appropriate for buildings of 30m and above in height (or at a higher threshold if locally appropriate) using the criteria in Box MBUL3 and assessment carried out as part of A(1). Within the CAZ, outside the metropolitan tall building clusters identified in Table 2.2, a tall building is one which is significantly taller than the prevailing context height or which would result in a significant change to the skyline. In such areas the criteria in Part A(4) apply only to buildings meeting that definition.

(3) ~~incorporate the locations (within their areas) for~~ direct metropolitan tall buildings to the locations (within their areas) identified in Table 2.2 and Figure 2.8 for buildings of 100m and above. Plan-making authorities may identify additional locations for metropolitan tall buildings where justified by local evidence.

(4) define the boundary of the locations in parts (2) and (3) and set appropriate or maximum guiding heights for these areas in local plans based on local evidence.

Development management

B Tall buildings which accord with the locational and design criteria set out below should be supported. Where a proposal does not accord with one or more of these criteria, it should be assessed against the national decision-making policies and approved unless the benefits of doing so would be substantially outweighed by any adverse effects ~~should meet the locational and design criteria set out below~~:

(1) tall buildings should be directed to the locations that the plan-making authority has identified in the local plan as appropriate in principle for buildings of this height

(2) development of 100m and above in height should be ~~limited~~ directed to the locations identified in Table 2.2, as defined by the plan-making authority in their local plan. Plan-making authorities may identify additional locations for buildings of this height where justified by local evidence.

(3) where a plan-making authority has not identified appropriate locations for tall buildings in their local plan, or if a tall building is proposed outside of a location identified in a local plan or in Table 2.2, the criteria ~~1(ii) and (iii) (and for buildings over 100m also criteria 2 (vi) and (vii))~~ in Box MBUL3 should be considered when determining if the location is acceptable in height terms. Robust justification is expected for any conflict with these criteria

(4) tall building development proposals ~~of 30m and above in height (approximately 10 storeys and above)~~, should consider ~~meet~~ the following ~~criteria~~ principles:

i. Be of exemplary design and architectural quality.

ii. Make a positive contribution to the existing and emerging skyline where a building is prominent and not cause unacceptable harm to local or strategic views.

iii. Where part of a cluster, support it to be physically distinct and visually separate on the skyline from other clusters.

iv. Respond to the existing or emerging spatial hierarchy of the local and wider context to aid legibility and wayfinding.

v. ~~Address~~ Have regard to the strategic preference for building heights to be greatest towards the centre of a cluster and stepping down towards the edges and ensure appropriate transition in height (where the edges of the site are adjacent to buildings of significantly lower height).

vi. Individually and in combination, protect and enhance the open quality (including views) of the river Thames and the riverside public realm and not contribute to the visual enclosure, canyoning or dominance of tall buildings along the river.

vii. Be designed to minimise light pollution from external lighting and avoid decorative external lighting above the base of the building unless in accordance with a LPA's lighting strategy.

viii. Not, including during their construction, interfere with aviation, navigation or telecommunication

~~ix. Avoid a significant detrimental effect on solar energy generation on adjoining buildings.~~

x. be designed for personal safety at height including suicide risk

~~xi. incorporate cultural, social or publicly accessible benefits, which may include free to enter publicly accessible areas in the most prominent tall buildings in London, where this is considered appropriate by the LPA. This area should normally be located at the top of the building to afford wider views across London.~~

C Isolated tall building may be appropriate ~~should only be considered~~ where they clearly mark a place of particular functional or spatial significance or ~~and~~ respond proportionately in height to their context or where they are replacing existing tall buildings. Where an isolated tall building does not meet these criteria it should be assessed against the national decision-making policies and approved unless the benefits of doing so would be substantially outweighed by any adverse effects.

Box MBUL3A Tall building location criteria

Criteria for identifying tall building locations at the local plan-making stage

1. Tall buildings ~~(30m and above in height)~~ should be directed to areas ~~that meet all of~~ which, taken as a whole, are suitable having regard to the following criteria:

i. are identified for significant growth or change in a local character study, local plan or area strategy

ii. have very good sustainable transport connectivity (generally assumed to be SAM 4 or above)

iii. are not unduly sensitive to the impacts of tall buildings, of the envisaged scale which may give rise to adverse effects

iv. have an existing or emerging townscape character that can in principle accommodate tall buildings or that could accommodate a new cluster where this is supported by a local plan, framework or masterplan (for example locations where there are existing tall buildings, or areas subject to comprehensive planning through a framework or masterplan).

2. Metropolitan tall buildings (100m and above in height) should be directed to the metropolitan clusters identified in Table 2.2. Outside of these identified locations, other locations for buildings of this scale ~~should only~~ may be considered appropriate having regard to ~~where all~~ the following criteria ~~have been met~~:

v. points i – iv above

vi. it forms part of an existing or planned cluster of tall buildings designated by the LPA.

vii. it provides a proportionate response to the height and shape of the existing or emerging tall building cluster."

"2.45 This policy measures tall buildings from the ground level to the roofline of the building, ~~including~~ but excluding any rooftop equipment (see Figure 2.7). Where a proposal is submitted at the planning application stage, the height above ground level can be supplemented with heights expressed as an Above Ordnance Datum (AOD) level.

2.47 Plan-making authorities are responsible for identifying the location of non-metropolitan tall buildings ~~between 30 and 100 metres~~. In identifying appropriate locations, the sensitivity analysis undertaken as part of character studies helps identify where taller buildings will be more or less appropriate. Plan-making authorities can use this evidence as well as local and strategic views (see PV8 Strategic and local views) to identify where the development of ~~buildings of 30m and above in height~~ may be appropriate. ~~Where the prevailing building height is near or above 30m plan-making authorities can use a higher building height threshold to plan for.~~

Q14. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

37. No response.

MBUL5: Sustainable Transport to enable London's Growth

Q18. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

38. Don't know.

Q19. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

39. N/A

Q20. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

40. We have responded "don't know" to Q20 because, whilst we support the overall direction of Policy MBUL5 and do not consider that the matters raised below go to the soundness of the policy, there are a number of drafting points which we consider the GLA may wish to reflect upon in preparing the Plan for examination. We offer these constructively.

41. Part (B)(1) should make clear that any developer contributions identified at site allocation stage must be necessary and proportionate to the transport impacts of development. This would align with the statutory tests for any developer contributions required as per Regulation 122 of the Community Infrastructure Regulations 2010.

42. Part (B)(3) restricts Local Plans from setting minimum cycle parking standards lower than those in Policy GHR11. Whilst the Alliance welcomes the reduction in standards as set out within Policy GHR11, there should be flexibility for evidence-led variation, allowing local authorities to adopt lower cycle parking standards where clear and local evidence demonstrates that the GHR11 standards are not appropriate. Where higher standards are proposed, these should also be justified by a robust local evidence base. It could be made clear within supporting text to policy that a higher or lower local standard should be set through the local plan process only and could be acceptable where supported by current evidence on mode share, current utilisation rates, employee density, public transport accessibility, site typology, whole-life carbon and viability.

43. Our *Cycling & the City (2024)* and *The Cycle Storage Gap (2026)* research found substantial under-use of existing office cycle stores and supports a lower, evidence-led standard for offices in the City, Westminster and other key central London boroughs. The Alliance supports standards that are proportionate to observed use, noting that over-provision can affect viability and add embodied carbon through unnecessary basement excavation.

44. Part (B)(4) requires local plans to identify the locations and/or circumstances in which a contribution in lieu of on-site short-stay cycle parking will be sought. Given the long plan-making processes, and the need for flexibility on a case-by-case basis, it should be made clear within supporting text that any such areas/circumstances identified in local plans will not be exhaustive. Given the increase in the use of rental e-bikes in recent years, particularly for commuting, the Alliance considers that a borough-wide strategic approach to short-stay cycle parking would be beneficial and should be joined up with the allocation of space for rental e-bike parking. This would be more effective than the current building-by-building approach to providing on-street cycle parking, whether through stands for traditional bicycles or geo-fenced spaces for rental e-bikes.

45. Part (D)(2)(i) requires that facilities for freight, deliveries and servicing allow for forward entry and exit. Whilst it is understood that this is the most preferred strategy, it must be acknowledged that on constrained sites, of which there are many in central London, forward entry and exit is not always possible due to the size, shape and orientation of sites, heritage considerations, narrow frontages, retained structures and limited back-of-house space. On-street loading facilities will be appropriate for some sites and should be permitted where they are safe and acceptable to the highway authority. Supporting policy text should also

support the shared use of loading bays where appropriate. We therefore suggest that the policy be amended to reflect these possible constraints and not operate as an unintended barrier to the effective operation of constrained sites.

46. The approach set out in Part (D)(2)(ii)-(iii) is supported, subject to a balanced assessment of kerbside needs. Timed loading, shared bays and active kerbside management are often essential to the operation of retail, hospitality, offices, cultural uses and the night-time economy. The Alliance suggests that supporting policy text be added which supports the ability to use existing and new managed kerbside provision where a safety and capacity assessment demonstrates no unacceptable adverse effect. Boroughs and TfL should be directed to balance walking, cycling and bus objectives with freight, servicing, accessible set-down, taxis and the needs of existing businesses, including through time-based allocation of kerb space.

47. Part (F) refers to additional weight being given in decision making to those development proposals enabling strategic transport infrastructure requirements as referred to in Policy MBUL1 and listed in Annex D. In principle, the Alliance supports the direction of weight to be given however it is important that Table D2 in Annex D be clear that any request for funding or land is tied to an identified intervention and location, with a clear evidence base, delivery mechanism and development relationship. Contributions should be necessary, directly related to the development and fairly and reasonably related in scale and kind, with no double counting between Annex D, local plan requirements and site-specific mitigation.

48. **Modifications sought:** We summarise below the modifications suggested to draft Policy MBUL5. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"B Local plans should:

(1) identify within site allocations necessary developer contributions (both financial and physical) in line with relevant statutory tests to enable the transport interventions identified in Part A

(3) not include minimum cycle parking standards lower or higher than those in GHR11 unless justified by robust local evidence, maximum car parking standards higher than those in GHR11, or any minimum car parking standards

(4) Take a strategic approach to identifying short stay cycle parking provision across each borough, aligning with e-bike and e-scooter rental parking locations and cycle parking docking stations and identifying ~~Identify~~ locations and/or circumstances in which contribution in-lieu of on-site short-stay cycle parking will be sought"

"D Facilities for freight, deliveries and servicing should be designed to:

(2) be safe, efficient and complementary to the public realm by:

i. providing facilities off-street where appropriate given the size, shape and orientation of the site; allowing for forward entry and exit where reasonably practicable; not negatively impacting road safety, minimising visual impacts; and making efficient use of land"

MBUL6: Design for a growing, changing city

Q21. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

49. No (in part).

Q22. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

50. We responded "No, in part" to Q20 as some of the points we wish to raise relate to the tests of soundness. We have included other points for the GLA's consideration which do not necessarily engage the soundness tests but which we offer constructively for the GLA's consideration.

51. **Design, placemaking and London's world city status:** At Part (A), Policy MBUL6 states that plan-making authorities should promote "good design", whereas the current London Plan (Policy D4) refers to "high-quality design and place-making". Arguably, this is a dilution. We note that the NPPF states at para 131 that the *"creation of high quality, beautiful and sustainable buildings and places is fundamental to what the planning and development process should achieve."* The Alliance requests that Part (A) be amended to refer to "high-quality design and place-making", as opposed to "good design", which would be more closely aligned with the NPPF wording.

52. As a general point, we consider that much greater emphasis should be placed on high-quality design, placemaking and the public ream, and the role that such design plays in maintaining and enhancing London's global competitiveness. This should be reflected in the stated policy aim for MBUL6.

53. Design quality and public realm is integral to London's status as a world city and in particular to the success of the CAZ. Creating a high-quality built environment which attracts visitors, workers and investment aligns with the Mayor's objectives in his London Growth Plan and greater emphasis should be placed on design within the draft Plan. The London Property Alliance agrees with the principle of optimisation across London – but this needs to come hand in hand with a corresponding emphasis on design quality.

54. **Climate change risk modelling:** Part (A)(2) requires plan-making authorities to use "the latest climate change risk modelling" to inform site allocations, spatial policies and design specifications. The policy nor the supporting text identifies what modelling is referred to, or when/how this will be updated. Reference to the use of the "latest" modelling is not appropriate for plan-making purposes. This is therefore not an effective policy, as required by the NPPF (Policy PM14(c)). We would suggest instead that plan-making authorities are to consider the impact of climate change in developing site allocations, spatial policies and design places.

55. **Design review:** Part (D) requires all referable applications to have undergone at least one independent design review prior to submission. This is an extension of the current London Plan's approach (Policy D4), which has not been justified. The current London Plan requires design review only for applications including over 350 residential units/ha or a tall building

or where it can be demonstrated that such applications have undergone a local borough process of design scrutiny. The approach in Policy MBUL6 removes both the criteria-based approach and the borough scrutiny alternative. Supporting para 2.95 states that *"Development proposals required to undergo design review as set out in Part D of this policy will form a small proportion of overall planning applications in London"*. Para 2.88 states that local authorities are *"encouraged to use design review to support the scrutiny of major applications"*.

56. The Alliance does not agree with the assertion in para 2.95 and considers that this change will result in a significant number of planning applications having to undergo design review. By way of example, under the proposed approach in MBUL6, the following applications would need to undergo design review:

    a) Applications where there is no material change in external appearance.

    b) Section 73 applications for schemes which have already undergone design review and been permitted.

    c) Applications for the erection of rooftop plant, where this would fall under the referability criteria.

57. Likewise, it will not be appropriate for all major applications to undergo design review – those applications which are 'major' changes of use but where no or limited physical works are proposed for example.

58. Widening the scope of applications which need to undergo independent design review runs contrary to the Mayor's and the Government's objectives to streamline the planning process. It would also not be aligned with NPPF Policy DM1 which states that pre-application engagement should be "proportionate to the nature of the proposal and those likely to be affected by it". It would result in unnecessary burden upon developers and local authorities and could slow down the decision-making process. The policy and supporting text should be amended accordingly.

59. **Modifications sought:** We summarise below the modifications suggested to draft Policy MBUL6 and the relevant supporting text. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"Policy aim: to ensure that buildings and places maintain and enhance London's competitiveness, quality of life and place into the future and navigate the complexities of a dense urban context through ~~good design~~ high-quality design and place-making."

"A Plan-making authorities should:

(1) promote ~~good design~~ high-quality design and place-making that reflects growth and change needs via the use of design codes and guidance in line with Policy MBUL2

(2) ~~use the latest climate change risk modelling to inform~~ consider the impact of climate change when developing site allocations, spatial policies and design specifications in order to create resilient and adaptive places"

"D Development proposals that are referable to the Mayor should have undergone at least one independent design review early on in their preparation before a planning application is submitted, or demonstrate that they have undergone a local borough process of design scrutiny, based on the principles set out in Part B if they:

1) include a residential component that exceeds 350 units per hectare; or

2) propose a building defined as a Metropolitan tall building; or

3) Propose a building defined as a tall building (see Policy MBUL3 Tall buildings).

The design review process should be based on the principles set out in the London Design Review Charter, taking account of parts B and C of this policy. Inclusive design review and other specialist design review and advice may be needed. Applicants should show in the design and access statement how they have considered and responded to the design review recommendations."

"2.88 The level of design scrutiny undertaken in a design review will be proportionate to the scale and/or impact of the proposed development. LPAs are encouraged to use design review to support the scrutiny of major development proposals where appropriate."

MBUL8: Inclusive Design

Q27. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

60. Don't know.

Q28. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

Answer Q29 only if you have chosen 'Don't know' for Q27.

61. The Alliance supports safe and inclusive access and evaluation. However, the scope of Part (B)(3) of Policy MBUL8, which requires at least one fire evacuation lift per core containing a lift in all new buildings, requires clarification. Supporting paragraph 2.108 defines "new buildings" as those including "substantial redevelopment of existing buildings (requiring planning permission)". This could potentially capture new build and refurbishment office schemes.

62. Particularly for refurbishment and retrofit schemes, meeting this requirement could be challenging and would have to be considered against other planning considerations including heritage. The London Plan should adopt the Building Regulations approach for commercial development, and Policy MBUL8 should be amended to explicitly refer to residential schemes only.

Q29. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

63. N/A

MBUL9: Healthy Streets and Public Realm

Q30. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

64. The Alliance supports the overarching principles of Policy MBUL9, the Healthy Streets Approach and public realm improvements. Notwithstanding this, the Alliance has some comments around the policy wording in respect of its application to the CAZ.

65. Part B(1) should make clear that any off-site works or contributions sought from development are necessary to mitigate the development's material impacts or are otherwise directly related to the development. Individual schemes should not be required to remedy unrelated existing public realm deficiencies.

66. Part (B)(5) should acknowledge that within the CAZ a blanket expectation to avoid vehicle crossovers may not be realistic for many existing buildings where pedestrian and cycling improvements need to be reconciled with servicing, freight, taxis, coaches, accessible drop-off, emergency access and night-time activity.

67. As per our comments on Policy MBUL5, there should be flexibility to use existing and new managed kerbside provision where justified, as this is often essential to the operation of retail, hospitality, offices, cultural uses and the night-time economy. The supporting text for part (B)(6) should acknowledge that where a scheme materially changes kerbside or servicing arrangements, this can be justified through an appropriate kerbside/servicing assessment to allow for phased delivery where justified.

68. **Modifications sought:** We summarise below the modifications suggested to draft Policy MBUL9. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"B To be in line with the Healthy Streets Approach development should provide, facilitate, or contribute, where necessary, directly linked to the development and proportionate, towards:

(1) high-quality walking and cycling connections including to nearby bus stops and stations, wider walking and cycling routes and other trip attractors as identified by TfL or boroughs, through transport assessments or in Annex D Table D2

...

(5) reducing road danger and vehicle dominance created by moving and parked vehicles, ~~avoiding~~ minimising vehicle crossovers, limiting or preventing through traffic"

Q31. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

69. N/A

Q32. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

70. N/A

Chapter 3: Delivering the homes and neighbourhoods (HN) Londoners need

HN1: Increasing London's housing stock

Q4. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

71. Don't know.

Q5. If you have answered, 'Don't know' and want to explain why, please use the space below to do so.

72. The Alliance believes that the London Plan should seek to plan to meet the housing needs of London and that having an overall housing target is important, both for measuring progress and holding individual boroughs to account. Beyond identifying additional greenfield land, the Alliance believes that the London Plan should facilitate housing delivery to achieve the housing target through taking a more positive and flexible position on various policy matters. These include the delivery of specialist accommodation and allowing the provision of residential accommodation in parts of the CAZ (including specialist accommodation). The Alliance believes adopting such an approach would mean it is more likely that the housing target in the London Plan is achieved, or exceeded. Therefore, this would make the London Plan more effective, and consistent with national planning policy, which seeks to "*support the delivery of a substantial increase in the supply of homes...*"The Alliance has provided its comments on these points in greater detail within its responses to Policy HN2 (Protecting and reshaping housing), Policy HN5 (Managing specialist accommodation) and Policy HN6 (Build to rent) alongside its responses to Policy PV2 (Central Activities Zone) and Policy PV4 (Strategic economic clusters and corridors).

HN2: Protecting and reshaping housing

Q6. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

73. Don't know.

Q7. If you have answered, 'Don't know' and want to explain why, please use the space below to do so.

74. The Alliance supports the overall objective of protecting existing housing stock. Where existing housing is replaced, policy requirements to replace at least the existing overall floorspace and wherever possible provide an uplift in the existing density, are supported. However, the Alliance submits that the current policy requirements at Parts A(2) and A(3) are inflexible, requiring replacement of social rent homes and, in the case of other low-cost rent and intermediate homes, requiring replacement within that specific tenure or one that is more affordable. The Alliance recommends that there should be greater flexibility to alter tenure when existing homes are replaced, since this could enable re-provision to better reflect housing need and support delivery of an overall increased number of homes.

75. The Alliance believes that one of the ways in which greater numbers of affordable homes could be provided, either in circumstances where sites containing existing homes are redeveloped (at greater density), or as part of new schemes, is when public land is available, to be delivered in partnership with organisations including Registered Providers. There are

good examples of this within London, but the approach varies significantly borough by borough. Therefore, the Alliance submits that the London Plan should be more ambitious in this regard and contain a requirement for each borough to identify public land for affordable housing delivery. Such an approach would provide opportunities to identify additional land and provide opportunities to increase overall housing delivery beyond the Plan's housing target. The Alliance's recommendations would make the plan more effective and consistent with national planning policy, which seeks to "*support the delivery of a substantial increase in the supply of homes...*"

76. The Alliance's support for the retention of existing housing stock is set out above, however, there is an important caveat to highlight. We do not believe retention of existing housing stock is appropriate where situations involve a small amount of existing housing which is present in what is otherwise a commercial building and this causes that building to be treated as a Higher Risk Building, thus restricting its capacity for investment and change. In those circumstances, and within the Core CAZ, the Alliance submits that the loss of existing residential units should be permitted where either:

    a) Replacement residential accommodation of the same tenure is provided or

    b) A financial payment in lieu is provided, the basis of which should be determined by the borough, to reflect the cost of delivery affordable housing of an equivalent size to the residential being lost.

77. This approach to existing buildings which contain a small amount of residential, but are otherwise predominantly in commercial use, (located within the CAZ), would enable a more efficient use of land to be made, by optimising the development potential of that building, either via redevelopment or refurbishment, to provide additional commercial floorspace thus reinforcing the economic benefits of providing strategic CAZ functions, whilst also enabling the re-provision of existing residential units in appropriate locations.

78. **Modifications sought:** We summarise below the modifications suggested to draft Policy HN2. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

    "Development proposals for the loss of self-contained housing should be resisted, unless:

    (1) replaced with at least the existing overall floorspace and, wherever possible, uplifting existing densities, in line with MBUL2 Optimising the use of land and site capacity, and

    (2) in the case of social rent homes, providing replacement floorspace within that tenure, regardless of whether the replacement home facilitates a right to return or remain, or

    (3) in the case of other low-cost rent and intermediate homes, providing replacement floorspace within ~~that specific~~ either that specific tenure, or an alternative agreed affordable tenure ~~or one that is more affordable~~ as defined by the criteria in HN3 Delivering affordable housing.

    (4) Where the presence of housing floorspace in a predominantly commercial building causes it to be a high-risk building, or it is located within the Core CAZ and restricts its capacity for repurposing for a strategic CAZ function."

HN3: Delivering affordable housing

Q8. *Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?*

79. **No**

Q9: *In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.*

80. London's housing market is facing a perfect storm. Developers now face higher build costs, higher borrowing costs, the Residential Property Developer Tax, the Building Safety Levy and the Future Homes Standard. Individually each may be manageable, but together they materially increase the cost and complexity of bringing forward housing.

81. The economics of development are much tougher than they were five years ago. Savills Research has identified that, since 2020, London house prices have increased by around 9%, while build costs have risen by around 34%. Labour shortages, materials cost inflation and higher specification requirements have all pushed costs up. Costs have risen much faster than sales values, and this situation is even more challenging for flats, which comprise most new housing development and where price growth has been weaker than the London average. BCIS estimates that a six-storey flatted scheme costs 41% more to build than a two-storey housing development. While construction cost inflation has moderated since the pandemic, costs are not expected to fall, with BCIS forecasting a further 13.6% increase in material costs between 2026 and 2030.

82. Looking ahead, delivery is likely to remain constrained by build costs, regulatory requirements, labour availability and scheme viability. Landowners will only release sites where residential development generates sufficient value to justify redevelopment and compensate for the loss of an existing use. Evidence from Savills suggests these pressures are already reshaping development decisions across the capital, with at least 42,000 homes removed from the residential pipeline as sites are either retained in existing uses or repurposed for alternative sectors offering more attractive returns. High-profile examples include the former Honey Monster site in Southall, where a scheme for almost 2,000 homes has been replaced by a data centre proposal, and John Lewis's decision not to progress consented residential schemes in Bromley South and West Ealing totalling more than 800 homes. These examples demonstrate that London's housing challenge is increasingly one of viability and deliverability rather than planning capacity alone. These examples demonstrate that increasing housing delivery requires not only additional development capacity, but also policy measures that improve the viability of residential schemes.

83. A large proportion of London's affordable housing delivery is from S106 requirements on market-led developments. However, affordable housing starts have fallen dramatically. GLA data shows that just c.6,700 affordable homes started on site per year on average over the last two years, compared with 25,600 starts in 2022/23 alone, a decline of almost three-quarters. This sharp reduction raises significant concerns about the future affordable housing pipeline and the ability to meet identified need.

84. It is therefore essential that Policy HN3 be sufficiently flexible so it does not further constrain housing delivery. The Alliance welcomes the principled change to the threshold approach to secure affordable housing via the Fast Track route, but has significant concerns that the GLA's evidence base which underpins its approach to affordable housing within Policy HN3 contains various assumptions which are inaccurate. The Alliance is concerned that adoption of the Plan in its current form will worsen the existing, and future, viability challenges that all developers of residential accommodation face (including Registered Providers), and which have led to a significant drop in residential development activity in London. Ultimately unless changes are made to policy HN3, the Alliance have concerns that it will not enable affordable housing delivery.

85. Whilst it is welcome that, within draft Policy HN3, the GLA have incorporated a staggered approach to affordable housing thresholds based on Location Bands, the viability testing undertaken does not underwrite the prescribed threshold levels.

86. It is not explained or specified how the Value Bands tested within the evidence base correlate with the Location Bands that are set out within Figure 3.2 of draft Policy HN3. Whilst high level assumptions can be made in relation to which Value Bands relate to which Borough with reference to *Map 1: London Plan Viability Study Value Bands* within the London Plan Viability Study (LPVS), further clarity is required.

87. Beyond Value Band A and B, the results of the GLA's viability testing demonstrate that almost all schemes appraised are unviable. Value Band C adopts an average C3 market sale value of circa £1,000 psf, and when disregarding the minor schemes tested shows that only three out of the 15 schemes are financially viable assuming the provision of 35% affordable housing. Testing at a lower level of 20% affordable housing, this raises to four out of the 15 schemes. It is only the "medium" development typologies including 10, 15 and 18 dwellings tested in the LPVS are shown to be viable. All schemes in Value Band D, E, and F are financially unviable with any provision of affordable housing when not accounting for grant funding and Borough CIL relief.

88. There is a fundamental concern with the GLA's evidence base, and the results of the viability testing. It is only in Value Bands A and B reflecting average market C3 sales of £2,723 and £1,650 psf respectively that a significant proportion of schemes are demonstrated to be viable. These average values reflect premium sales in a small number of Boroughs confined to the core areas of central London. The only conclusion that can be inferred from the GLA's viability testing is that affordable housing, without grant funding and CIL relief, is not viable outside certain areas of central London. Therefore, the Location Bands and correlating affordable housing thresholds are not support by evidence. We would request that the GLA provide the rationale that supports the proposed affordable housing thresholds and how they relate to the Value Bands that have been tested.

89. The evidence base is heavily reliant on references to grant funding and Borough CIL relief as a mechanism to improve the financial viability of the development typologies that have been tested. On the other hand, draft Policy HN3 does not make reference to the specific application of grant and Borough CIL relief and whether it will be available. It is noted that within the supporting text, at paragraph 3.39, there is a reference to grant funding, which is followed by a clarification stating that where grant is available that a "applicant should

commit to a higher level of affordable housing". This insinuates that grant funding will be reserved for additionality, which is at odds with the approach to viability testing. We would also note that the relief via the Emergency Measures ranges from 50% to 80%, whereas the LPVS appears to adopt the upper end of 80% relief when scenario testing. We therefore request that GLA provides clarity in relation to availability of Borough CIL relief and set out how the LPVS demonstrates it is required to give schemes a chance of remaining deliverable

90. Given the divergence between draft Policy evidence base in relation to the application of grant and Borough CIL relief, we request that clarity is provided in relation to circumstances where grant funding will be available for affordable housing, specifically in relation to affordable housing secured via S106 agreements.

91. It is considered that a number of the value assumptions adopted by the GLA within the evidence base may not fully reflect the current market conditions. We have reviewed achieved traditional C3 sales values across London for the last three years with reference to Molior to understand whether the adopted values are reflective of average achieved values within the market. As is set out above there is no clear correlation between the Value Bands and the Location Bands which makes assessment of the adopted sales rates difficult as they are not location specific. That being said, we note that Value Band A relates to super prime residential sales locations in core central London and areas surrounding the CAZ; Value Band B also reflects a super prime price point. Our overall comment is that the adopted values are optimistic, and we propose further detailed comparable evidence is provided by the GLA. Further, once clarification has been provided to explain the correlation

92. For Purpose Built Student Accommodation (PBSA)and Co-living, we consider the values adopted to be optimistic, particularly in current market conditions. This appears to be predominantly a result of adopting an investment yield assumption of 4.25% across all six Value Bands.

93. In terms of the assumptions adopted when establishing the various EUV typologies, no evidence or calculations are provided so we cannot comment on the accuracy of the BLVs adopted. We therefore request this detail is published by the GLA to allow for analysis.

94. The Alliance's concerns are as follows:

    a) The approach to review mechanisms is inflexible and the imposition of an early and late stage review for viability tested applications will hinder delivery, as evidenced by current circumstances. This requirement prevents investment in delivery and should be removed. It should be sufficient that, at the time of an applications determination, viability matters are tested and resolved. To require early and late stage reviews creates significant uncertainty for investors and developers, and has curtailed a large number of residential consents being delivered;

    b) The evidence base does not support the proposed affordable housing thresholds;

    c) The tenure requirements for the Fast Track route are inflexible and should be reviewed;

    d) Medium and late-stage reviews should be removed from the viability tested route;

e) Schemes which are subject to the lower threshold (10 – 35 units) should be increased to 50 units, with this threshold being consistent with those housing schemes not considered suitable for the Mayors call in powers;

f) There should be greater ability to provide payments in lieu of on-site provision, particularly for small sites and PBSA;

g) Policy should make it explicit that Boroughs should not introduce an affordable threshold below 10 units; and

h) The qualifying income criteria for affordable housing has not changed in more than a decade and does not account for current levels of inflation.

95. Despite the traditional C3, PBSA and co-living GDVs being optimistic, and despite testing the inclusion of grant funding and CIL relief, only Value Bands A and B demonstrate that the proposed Fast Track thresholds are deliverable. As shown in the Value Band map, Value Bands A and B represent a small proportion of Greater London. The LPVS therefore demonstrates that the thresholds should be set at lower rates, to ensure that more schemes are viable.

96. Given the LPVS shows that the minority of development typologies tested are deliverable at the proposed affordable housing thresholds, many schemes will continue to follow the Viability Tested Route on site-specific basis. Therefore, the following should be considered by the GLA:

a) Applying lower Local Band Fast Track Thresholds;

b) Confirming the ability to secure grant funding on S106 affordable homes (whilst following the Fast Track route) whilst benefitting from Borough CIL relief;

c) Adopt an appropriate method the calculating a payment in lieu (PiL) of on-site affordable housing where the differential in development costs is recognised so a developer can achieve a like for like financial position if pursuing a PiL route; and

d) A relaxation of the requirement for, or amending the policy wording, regarding mid or late-stage viability review mechanisms for schemes that pursue the Viability Tested route, to ensure schemes remain viable.

97. **Modifications sought:** We summarise below the modifications suggested to draft Policy HN3. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

A. Plan-making authorities should:
(1) maximise the delivery of genuinely affordable housing to contribute to London's 50 per cent strategic affordable housing target
(2) seek to collectively deliver 238,430 low-cost rent and 129,020 as intermediate homes by 2037 reflecting the extent of need
(3) follow the Threshold Approach to Planning Applications as set out in the development management section of this policy for referable and non- referable planning applications
(4) draw up and publish allocations policies and maintain housing registers for intermediate homes, alongside any other measures considered necessary to ensure fair and transparent allocation for intermediate homes; and

(5) give priority access to intermediate homes to key workers.
(6) follow the national approach which makes clear that affordable housing contributions should only be sought from major developments (as defined) providing 10 homes or more.

Development management:

***Table 3.2** Affordable housing requirements for schemes of ~~36 homes~~ 50 homes or more*

D. In addition to the threshold levels set out in C, development proposals for schemes of 10 homes or more should provide the following to take the fast-track route through planning:
(1) a tenure split of at least 60 per cent low-cost rent homes and 40 per cent intermediate homes; or
(2) a tenure split that is acceptable to the borough or the Mayor when providing ~~75 per cent or~~ more affordable homes than set out as the requirement, or the altered requirement in Tables 3.2 and 3.3; or
(3) in the case of BtR development a tenure split of at least 30 per cent Key Worker Living Rent homes and a maximum of 70 per cent at a range of genuinely affordable rents.

N. Development proposals following the viability tested route through planning should:
(1) demonstrate that there are genuine barriers to delivery that mean the scheme would not be able to proceed on a policy compliant basis
(2) demonstrate that the scheme is providing the maximum possible level of affordable housing
(3) undergo an Early Stage Viability Review if substantial implementation is not achieved within two years, or a period agreed by the borough, of permission being granted
~~(4) undergo a Late Stage Review when 75 per cent of the units in a scheme or final phase or plot are occupied, or a requirement agreed by the borough~~
~~(5) undergo Mid Term Reviews prior to implementation of phases for larger schemes~~.

HN5: Managing specialist accommodation

Q11: ***Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?***

98. No.

Q12: ***In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.***

99. The Alliance agrees that plan-making authorities should recognise the role that specialist accommodation types play in diversifying the market and speeding up build out. The Alliance welcomes Policy HN5 which is positively worded in its support for certain forms of specialist accommodation but believes this positive approach should be extended to all forms of specialist accommodation, because they contribute toward the housing target equally.

100. Since not all forms of specialist accommodation are burdened by the same regulatory and taxation regimes that apply to traditional housing (Use Class C3), they represent an opportunity in the current economic climate to provide new homes both at scale and quicker than traditional housing schemes. Therefore, support for them should be maximised given their potential to contribute in the early years of the Plan period towards achievement of the

housing target. We also recommend that the policy wording gives positive consideration to proposals for specialist accommodation which are in locations which are planned to be well connected to local services (i.e. because of committed or planned development), and not just in locations which are well connected as existing.

101. The Alliance notes that Policy HN5 is positively worded in relation to the consideration of PBSA only. It requires that when plan-making, boroughs should positively identify opportunities for sites for PBSA schemes. This is consistent with the approach required within HN6 in relation to BtR development however this does not extend to the allocation of sites for LSPBSL schemes.

102. Since both PBSA and LSPBSL play an important role in providing accommodation needs in London, especially for the young, the Alliance submits they should be viewed equally as positively. However, the current draft policy fails to plan positively for Large-scale Purpose-built Shared Living (LSPBSL) in the manner it does for PBSA. It is noted that the SHMA (2026) does not sufficiently address or consider the need for LSPBSL. LSPBSL plays an important role in providing accommodation for groups of society, and can have positive effects if sited close to economic clusters.

103. With regards to targets for specialist accommodation, these should be treated as minimum targets rather than caps. In addition, targets for PBSA should reflect the spatial concentrations of high educational institutions. Our suggested approach would make the make the plan more effective and consistent with national planning policy, which seeks to "*support the delivery of a substantial increase in the supply of homes...*"

104. The Alliance's support for enabling specialist accommodation is also set out in further context within our responses to Policy PV2 (Central Activities Zone) and Policy PV4 (Strategic economic clusters and corridors).

105. **Modifications sought:** We summarise below the modifications suggested to draft Policy HN5. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"Plan-making

H Plan-making authorities should recognise the role that different accommodation types play in diversifying the market and speeding up build-out, and through local plans, should:

(1) assess and meet identified need for LSPBSL, identifying positive opportunities for its contribution to seek to local housing supply

(2) seek to meet the need for PBSA, identifying positive opportunities for its contribution to local and strategic objectives, allocating sites for a level of provision that will satisfy targets in Table 3.6"

HN6: Build to rent

Q12: ***Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?***

106. Yes.

Q14: ***In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.***

107. The Alliance supports the Plan's requirement to take a positive approach to Build to Rent (BtR) development *"and its role in meeting the housing targets set out in Policy HN1 Increasing London's housing stock".* The Plan's explicit requirement for a positive approach to be given to BtR development is welcomed.

<u>Chapter 4: Growing London's economy</u>

GLE1: Sufficient and appropriate employment space

Q6. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

108. No.

Q7. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

109. **Overarching comments:** As noted within these representations, the Alliance considers that the London Plan should include a standalone dedicated offices policy which identifies offices as economic infrastructure, critical for meeting the needs of a modern knowledge-based economy and supporting the Modern Industrial Strategy. The Plan should clearly outline and promote a positive vision for growth for commercial offices, given the importance of this sector to London. We have outlined below the key matters which any policy should address.

110. Should the GLA consider that a standalone offices policy is not required, our comments could be incorporated as amendments to Policy GLE1.

111. In order for a standalone offices policy, or Policy GLE1, to positively plan for growth and appropriately support the aspirations within the London Growth Plan and the national Industrial Strategy, as required by NPPF Policy PM14, three overarching points need to be addressed:

    a) **Overarching office targets:** The draft London Plan should provide an overarching office employment growth and floorspace demand target as per the current London Plan's approach. We have suggested that this be contained within a standalone offices policy, or Policy GLE1 (it could also be incorporated within Policy MBUL1 should the GLA be minded). We have raised significant concerns with the London Plan evidence base documents setting out employment projections, which are detailed in our note at Appendix B.

    b) **Plan-making:** Boroughs should be directed to set <u>aspirational</u> targets for office employment growth and floorspace demand and ensure that any targets are not simply based on past records of delivery.

    c) **Development management:** Decision-makers should be directed to place significant weight on the economic benefits of commercial office provision, which would be

consistent with the approach in Policy E2 in the NPPF. Making this a clear priority of the Plan will also assist decision-makers when assessing schemes against Policy S4 in the NPPF.

112. **Omission of an offices policy:** Policy GLE1 relates to 'employment space' but no dedicated offices policy has been provided. London Plan (2021) Policy E1 provides specific policy support for offices, including recognising and promoting the unique agglomerations and dynamic clusters of world city businesses and other specialist functions of the central London office market and supporting text provided an overarching office jobs and floorspace demand across London. The draft London Plan does not provide any policy acknowledgement of the importance of offices.

113. This is despite the critical importance of London's office sector to the regional, national and international economy. The office market is a central driver of London's productivity, tax base and employment ecosystem. As set out in the Alliance's *Space for Change: Office space dynamics in central London* (2025) report:

> *"London's office market is its engine room. The latest data indicates that office-based sectors support about 2.8m jobs across Greater London and produce almost half of the capital's economic output – close to £290bn in GVA per annum and around £105,000 per office job. Every 100 office jobs support roughly 40 jobs in supply chains and about 18 on the high street."*

114. The CAZ plays a particularly significant role for London's economic growth, contributing £315 billion in annual GVA, with the City of London and Westminster comprising over £200 billion of this total[4]. High-quality offices are where much of this economic activity happens. The latest data indicates that office-based sectors support approximately 2.8 million jobs across Greater London and produce close to £290 billion in GVA per annum[5].

115. Notwithstanding the importance of the office market within central London, the sector is facing challenges as summarised within the Alliance's *Space for Change: Westminster Deep Dive* (January 2026) report:

> *"However, central London's office engine is running below capacity just when the capital needs it most. Between 2018 and 2023, the CAZ lost around 14 million sq ft, with Westminster accounting for more than 7 million sq ft of this reduction. This comes alongside a constrained development pipeline as, although Westminster remains one of the busiest planning authorities in the country, it has seen the largest relative fall in total application numbers. In particular, applications for major schemes fell around 75% between 2013-2024 and planning activity now centres on minor applications which have a limited impact on future growth perspectives."*

116. The draft Plan itself acknowledges that there is a need for office floorspace, in particular prime office floorspace. Para 4.2 states:

> *"The labour market projections suggest the largest growth employment sectors will continue to be in professional, scientific, technical and real estate activities and*

[4] London Property Alliance and Knight Frank, *Space for Change: Office space dynamics in central London*, December 2025
[5] London Property Alliance and Knight Frank, *Space for Change: Office space dynamics in central London*, December 2025

therefore London will continue to need prime office space that meets occupier demands in highly accessible locations."

117. Financial services and professional business services – sectors which are overwhelmingly office-based – are identified as priority sectors in the Government's Industrial Strategy. Financial, professional and business services and technology are identified as a "global city sector" within the Mayor's London Growth Plan which is one of London's "key strengths". In particular, London's city centre (particularly the Square Mile, West End and Canary Wharf) is recognised as being "globally important" to this sector which the Growth Plan says "must continue to be the place where the world's biggest and most ambitious businesses choose to locate". Policy PM14 in the NPPF sets out that one of the soundness tests is for a spatial development strategy to set out an appropriate strategy to enable the delivery of sustainable development, taking into account the Industrial Strategy and any relevant Local Growth Plan.

118. Clearly, both the national industrial strategy and the Mayor's industrial strategy place important emphasis on supporting and growing the financial, professional and business services, which in planning terms must be done by ensuring that such services have sufficient space of quality in which to thrive. The reference within Part A of GLE1 to plan-making authorities to being "informed by the London Growth Plan" is not sufficient support for the office sector and is not a proactive approach to encouraging economic growth. The London Plan should identify and treat offices as critical economic infrastructure which is essential to meeting London's growth aspirations.

119. The risk of not having a dedicated offices policy, or greater policy support for offices included within Policy GLE1, is that decision-makers are not directed to give the appropriate significant level of weight to applications for commercial development, particularly in central London. Providing the overarching context of the importance of the office sector in London is crucial to guide decision-makers when making balanced judgements.

120. The omission of a strategic policy on offices, or clear and specific reference to it in the overarching Policy GLE1, is inconsistent with national policy. NPPF Policy E1 requires development plans to "set out a clear economic vision and strategy, which takes a positive, proactive and realistic approach to encouraging sustainable economic growth" and which should "Allocate sites to implement the economic vision and strategy and **meet identified needs** over the plan period" (our emphasis). Neither Policy MBUL1 or Policy GLE1 provide a clear economic vision and strategy, they do not identify need, nor do they set out a proactive approach to encouraging economic growth.

121. Should the GLA consider that a standalone offices policy is not necessary, then Policy GLE1 should be amended so that specific and targeted reference and support is provided for commercial offices. The policy aim should also be amended to give greater emphasis to commercial offices. We have suggested modifications to the policy wording at the end of this question.

122. **Targets for commercial office growth:** As noted above, no office targets have been provided within the draft London Plan unlike other sectors and uses (including housing and storage and distribution). Office targets exist within the current London Plan at Table 6.1. NPPF

Policy PM14 states that to be "positive", plans should as a minimum, seek to meet an area's objectively assessed need and set out a positive approach to delivering growth. Policy E1 in the NPPF requires development plans to set out a clear economic vision and strategy and allocate sites to implement the economic vision and strategy and meet identified needs. The London Plan as drafted does not meet these requirements and therefore is inconsistent with national policy.

123. Any such targets should be forward looking and aspirational, based on an understanding of the potential economic capacity of central London, and the priorities of the Mayor's Growth Strategy. We suggest that the London Property Alliance's *Good Growth in Central London* (2024) report (authored by Arup) is considered in setting those targets, noting the significant capacity identified. The report sets out three scenarios for growth within the CAZ and NIOD (together referred to in the report as 'CAZ+') up to 2045 – 'balanced growth', supported by flexible planning and growth policies, investment in local infrastructure and business support; 'business as usual' and 'checks on growth'. We outline in Table 1 below the estimated office floorspace requirement for each scenario, along with jobs and the resulting impacts on GVA, homes, and borough CIL/S106 contributions and Mayoral CIL. In order to deliver a positive strategy which would support the Mayor's London Growth Plan, the Alliance's recommendation is that the GLA consider the projections for the 'balanced growth' scenario for offices, which has been highlighted in red:

Table 1: Balanced Growth Scenario Impacts for CAZ+ highlighting office floorspace targets

Impacts – Balanced Growth Scenario for CAZ+	2023	2045	2023-2045 change (absolute)	CAGR (Compound Annual Growth Rate)	% change over Business as Usual by 2045
Floorspace (sq ft)	314.7m	370.5m	+55.7m	+0.6%	+7.6%
Retail	30.7m	35.5m	+4.8m	+0.7%	+9.5%
Office	218.3m	259.0m	+40.7m	+0.8%	+8.1%
Hotel	41.9m	48.4m	+6.5m	+0.7%	+6.8%
F&B	11.9m	13.7m	+1.8m	+0.7%	+2.7%
Entertainment	12.0m	13.8m	+1.9m	+0.7%	+2.7%
Jobs (FTE)	2.2m	2.6m	+407,200	+0.8%	+4.0%
GVA (£m 2023)	289,600	390,900	+101,200	+1.4%	+13.1%
Homes	121,300	172,000	+50,700	+1.6%	+14.9%
Borough CIL and S106 contributions (£m, 2023 prices)	124	162	+3,125 cumulative	–	+83%

124. The Alliance raises significant concerns over the employment evidence base documents prepared to support the draft London Plan, namely the London Employment Sites Database 2024 (March 2026) ('LESD'), the London Labour Market Projections (2024-based update) (March 2026) ('LLMP') and the London Economic Uses – Supply and Demand Study (July 2026, updated September 2026). These concerns are outlined at Appendix B of these representations. In summary, the Alliance considers:

    a) The projections have been based on an assessment of site capacity which has itself been based on site allocations and planning permissions. This creates circularity – with low identified capacity leading to apparent limited need for future employment growth. This is particularly apparent within the City of Westminster, where the projections and growth rates seem markedly low for a central London CAZ borough which should be key to London's growth objectives. Past under-delivery is in effect counted twice, once in the trend and again in the capacity, and the GLA's new simple average of the two pulls Westminster's projection down from +46,500 jobs (trend alone) to +27,000.

    b) That the office density figures have been applied incorrectly, which has the effect of suppressing projected floorspace need and is not reflective of occupier demand and occupation trends. The Alliance's forthcoming *London HQ City* report with Centre for London explains that, since 2019, a growing share of occupiers have been "scalers" taking more space, while "shrinkers" are a small and declining minority, and that many occupiers are consolidating several offices into a single headquarters with larger, amenity-rich floorplates to support in-person collaboration.

    c) That projections of this kind date quickly and are highly sensitive to their assumptions. London's actual jobs in 2024 (6.4 million) already exceed the GLA's 2013 projection for 2036 (5.76 million), and the visitor accommodation projections relied on for the London Plan 2021 used data to 2015 and were only updated in July 2026. Need should therefore be presented as a range, treated as a minimum and reviewed regularly through plan monitoring, consistent with NPPF Policy PM14 which requires post-adoption monitoring of longer-term assumptions.

125. It is imperative that the London Plan evidence base correctly and adequately evidences and plans for future office growth within the capital. Not doing so undercuts the ability of the Mayor to meet his aspirations within the London Growth Plan and also fails the soundness tests within Policy PM14 of the NPPF.

126. In addition to an overarching target, boroughs should be directed by policy to set aspirational targets for commercial office growth, expressed both in jobs and floorspace terms. This is the approach which has been taken by the City of London within the draft City Plan 2040, where a minimum office target has been put forward, which will help guide development within the City without unduly restricting growth. Such targets should be expressed as minimums, and should not be used as a cap or as a reason to resist office development that would exceed them.

127. **Key Performance Indicator:** We note that of the proposed Key Performance Indicators (KPIs) set out in Table A1 states that office space under construction and the remaining pipeline will be monitored with the target/expected direction of travel being that the pipeline of

consented office floorspace is at least three times the average office floorspace construction over the previous three years. The Alliance supports the inclusion of this KPI, but suggest that, in order to show the need has been assessed, this should be tracked against delivery on a strategic target. We also suggest key market characteristics such of the type of space for which there is availability and demand is monitored, noting in particular the welcome support provided by Policy PV2 for prime office development with the CAZ.

128. **Economic benefits of office provision:** Policy GLE1, or a dedicated offices policy, should be clear that significant weight will be placed on the economic benefits of commercial office provision, particularly those schemes providing net prime additional office space, and where they support the aims of the London Growth Plan. The inclusion of a clear economic vision and strategic office targets will assist with demonstrating weight. NPPF Policy E2 states that "substantial weight should be given to: the economic benefits of proposals for commercial development"... "especially where this would support the economic vision and strategy for the area, the implementation of the Industrial Strategy".

129. Financial services and professional business services – sectors which are overwhelmingly office-based – are identified as priority sectors in the Government's Industrial Strategy. In identifying financial, professional and business services and technology as a global city sector, the London Growth Plan is clear that this sector is critical to achieving the Growth Plan's first ambition to raise productivity. The absence of any direction to decision-makers on how much weight to place on the economic benefits of office provision, as the key economic infrastructure necessary to accommodate and support these sectors, is inconsistent with national policy.

130. In not providing sufficient support for office development, and by artificially constraining supply especially in the West End by underreporting the potential for additional employment, the draft Plan risks not supporting the London Growth Plan's aspiration to increase productivity growth rates. London's economic position globally is not secure. The Alliance's latest *Global Cities Barometer* (March 2026) identifies that demand for high-quality office space in central London remains exceptionally strong, but that this success is increasingly at risk, undermined by a critical shortage of modern workspace, rising development costs and a planning system that is constraining supply. The London Plan should therefore be utilised as a tool to support the office sector, which in turn will assist with achieving the Mayor's objective to increase productivity growth rates.

131. **Quality of office provision:** The Alliance welcomes supporting para 4.13 which acknowledges that not all commercial floorspace is equivalent and that the level and quality of floorspace is an important consideration. This recognition should be carried into policy.

132. The Alliance's forthcoming *London HQ City* report identifies that demand for headquarter-quality office space within central London remains strong, and that headquarter occupiers are more likely to be expanding rather than contracting (almost four times as many headquarters have significantly expanded their footprint in London since 2019 as have reduced it). This reflects a shift in occupier preferences, with take up of prime office space increasing by 727% since 2020, whilst take up of Grade C space has fallen by 73%. Notwithstanding this demand and economic influence, the supply is mismatched to demand. Central London had just 1.2% vacancy in new build offices as at Q4 2025, the

lowest level in five years. In several core submarkets, new-build vacancy is below 1% - this includes Mayfair (0.1%), Marylebone (0%), Fitzrovia (0.3%), Paddington (0.2%), City Core (0.1%) and City Southern (0%). The report illustrates that occupier options for HQ-type accommodation is limiting.

133. Prime, headquarter type accommodation is more likely to deliver planning benefits when compared to refurbishment/redevelopment of lower quality accommodation because:

    a) The delivery of prime, headquarter accommodation is a visible signal of **investor confidence in London** as a global business location, and in the CAZ in particular.

    b) There are £83.6 billion of **productivity gains** to be unlocked by upgrading secondary office space to Prime or Grade A (as identified in the Alliance's *Space for Change: Office space dynamics in central London* report (2025). This directly supports the Mayor's London Growth Plan's aspirations to increase productivity.

    c) Prime development tends to command high **environmental building performance**, achieving net zero targets and overheating resilience.

    d) Provision of headquarter and prime accommodation generally provides greater opportunities for more comprehensive **public realm and townscape improvements**, including active ground floor frontages, publicly accessible space, improved permeability and urban greening.

    e) Prime headquarters are frequently pre-let, giving greater **confidence in delivery** and realisation of planning benefits. As outlined in the Alliance's *Space for Change: Office space dynamics in central London* report, 38 Berkeley Square, an 86,000 sq ft development in Mayfair was pre-let to Chanel in 2023 as its global headquarters.

134. Obviously any such benefits would need to be weighed in the balance against other planning considerations, including heritage and environmental considerations. Nonetheless, there should be a distinction made within Policy GLE1 for prime additional office space and its potential associated planning benefits. This would correlate with the acknowledgement within Policy PV2 of the role of net additional prime office space.

135. **Displacement:** The Alliance objects to part (F) of Policy GLE1. Notwithstanding that the policy has an element of flexibility in its application, no justification or evidence has been provided to establish a policy basis for the displacement of existing occupiers. No assessment has been carried out on the implications of the policy on the viability and feasibility of bringing forward commercial office development.

136. If enacted, the policy could restrict development coming forward, particularly the renewal of secondary office stock (which are more likely to house small independent occupiers).

137. The Alliance's *Space for Change: Office space dynamics in central London* report (2025) identifies that c.56% of the total office stock in the CAZ is classed as "secondary", older, second-hand assets from earlier cycles which fall below the minimum energy efficiency standards expected to apply from 2030. No consideration appears to have been given to the impact of Policy GLE1(E) on bringing forward commercial development, particularly the renewal of secondary office space. As identified in the Alliance's report, upgrading

secondary office stock can unlock economic growth – by upgrading the quality of EPC C-G stock to Prime and Grade A quality, an additional £83.6 billion in economic output (GVA) could be generated over the next decade in today's money through productivity gains. Implementing a policy which threatens this upgrade runs contrary to the objectives of the Mayor's London Growth Plan.

138. For the reasons outlined above, Part (F) of Policy GLE1 should be deleted.

139. **Modifications sought:** As noted in our representations above, we consider that the London Plan should incorporate a standalone policy on offices.

140. Notwithstanding this position, we summarise below the modifications suggested to draft Policy GLE1 should the GLA choose not to provide a standalone policy. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"Policy aim: to provide for the land use and floorspace needs of all sectors of the economy, including the growth, renewal and intensification of office floorspace, which is critical economic infrastructure, and support delivery of the London Growth Plan and national Industrial Strategy

Applies to: all local plans, and development that includes ~~or displaces~~ employment floorspace

Locations: all

Plan-making

A Plan-making authorities should set out policies in local plans to meet the diverse land and floorspace requirements for all economic uses by providing for a range of suitable business space of different types, sizes and price-points having regard to the needs of SMEs, larger firms and third sector organisations~~, and informed by~~ to support the London Growth Plan and national Industrial Strategy. ~~and~~ Such requirements should be informed by London-wide and local assessments of supply and demand.

A2. Plan-making authorities should support and promote the growth, renewal and intensification of office floorspace to meet identified need. Particular support should be given to the agglomerations and clusters of world city business and specialist functions of the central London office market, including the CAZ and the Northern Isle of Dogs. Local plans should set out positively prepared policies for office growth, informed by an assessment of the quantity, quality, type and grade of office floorspace required over the plan period.

Development management

B Developments for Class E uses should be designed flexibly, wherever possible and appropriate to accommodate a range of commercial, business and service uses and occupier sizes; and facilitate adaptation to future business and community needs and economic circumstances.

C Developments for light industrial uses should be designed to meet the needs of a range of occupiers with adequate floor-to-ceiling heights and corridor widths, load-bearing floors, goods lifts and access arrangements.

D Developments for life sciences laboratory space should incorporate necessary design features and access to utilities, with particular requirements for high-capacity power, water, ventilation, load-bearing floors, higher floor-to-ceiling heights, vibration absorption and high-speed digital connectivity.

E Planning conditions restricting changes in economic or social infrastructure uses may be used in circumstances where they are justified and necessary such as:

(1) to maintain a balance of uses appropriate to an area, or

(2) on sites where other uses in the same use class would not be appropriate, or

(3) to safeguard capacity for the intended uses such as social infrastructure, creative workspace or light industrial floorspace.

~~*F Developments that result in the potential displacement of existing small and independent business uses should either re-provide such space in the development where feasible and appropriate in terms of its type, size and cost, including affordable workspace where this exists on site, and/or work with the borough to ensure that appropriate relocation options are available.*~~

F Substantial weight should be given to the economic benefits of development that provides new, additional or upgraded employment floorspace, and in particular to development that provides net additional prime office floorspace, having regard to the role of the office sector as critical economic infrastructure to the aims of the London Growth Plan and national Industrial Strategy."

Changes to Policy GLE1 should be accompanied by an updated assessment of need and growth, building upon the Alliance's evidence base, which accurately considers the potential for additional employment and employment floorspace within the CAZ, particularly within Westminster. The borough-level projected floorspace demand at Table 7-7 of the London Economic Uses – Supply and Demand Study report (July 2026, amended September 2026) should not be taken as an accurate objective assessment of need, because they ultimately based on previous trend delivery, not economic potential.

GLE4: Night-time economy

Q15. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

141. No.

Q16. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

142. **Overarching comments:** The Alliance supports the general intent of Policy GLE4 and the support provided to the night-time economy, which is a critical component of London's success.

143. It appears as if Part B(5) is more onerous than existing London Plan Policy HC7 in that it could, in some instances, protect existing public house use where the existing public house does **not** have a heritage, economic, social or cultural value to local communities. NPPF Policy HC6 states that development proposals should not result in the loss of "key community facilities", such facilities being "established services that are used (or have been used) on a frequent basis in a local area". If a public house does not have any heritage, economic, social or cultural value to local communities, it is unlikely to be an "established service".

144. Other uses within redevelopments could provide placemaking, or other benefits. There should not be a de-facto restriction on the loss of public house use.

145. **Modifications sought:** We summarise below the modifications suggested to draft Policy GLE4. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"Development management

B Development proposals should:…

~~*(5) retain public house use, as part of redevelopment of the building, where this would support placemaking and the existing public house does not have a heritage, economic, social or cultural value to local communities*~~

(6) accept the loss of a public house which has a heritage, economic, social or cultural value to local communities where there is no realistic prospect of the building being used as a public house in the foreseeable future supported by compelling marketing evidence."

GLE5: Culture and creative industries

Q18. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

146. No.

Q19. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

147. **Protection of cultural facilities and creative industries:** NPPF Policy HC6 provides that development proposals should not result in the loss of key community facilities and public service infrastructure unless one of three conditions is satisfied. HC6(2) defines key community facilities as including "cultural venues". Cultural venues are therefore expressly the subject of a national decision-making policy which sets out both the presumption against loss and the circumstances in which loss is acceptable. Draft London Plan Policy GLE5 is inconsistent with NPPF Policy HC6 because it does not allow for any instances in

which loss of a cultural facility would be acceptable. Policy GLE5 is therefore inconsistent with NPPF Policy HC6 and fails the soundness test at NPPF Policy PM14(d).

148. The London Plan 2021 (Policy HC5) requires development plans and development proposals to protect existing cultural venues, facilities and uses "where appropriate". Any protection is to be informed by an understanding of local need. Draft Policy GLE5 simply applies a blanket restriction on loss, with no consideration of proportionality or justification.

149. NPPF Policy HC6 and London Plan (2021) Policy HC5 relate only to "cultural" facilities. Draft Policy GLE5 extends to protection of "creative industries". The definition of culture at para 4.57 is wide-ranging and it is unclear which uses would be protected under Policy GLE5. Creative industries do not fall into the definition within NPPF Policy HC6; instead creative industries are only referenced within the NPPF at policies E1 and E2, both of which do not direct blanket protection of creative industries. The Mayor's London Growth Plan identifies creative industries as those linked to the exportation of film, TV, gaming, music, marketing, fashion and architecture. The Government's Creative Industries Sector Plan (linked to the UK's Modern Industrial Strategy) states that creative industries in the UK are those "which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property". The sector-plan then goes on to group these industries into nine sub-sectors: Advertising and marketing; Architecture; Crafts; Design and designer fashion; Film, TV, video, radio and photography; IT, software and computer services; Publishing; Museums, galleries and libraries; Music, performing and visual arts. This is an expansive definition. As drafted, Policy GLE5 could effectively provide protection to occupiers of all of these sectors.

150. Not only would this policy not be effective, as the drafting is unclear, it would also arguably not be positive as its rigid application could inhibit development from coming forward across London, thereby meeting London's growth needs.

151. Policy GLE5, Part B(1) is not positive, not effective and not consistent with national policy and therefore not sound in line with NPPF Policy PM14. It should be deleted.

152. **Duty to support new cultural facilities:** Part B(2) requires development proposals to "support the development of new cultural facilities for consumption and production uses, both standalone proposals and as part of wider development proposals". In order for the policy to be made effective, it should be made clear that this is not a blanket requirement upon all development proposals.

153. **Re-provision of cultural facilities:** It is assumed that Part D is meant to be engaged where a development proposal results in the proposed loss of a cultural facility, but this is unclear.

154. Part D is also inconsistent with NPPF Policy HC6 as it does not allow for other alternative routes to justify loss of a cultural facility (included at HC6(a) and (c)). In addition, part (b) of NPPF Policy HC6 refers to "equivalent **or** better provision" (our emphasis) and "comparable or improved accessibility". There is no requirement relating providing "**at least** an equivalent" (our emphasis) amount of space nor is there any requirement relating to affordability and/or affordable workspace. Policy GLE5 Part D is therefore inconsistent with NPPF Policy HC6.

155. If retained, Part D should be clarified, or a definition introduced, so that the meaning of cultural facilities is understood and does not extend to creative industries occupying commercial Class E space.

156. In respect of the affordability point, we note that the supporting London Plan Viability Study Phase 1 Report (July 2026) has considered the viability impact of affordable workspace upon offices and industrial uses, but not on cultural facilities. Policy GLE7 itself does not apply to cultural facilities. Affordable workspace is a contribution expected from development. NPPF Policy PM12 states that where development plans set out developer contributions, these should be set at a level that allows for the planned types of development and sites to be deliverable, and be clear. The impact of Policy GLE5 Part D has not been properly assessed to comply with Policy PM12 and the requirements it seeks are unclear. Therefore, Policy GLE5 Part D fails in two parts when considered against NPPF Policy PM12, so therefore is inconsistent. Part D should be deleted.

157. The Alliance's members across both Westminster and the City of London are experienced in delivering high quality, innovative cultural spaces which have contributed significantly to place-making objectives, notably the City of London's 'Destination City' programme. It should be noted that the provision of good quality, meaningful cultural space is not always necessarily linked to low affordability and values. The Alliance is strongly supportive of the Mayor's overarching intent to encourage and grow London's cultural architecture, but this should be through positive, flexible planning policies and led by a co-ordinated approach by the boroughs, not by restrictive policies which ultimately disincentivise good, new cultural development to come forward.

158. Moving to supporting text, para 4.55 places a strong emphasis on the existing occupier, not the planning use. NPPF Policy HC6 relates to the use only, not operators. This is not a matter for the planning system. Notwithstanding the principle, it is unclear how local authorities would secure such provisions via planning obligations which would meet the necessary tests.

159. **Meanwhile uses:** The Alliance strongly supports the principle of using vacant buildings and land for pop-ups or meanwhile uses for cultural and creative activities. It should be made clear that local authorities should not impose re-location or 'move on' plans for such uses which ultimately renders them permanent, and disincentivises such uses coming forward. This should be clarified either within the policy wording, or within supporting text.

160. **Modifications sought:** We summarise below the modifications suggested to draft Policy GLE5. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"B. Development proposals should:

~~*(1) protect existing cultural facilities and creative industries (consumption and production)*~~

(2) where appropriate and feasible, support the development of new cultural facilities for consumption and production uses, both standalone proposals and as part of wider development proposals.

~~*D. Where there are existing cultural facilities, development should provide/re-provide at least an equivalent amount of cultural space with similar affordability for end users in line with GLE7 Affordable workspace.*~~*"*

161. We suggest that supporting text clarify that re-location or 'move-on' plans should not be requested by boroughs where a temporary or meanwhile use is brought forward.

Q20. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

162. N/A

GLE6: Visitor infrastructure

Q21. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

163. Yes

Q22. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

164. The Alliance supports the overarching policy aim to strengthen London's role as a world-leading visitor destination. In particular, the Alliance supports the widening of support for visitor accommodation when compared with Policy E10 in the London Plan (2012). It is correct that the CAZ, as the heart of the capital, be an area where the principle of visitor infrastructure is supported and encouraged.

165. The Alliance suggests that the policy and/or supporting text be amended to expressly recognise the need for appropriately located taxi/private hire and coach set down/pick-up, accessible set down and servicing. Permit shared or off-site facilities should be provided where they are safe, convenient and secured. Whilst public transport accessibility within the CAZ is high, hotels and visitor attractions still need operational vehicle arrangements. Such operational needs should not be treated as inherently contrary to car-free development.

Q23. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

166. N/A.

GLE7: Affordable workspace

Q24. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

167. No.

Q25. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

Answer Q26 only if you have chosen 'Don't know' for Q24.

168. **Principle of affordable workspace policies within the CAZ:** The Alliance does not consider that policy intervention in respect of affordable workspace is necessary or appropriate within core/established markets in the CAZ. The diverse nature of the CAZ's multiple, varied, office markets make a "one size fits all" policy on affordable workspace inappropriate. The Alliance's strong preference is that the policy should be revised to be clear that it is not usually applicable within the CAZ. It is considered that the approach proposed is not consistent with the clear support set out for office growth and development within Policy PV2. Its potential application to the CAZ could hinder office growth and development, particularly prime offices, which undermines the Mayor's objectives set out within the London Growth Plan, particularly the objective to raise productivity growth rates to 2% average per year over 2025 to 2035.

169. It potentially leads to the introduction of additional quantitative requirements, if affordable workspace requirements are imposed through local plan policies, that have an adverse effect on deliverability and viability, which would be contrary to Policy PM13 of the NPPF.

170. Without prejudice to this, if an enabling policy is to be retained, it should be clear that:

a) boroughs are permitted, but not expressly directed (removal of the word "should") to consider developing local affordable workspace policies;

b) affordable workspace should be sought only where specifically required by local policy within an up-to-date Local Plan and not only on the basis of Policy GLE7; and

c) such policies should only be introduced by the Boroughs within the CAZ where there is locally specific evidence that shows a need for policy intervention in order to address evidenced market failures.

d) Evidence of need and viability should be tested across different and relevant sub-markets and development typologies, rather than relying on a single borough-wide or CAZ-wide assumption. As identified above, the CAZ's office markets are varied and diverse, and it is imperative that any affordable workspace requirements are based upon accurate evidence of need.

e) There should be flexibility in the way in which workspace is provided. Such flexibility should include the types of uses / units that can be provided, and allow for off-site provision, and provision via a financial contribution to pooled facilities, at the choice of the developer. This would ensure that such policies can only be introduced where there is a clear evidence base, tested through the Local Plan examination. Policy GLE7 should therefore be amended to specifically provide this further clarification, which should in particular provide appropriate flexibility for the CAZ area.

171. We set out, below, a detailed justification of this position.

172. **Diversity of the CAZ office market:** Within the CAZ, there is little evidence of market failure. There is a wide range of employment typologies, with an associated breadth in terms of costs and rents. Accordingly large parts of the Square Mile and CAZ provide affordable accommodation to SMEs. The City Core and other parts of the CAZ remain attractive to SME

businesses, because amongst other things, the protection of heritage stock provides a constant supply of affordable workspace.

173. Further, given the nature of the space in in some CAZ submarkets, such as the West End, floorplates tend to be smaller and as a result can offer more affordable rental opportunities within these sub-markets. Evidence from our members show that leasing activity over 2021-2025 shows that 90% of take-up of units below 5,000 sq ft, both by floorspace and transaction number, was within Grade B accommodation[6]. This demonstrates the existing market's role in accommodating smaller occupiers. Significant quantities of existing workspace are already available to occupiers across a range of locations, building types and price points.

174. One size does not fit all for SME occupiers, with some occupiers benefitting from modern fitted offices, but other occupiers may place greater emphasis on accessibility whilst other occupiers may need spaces such as studios, maker or workshop space.

175. As outlined in the Alliance's *Space for Change: Office space dynamics in central London* report (2025), *"central London faces a structural shortage of the workplaces and locations most in demand"*, with prime vacancy across the CAZ being 0.8% and Grade A at 1.7%. Both sit well below the combined Grade B and C vacancy of 3.5%, and there is growing pressure to upgrade secondary stock to meet demand. There is also a demand centrally for serviced office space which provides cost effective accommodation for SMEs. The diverse nature of the CAZ's multiple, varied, office markets make "one size fits all" strategic policies on low cost and affordable workspace inappropriate.

176. **Cyclical nature of the office market:** The draft policy should recognise the cyclical nature of the London office market (which is quite unlike the London housing market). The central London office sector has historically been the most cyclical in the UK, reflecting the combination of yield shift and large swings in the rental cycle. Hence the need for local flexibility, to account for variations both locally and across market cycles. Draft Policy GLE7 should ensure that any policy is viable throughout market cycles.

177. **Physical constraints:** Office buildings are often designed as a headquarters building, where one company wishes to take all or the majority of the space in the building. These developments should be encouraged within the CAZ for the benefits which they bring to London, in particular through securing London's status as a world-class city. As set out within the Alliance's forthcoming *London HQ City* report, *"HQs concentrate high-value business functions, attract investment and create productive jobs across a range of sectors. London's ability to attract, retain and grow them will therefore be increasingly important to its economic success."*

170. In these circumstances the provision of on-site affordable workspace would be incompatible with the special characteristics of the CAZ. Accordingly the affordable workspace policy should not be applied where evidence can be provided that on-site affordable workspace would adversely affect the ability to market the building as a headquarters (or equivalent building).

[6] Table 6: Analysis of sub 5,000 sq ft take -up (2021-2025)

178. To maintain the special character of the CAZ, which has long included national and international headquarters of leading companies and institutions, such occupiers must be able to continue to find appropriate space. The Alliance is concerned that the inclusion of affordable workspace – as well as adding to costs – would make the CAZ's office supply less attractive to key potential investors, at a time when it is under particular pressure to remain competitive in the face of competition from other aspirant European financial centres.

179. **Evidence base:** The Alliance does not agree with the statement in para 1.43 of the London Plan Viability Study Phase 1 Report which states that *"the viability testing of office development typologies indicates that affordable workspace requirements should generally be viable in the CAZ"*. The viability study has not taken proper account of the office submarkets in the CAZ and the nuances that they generate. Even within the relatively small CAZ area, rents across the submarkets vary considerably, and therefore the provision of affordable workspace within these sub-markets can have a large impact on scheme viability. Robust local testing should include assessment of the relevant sub-markets.

180. The report has also not properly considered the impact of affordable workspace policies and whether they will have an adverse impact on the viability and deliverability of development, in accordance with NPPF Policy PM13(2)(b). The test is not whether affordable workspace is "generally viable", but rather whether the impact will be adverse on viability and deliverability.

181. The viability study also appears to have only tested limited office typologies, the majority of which are large, mostly new build office developments. This is not reflective of many development typologies coming forward within Westminster and the City of London. Therefore, the viability evidence base should also include assessment of a range of development typologies, including smaller schemes, retrofit, refurbishment and heritage-constrained development.

182. Testing a limited set of typologies and/or markets should not be treated as demonstration that an affordable workspace requirement is viable across the diverse office stock of Westminster, the City of London and the wider CAZ.

183. Further, the viability study does not appear to take account of the cyclical nature of the office market (in addition to void and rent free periods, which are a particular feature of the commercial market). It is unclear if the viability study has undertaken appropriate sensitivity analysis, to account for likely office market cycles over the Plan period or considered the full range of potential effects of the proposed policy on development values, which will extend beyond simple reductions in headline rents but include higher build costs and higher investment yields (that is, a lower sale price) when sold.

184. Appropriate lease terms will need to be negotiated for the affordable workspace and it is therefore likely that startups and some SMEs will offer a much less secure income stream, again affecting overall development value.

185. The viability report recognises that the provision of affordable workspace will come at a cost, even if considers that this would, in most cases, not lead to development becoming unviable. The need for some form of economic subsidy, and an adverse effect on development viability, is therefore common ground. Policy PM13 of the NPPF is clear that

"quantitative standards should not cover [matters other than those listed in PM13(1)] , or relate solely to the internal layout of buildings" unless "they … will not have an adverse impact on the viability and deliverability of development."

186. The viability report demonstrates that the introduction of the requirement will have an adverse impact on viability and deliverability, even if it considers that that impact would be limited and development would mostly remain viable. The proposal is therefore contrary to Policy PM13 and should be removed as inconsistent with national policy.

187. **Office design:** Policy GLE1 requires developments for Class E uses (including offices) to be designed flexibly, wherever possible, to accommodate a range of uses and occupier sizes. This principle is supported and it should be acknowledged that flexible design alone can create appropriate spaces within buildings that would either be deemed to be affordable and / or provide lower cost space.

188. Rental levels can vary considerably within an office building. Rents at the lower levels of a building or space which might include poorer aspect or orientation, attract lower rents than the upper levels. The rental difference between the best quality and the more inferior space e.g. lower ground, in the same building can vary by 50%.

189. This illustrates that the market naturally provides a range of space at different price levels – even within the same building – often at a greater level of variation than that being considered within this policy without need for planning policy intervention.

190. Flexible and fitted workspace has further expanded the range of options available to SMEs, while transactions for smaller units continue to account for a significant share of leasing activity.

191. Developers, owners and their design teams, without exception in the CAZ area, specifically design commercial buildings to be flexible to ensure maximum appeal to the market. Accordingly, office buildings often have varying sized floor plates from ground to top floor (responding to the urban context), whilst floorplates are designed to enable sub-division to accommodate a range of potential occupiers, including SMEs and co-working spaces.

192. **Delivery of affordable workspace:** In the event that a policy which applies to the CAZ is retained, the Alliance would support the current approach in Policy GLE7 insofar as it would set, at a London level, the range of uses that can be delivered as affordable workspace and establish London-wide flexibility on provision of being on-site, off-site or through a payment in lieu. The acknowledgement at para 4.65 that off-site provision and payments in lieu may be particularly suitable to secure greater benefits from prime locations within the CAZ is welcome in principle (without prejudice to the Alliance's overarching objection to the principle of affordable workspace policies within the CAZ).

193. **Justification:** Changes should also be made to Part (A) of Policy GLE7 to better align with the requirements of NPPF Policy PM13. Any affordable workspace policies should include a clear and robustly costed rationale, be proportionate and should not have an adverse impact on the viability and deliverability of development. The approach taken in the current London Plan (2021, Policy E3) which specifically refers to identified evidenced shortages of lower-cost workspace or cost pressures which could lead to the loss of affordable or low-cost

workspace for micro, small and medium-sized enterprises, would be more appropriate. Viability assessments should test those requirements across the relevant local sub-markets and representative development typologies.

194. **Net additional floorspace:** Without prejudice to the Alliance's objection to affordable workspace requirements within the CAZ, any retained requirement should apply only to the net additional qualifying employment floorspace created by development, not the gross floorspace of the completed scheme. Retained and replacement floorspace should be excluded from that calculation. Applying a new requirement to the existing stock would impose an additional burden on refurbishment and retrofit, including schemes that improve the quality and energy performance of buildings. This is separate from any justified obligation to re-provide existing planning-secured affordable workspace under Part E.

195. **Existing affordable workspace:** It has been assumed that Part (E) of Policy GLE7 would apply protection to existing affordable workspace, as defined and secured through S106 legal obligations, and not simply applied to any workspace which meets the definition at paragraph 4.63 (*"workspace that is provided at rents maintained below the market rate for a specific social, cultural, or economic development purpose"*). This should be clarified and amended either through policy or in supporting text. Any re-provision requirements should be on the basis of re-providing equivalent provision.

196. **Modifications sought:** We summarise below the modifications suggested to draft Policy GLE7. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"Policy aim: to provide workspace for specific social, cultural, place-making or economic development purposes that is affordable for end-users where required

Applies to: developments including offices, research and development and/or light industrial uses (Use Class E(g)), data centres and B8 storage or distribution uses

Locations: as defined in Local Plans (excluding the CAZ) and existing affordable workspace ***[note: where this modification is not accepted, the Alliance have provided suggested modifications on a without prejudice basis]***

Plan-making

A Plan-making authorities may ~~should~~ include policies to support the delivery of affordable workspace, triggered by applications for new office, research and development or light industrial uses (Class E(g)), data centres and/or B8 storage or distribution uses where justified by strategic and local evidence of need ~~and an assessment of viability~~ and robust viability testing across the relevant local sub-markets and a representative range of development typologies, and where local evidence identifies shortages of lower-cost workspace, or cost pressures which could lead to the loss of affordable or low-cost workspace for micro, small and medium-sized enterprises. Any such policy should have a clear and robustly costed rationale, be proportionate, and should not adversely affect the viability or deliverability of development, including across office market cycles.

…

Development management

Any new affordable workspace requirement, whether met on-site, off-site or by a financial contribution, should be calculated by reference to the net additional qualifying employment floorspace only, excluding retained and replacement floorspace. This does not alter any separately justified requirement to re-provide existing planning-secured affordable workspace.

D Affordable workspace should not be sought where it is demonstrated that on-site provision would prejudice the delivery of a building designed for occupation by a single organisation, or by a small number of related organisations, and where such occupation would support London's competitiveness as an international business location.

~~*DE*~~ *Affordable workspace can be provided on-site, or in an off-site location, particularly where it is not practical or feasible to deliver on-site or economies of scale or greater levels of discount and duration of provision could be achieved through alternative means and locations. In such cases, off-site provision and/or a financial contribution to a local authority affordable workspace fund (supported by a local authority affordable workspace strategy) should be made.*

~~*EF*~~ *Where there is existing affordable workspace on-site which has been secured by planning obligation and remains extant ~~(or has been since 1 December 2017)~~, proposed development should re-provide ~~at least~~ an equivalent amount of affordable workspace (with equivalent ~~the same or enhanced~~ affordability for end-users), unless the existing affordable workspace has been provided on a temporary or meanwhile basis pending the redevelopment of the site."*

Q26. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

197. N/A.

Chapter 5: Creating a greener, resilient and healthy (GHR) city

GHR1: Energy efficiency

Q6. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

198. No.

Q7. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

199. In the absence of national guidelines, London has led the way in decarbonising its built environment by introducing energy efficiency and whole life cycle limits to support the transition to a low carbon future. The GLA has navigated the issue of translating environmental targets around carbon into policy and this has contributed to supporting industry decarbonisation in many instances. However, this area is evolving at pace, faster than plan-making can realistically adapt. It is also becoming increasingly complex and

technical whilst the level of expertise and practical understanding within individual planning authorities to set these technical limits and assess applications varies considerably.

200. The current London Plan secures energy efficiency measures through requiring a minimum 35% reduction against Part L of the Building Regulations plus a carbon offset contribution to bring the development up to a 100% reduction.

201. In response to the Government's consultation on the draft NPPF in December 2025, the Alliance agreed with the approach to Policy PM13 to support a more proportionate, streamlined and consistent approach to securing planning permission to help restore confidence and improve the overall functioning of the planning system.

202. The new NPPF published in August 2026 retains Policy S4 with its strong presumption in favour of development in settlements but includes amended wording to PM13 which requires energy efficiency for residential buildings to be calculated in accordance with Part L of the Building Regulations. A further caveat was included at PM13 (Part 2) which allows for the setting of other quantitative standards where they have a "clear and robustly costed rationale, are proportionate and will not have an adverse impact on the viability **and** deliverability of development." (our emphasis).

203. The consultation version of the London Plan seeks to replace the adopted Part L approach with Energy Use Intensity (EUI) and Space Heating Demand (SHD) targets which would apply at a London level. The mechanism to pay a carbon offset contribution would be removed. The proposed targets are set out at Part B(1) of Policy GHR1. The GLA has acknowledged in discussions with the Alliance that further guidance is necessary to clarify the methodology and assumptions that will guide modelling to estimate EUIs for developments.

204. The Alliance recognises the tension created in the new NPPF between Policy S4 and Policy PM13, such that a clear presumption in favour of development in settlements has been established as the baseline position, with any policies seeking to apply quantitative standards over and above those explicitly identified in the NPPF required to have a clearly costed rationale, be proportionate and not have an adverse impact on the viability **and** deliverability of development.

205. In the first instance and in accordance with the updated soundness tests set out in PM14 of the NPPF, any quantitative targets should be positive, appropriate, effective and consistent with national policy. The GLA would need to demonstrate that the proposed EUI and SHD targets would not have an adverse impact on the viability and deliverability of development. Without prejudice to our comments below, the Alliance has not seen the supporting evidence to demonstrate that these targets would not have an adverse impact on viability and deliverability. Accordingly, the draft policy is in conflict with the NPPF and is, therefore, unsound.

206. Furthermore, the proposed limits reflect a relatively high level of ambition, and as a result they will not be achievable in all cases. Some of the reasons why a well-designed building may not achieve the limits include:

a) The residential EUI of 40kWh/m2/yr appears very ambitious and is considered by Arup to be unrealistic for most dense urban developments. The Net Zero Standard limit for 2025 by contrast is 50kWh/m2/yr.

b) High density residential developments, particularly those in locations where the external noise environment restricts natural ventilation, will require enhanced mechanical ventilation and sometimes air-conditioning to maintain the level of internal comfort mandated in Building Regulations Part O (avoidance of overheating). This will in many cases lead to an EUI above the limit.

c) The proposed office EUI correlates approximately to a 5* NABERS rating for a notional 50 hours/week operating schedule. Office buildings in the CAZ typically operate longer hours, which will lead to a proportionally higher EUI.

d) High rise buildings are inherently more energy intensive, due to lifting requirements for example. This makes the EUI limit more challenging, even without considering operating hours.

e) The targets would be typically unachievable for any development with significant retention of existing façade and/or services. The UK Net Zero Carbon Building Standard (UKNZCBS) reflects this with separate higher EUI limits for refurbishment projects.

207. Should the viability and deliverability of the proposed policy be robustly demonstrated, the Alliance requests, in the first instance, that there is a recognition in policy (as opposed to guidance) that not all developments are capable of meeting the proposed limits, and a mechanism for demonstrating best practice in those cases. Guidance should also provide a consistent methodology, including (for example) standardised assumptions on operating hours that align with the basis of the limits set.

208. The Alliance also requests that an EUI target for the retrofit of commercial buildings is included, in addition to a target for new build commercial development. This approach is consistent with the UKNZCBS which sets different targets for new build versus retrofit schemes, noting that it is more challenging for retrofit projects, by virtue of their use of existing and often inefficient building material, to meet the same EUI targets as new build development. The Alliance considers that the inclusion of one EUI target, without differentiation to the level of retention or redevelopment, is not appropriate or reflective of real-life conditions.

209. In addition, the Alliance requests that the EUI target for residential development is removed on the basis that the NPPF requires residential development to be assessed according to a separate methodology (Building Regulations). The Alliance considers that the requirement to calculate energy efficiency for residential development in accordance with Building Regulations under the NPPF and in accordance with EUI standards in the London Plan would place an onerous and unnecessary barrier to residential development in London. As such, the inclusion of EUI targets for residential development is considered neither positive not appropriate in accordance with the soundness tests set out at PM14 of the NPPF.

210. The Alliance notes the requirement for development to monitor and report annual in-use energy demand post-construction for at least five years. The Alliance requests that the updated version of the London Plan includes an acknowledgement of the interaction between landlord and tenant usage of both commercial and residential buildings. Whilst a

landlord may retrofit and redevelop a building in line with the proposed EUI targets, it is the responsibility of the tenant to operate the building in an efficient way such that the building is operated in accordance with the estimated EUI targets. It is not clear how binding obligations or conditions on a developer/landlord would be passed to a tenant and how enforceable these would be in a day-to-day/year-to-year scenario due to the lack of ability for a landlord to control day to day usage. In addition, where buildings are let on a Full Repairing and Insuring (FRI) lease, it can be challenging to obtain energy usage data if there are no data sharing obligations written into the lease. Consequently, there should be a clear recognition that real operation may differ from early design estimate, for legitimate reasons, such as required intensity of use. The data collection regime should include collection of sufficient contextual data alongside the raw energy data to enable further understanding of this.

211. There is also a separate practical issue in obtaining the data. Where a property is let on a full repairing and insuring (FRI) lease and the lease contains no energy-data sharing obligations, the landlord may have no contractual right to obtain the tenant's energy-consumption data. It cannot therefore be assumed that the landlord will hold complete data throughout the five-year reporting period.

212. Finally, the Alliance supports the proposed removal of carbon offset contributions, as this approach has not been seen to deliver real-world outcomes since its introduction. It is understood that over £130 million of carbon offset contributions have not been spent by London Councils[7].

Q8. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

213. N/A.

GHR2: Low-cost low-carbon heat

Q9. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

214. No.

Q10. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

215. The adopted London Plan Policies SI2 and SI3 are reflective of the performance of the national electricity grid at the point of adoption i.e., more carbon intensive than it is currently. At the time, connecting to a centralised heat source such as a District Heat Network was the most efficient option for new development. The heating hierarchy set out in Policy SI3, therefore, prioritised centralised heat networks (DHNs) over individual electric heating systems. Since this time, however, it has become possible for on-site heating systems to be more efficient than connecting to a centralised network.

216. Policy GHR2 requires all major developments to submit a Low Carbon Heat Appraisal to establish the optimum low carbon and low cost (considering upfront, whole life and end

[7] 2024 Carbon Offset Monitoring Report.pdf

user costs) heating solution for the site. Where relevant, it is expected that this optimum solution would comply with the government's Heat Network Zoning Regulations.

217. The Alliance recognises that the Heat Zoning Regulations came into force in January 2026 but that further regulations are forthcoming, which seek to require specified new and existing development to connect to heat networks, and where these have not yet been commissioned, to be designed for future connection.

218. In this context, the Alliance supports the requirement to submit a Low Carbon Heat Appraisal which recognises that, in some instances, that an on-site heating system can be the more efficient approach.

Q11. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

219. N/A

GHR3: Whole life-cycle carbon

Q12. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

220. No.

Q13. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

221. The Alliance is concerned that, as drafted, the targets set out within Policy GHR3 could constrain tall building development within London. This would not be a positive, nor an appropriate strategy to achieve economic growth and therefore would fail the tests of soundness within NPPF Policy PM14.

222. As set out above in respect of energy efficiency targets, the Alliance recognises the tension created in the new NPPF between Policy S4 and Policy PM13, such that a clear presumption in favour of developments in settlements has been established as the baseline position, with any policies seeking to apply quantitative standards over and above those explicitly identified in the NPPF required to have a clearly costed rationale, be proportionate and not have an adverse impact on the viability **and** deliverability of development.

223. The Alliance considers that the Mayor, and the examining Inspectors, should be satisfied that the inclusion of policy on this topic is consistent with national policy, and therefore sound, when considering Policy S4, PM13, and the effect of the policy on the viability and deliverability of development. Should the Mayor and the Inspectors consider it to be inconsistent, the policy in its current form should be removed.

224. The following comments are offered should the Mayor and Inspectors proceed with policy on this topic.

225. Paragraph 5.30 states that development should maximise opportunities for retaining and reusing existing structures where possible with Paragraph 5.31 clarifying that the options to retain buildings needs to be "considered in the context of ensuring that the site capacity is

optimised in line with the requirements of MBUL2" and "should not be used as a means of blocking appropriate redevelopment."

226. The Alliance supports this clarification and agrees that the retention of buildings should be assessed in the first instance but that the spectrum of redevelopment options should be possible where it can be demonstrated that they make the best use of land and deliver on policy requirements set out elsewhere within the Statutory Development Plan.

227. The adopted London Plan includes baseline and aspirational upfront embodied carbon and whole life carbon targets in supporting guidance.

228. The consultation version of the London Plan seeks to introduce upfront embodied carbon targets for residential development <11m, residential development >11m and Use Class E into policy. These targets are set out at Part C(1) of Policy GHR3.

229. Unlike GRH1 which specifies that the proposed energy efficiency targets function at a London-wide level, it is unclear whether Local Planning Authorities (LPAs) can set their own upfront embodied carbon targets. The Alliance considers that the targets should be applied across London to avoid the differentiation across localities and requests that this is clarified in the policy wording. The introduction of a standardised approach, across London, would be beneficial and welcomed.

230. Paragraph 5.35 includes a recognition of the range of uses subsumed within Use Class E and states that "the upfront embodied carbon targets are considered to be appropriate for the majority of schemes, but it is recognised that the baseline may be more challenging for some important economic uses on highly constrained sites. Applicants should demonstrate how the principles in Policy GRH3 have been applied to minimise upfront embodied carbon and set out clear justification where targets are not met."

231. The Alliance welcomes the clarification included in Paragraph 5.35 that the targets are more achievable for some land uses than others, as this is reflective of members' experiences operating within the tight urban grain and constraints of the built environment within the capital. This should be relocated to policy. It is important that decision-makers are clear that failure to achieve any benchmarks will not in itself indicate non-compliance with Policy GHR3, as such developments will have been required to demonstrate how upfront embodied carbon has been considered and reduced where possible.

232. However, and as set out elsewhere in this response, the Alliance considers that similar wording should be included within the text of policy to recognise that these targets may not be achievable for certain developments such as taller buildings in addition to highly constrained sites. Building height is one of the clearest contextual factors in the embodied carbon of developments as demonstrated by Arup in the Alliance's *Embodied Carbon in Central London* report (May 2026). Other contextual factors include façade-to-floor ratio, extent of basements and small buildings, which are naturally less efficient. There is also considerable variation within Class E uses themselves. Whilst office developments (Class E(g)(i)) may form the majority of the evidence base, other Class E uses, including research facilities (Class E(g)(ii)), can require significantly more intensive servicing, enhanced structural performance, and vibration mitigation measures. These requirements can materially increase embodied carbon impacts and should be explicitly recognised in the

application of embodied carbon limits. Buildings with site-specific constraints, such as those adjacent to or over transport infrastructure, will also typically have higher embodied carbon intensity resulting from non-standard structural solutions.

233. Tall building development, particularly within the City of London and Westminster, is vital to ensuring London's growth in a sustainable manner. In line with the draft Plan's overarching principles of optimisation, good growth and realising the full potential of the CAZ, it is important that Policy GHR3 does not undermine these objectives, nor the wider Government and Mayoral objectives of promoting economic growth. Given the importance of this building typology to London's economy and growth potential, it is important that the policy wording within Policy GHR3 acknowledges these instances. The Alliance therefore suggests that the policy targets apply to use classes for buildings that are not tall buildings as defined by Policy MBUL3 (also having regard to its comments on MBUL3 in relation to tall building definitions). Such buildings would still need to demonstrate that upfront embodied carbon has been considered and reduced where possible under Part (B) of the policy.

234. **Suggested modifications:** Our modifications are subject to the Mayor and Inspectors concluding that policy in this area could be consistent with national Policy. On that basis, we summarise below the modifications suggested to Policy GHR3 (text only included below where relevant). All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"C Development should calculate and reduce upfront embodied carbon emissions.

(1) As a minimum, proposals should meet the relevant baseline targets and aim to meet the aspirational targets:

Table showing baseline and aspirational upfront embodied carbon emissions targets

Type	*Baseline target*	*Aspirational target*
Residential <11m	*500kgCO2e/m2*	*400kgCO2e/m2*
Residential ≥11m	*700kgCO2e/m2*	*565kgCO2e/m2*
Use Class E (except tall buildings)	*700kgCO2e/m2*	*605 kgCO2e/m2*

(2) Tall buildings in Use Class E, and all development not included in the above use classes should reduce and report upfront carbon emissions, referencing relevant industry benchmarks where available."

235. The Alliance also considers that supporting paragraph 5.35 should be amended as follows:

"Class E covers a wide range of uses and differing building typologies. The upfront embodied carbon targets are considered to be appropriate for the majority of schemes, but it is recognised that the baseline may be more challenging for some important economic uses, in particular commercial office buildings in the CAZ, on highly constrained sites, including tall buildings, and over-station developments. Applicants should demonstrate how the principles in policy GHR3 have been applied to minimise upfront embodied carbon and set out clear

justification where targets are not met. In such circumstances, failure to achieve the benchmark will not in itself indicate non-compliance with this policy."

236. Furthermore, the Alliance requests that guidance is clear on the version of the RICS Professional Statement which is required to be used to assess the targets. A clear definition on the reporting boundary should also be included depending on whether the assessment relates to shell only, shell and core, Cat A fit out or fully fitted developments. Without a clear definition of the reporting boundary and inclusions/exclusions, there is a risk that developments are compared on a non-equivalent basis.

Q14. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

237. N/A.

GHR5: Flood risk and drainage

Q18. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

238. No.

Q19. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

239. The Alliance supports the objective of reducing London's surface-water flood risk and supports the use of sustainable drainage. Notwithstanding, the requirements imposed under draft Policy GHR5 risk unreasonably hindering development coming forward and are considered not to be consistent with national policy. We expand on these points below.

240. **Overarching requirement:** Policy GHR5 Part (B) imposes a more onerous requirement upon all development than the current Plan – with all development being directed to "not increase surface-water runoff" as opposed to current Policy SI 13 which requires development proposals to "aim to achieve greenfield run-off rates and ensure that surface water run-off is managed as close to its source as possible." NPPF Policy F8 states that "Development proposals which could affect drainage on or around the development site should incorporate sustainable drainage systems to control flow rates and reduce volumes of runoff, **in ways which are proportionate to the nature and scale of the proposal**." (our emphasis).

241. Applying a blanket restriction on development to not increase surface-water runoff and targeting Qbar rates for referrable applications is not achievable as in some instances within central London site circumstances and specifics may mean that surface-water runoff will be increased, or at least not achieve Qbar / 3l /ha. Part (B)(1) states that development proposals should "incorporate at least some surface-water capture, reuse and attenuation". On some schemes, for example, minor works to a listed building within a constrained site, there will be no opportunity to incorporate any attenuation.

242. There must be a route for development proposals to justify an alternative approach to mitigating surface-water run off where it can be demonstrated that an increase is acceptable and unavoidable. Such an approach would be aligned with the NPPF.

243. **Financial contribution:** The Alliance does not object to the principle of a financial obligation for referable applications and welcomes the flexibility which the policy framework provides in instances where provision of on-site measures are not possible. However, the rate identified in footnote 79 (£4,600/m3 or as updated by the GLA) is unjustified, inconsistent with national policy and risks further negatively affecting viability.

244. NPPF Policy PM13 restricts the ability of development plans to set quantitative standards, apart from where these "have a clear and robustly costed rationale, are proportionate and will not have an adverse impact on the viability and deliverability of development". The financial contribution quoted in Policy GHR5 does not pass these tests. Supporting para 5.60 states that the rate has been derived from the SuDS Opportunity Mapping costings. The London Plan Viability Study Phase 1 does not test the £4,600/m3 figure and instead refers to a "very limited" sample size with £2,000 per residential unit being adopted for a single development typology. At para 1.50 the report states that the "addition of these costs is detrimental in cases where viability is already significantly constrained". The report suggests that in these instances crediting the costs against borough CIL through a CIL in-kind approach could be considered as an option. It does not appear that any consideration has been given to the viability impacts of the £4,300/m3 on commercial development within central London. In order for the contribution to meet the tests of NPPF Policy PM13, this should be provided.

245. Given the potential impact on deliverability and viability, the GLA should not increase the £/m3 rate without due consultation and consideration of viability and deliverability.

246. **Reporting requirements:** Part (B)(4) requires applicants to ensure that suitable information is made available to update the local Flood Asset Register. Para 5.57 refers to "as built" information to be provided. Any reporting requirements should be proportionate, reasonable and clear, with a clear outline of what is to be provided, when and how this will be secured within the planning process.

247. **Suggested modifications:** We summarise below the modifications suggested to Policy GHR5 (text only included below where relevant). All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"Development management

B. Development proposals should minimise any increase in ~~not increase~~ surface-water runoff proportionate to the nature and scale of the proposal; and should maximise opportunities to reduce surface-water flood risk in a manner that is consistent with an integrated water management approach. This means that they should do the following:

(1) Avoid increasing impermeable surfaces and incorporate at least some surface-water capture, reuse and attenuation, where it is proportionate to the nature and scale of the proposal to do so.

(2) In the case of referable development, aim to achieve ~~on-site~~ greenfield run-off rates as measured in Qbar (mean average flood flow) or 3l/s/Ha (whichever is higher) on site so far as is reasonably practicable, having regard to the site's density, context, existing run-off rate and viability. ~~through a combination of on-site and (contributions to) off-site sustainable drainage measures.~~[78] Where rates cannot be achieved on site, an off-site contribution towards the residual storage may be sought. In doing so:

(i) on-site measures should be prioritised subject to the considerations in (3) below

(ii) off-site contributions should be calculated using the latest Londonwide reference rate[79] or an area-specific one where established.

78 While the National Standards for SuDs suggest a ceiling for brownfield sites, the acute surface-water flood risk issue in London means that this metric is still relevant for the purposes of quantifying appropriate off-site contributions where on site cannot be wholly achieved.

~~79 £4600/m3 or as updated by the GLA~~"

GHR11: Cycle and car parking

Q36. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

248. Don't know.

Q37. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

249. N/A.

Q38. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

250. **Overarching comments:** The Alliance strongly supports the overarching amendments to cycle parking policy within the London Plan and the reduction of cycle parking targets. Following the publication of the City Property Association's *Cycling & the City* (2024) research, the City Property Association has engaged positively with TfL (and City of London) officers to explain the challenges around over-provision of cycle parking within development, which has resulted in significant underutilisation of cycle parking within City and Westminster office buildings. Moving towards an approach which is based more on user demand, and introduces greater flexibility around provision, is strongly welcomed by the Alliance. This ensures that buildings appropriately respond to meeting active demand, whilst not delivering unused spaces which can have viability and embodied carbon impacts.

251. The Alliance's *The Cycle Storage Gap (*2026) report builds upon the *Cycling & the City* work and expands the evidence base across London's wider CAZ, focusing on cycle parking utilisation within modern office buildings. It underlines why, at a time when the delivery of office space in central London is constrained – undermining the UK's capacity for economic growth – and pressures on scheme viability are increasing, planning policies should ensure

that cycle parking requirements reflect real demand with sensible allowances for future growth.

252. Notwithstanding this general strong support for Policy GHR11, the Alliance has some more detailed points which we flag to the GLA for consideration.

253. **Long-stay standards:** The revised method to calculating long-stay standards is a welcome improvement when compared to the current London Plan (2021). As highlighted within our response to Policy MBUL5, there should be flexibility afforded to boroughs to set lower standards, where these are robustly justified on the basis of local evidence and need.

254. Notwithstanding general support for reduction in standards, the Alliance considers that the Band 1 office standard, which would apply to Westminster and the other CAZ boroughs in Band 1, in table 5.4 may still be too high. The evidence assembled through the West End and wider CAZ surveys, as set out within the Alliance's *The Cycle Storage Gap* report shows broadly consistent private cycle mode shares of around 6–7%, materially below the 15% Band 1 assumption. The Alliance therefore suggests that the Band 1 rate for office development should be reduced to around 11%, or alternatively that the policy should make clear that a lower locally evidenced standard can be applied where supported by robust evidence on cycle mode share, employee density, utilisation and local transport conditions. The Alliance supports the Band 2 office standard.

255. Supporting paragraph 5.122 refers to reference being made to the density matrix of the Employment Density Guide or other evidence and that for offices one member of staff per 15 sqm of NIA should be assumed. The Alliance considers that flexibility should be retained where there is evidence of different likely levels of occupation. The reference within para 5.122 to the Employment Density Guide and "other evidence" should provide sufficient scope for applicants to demonstrate that an alternative assumption is appropriate.

256. **Short-stay standards:** It is noted that part (D) of Policy GLE11 provides for calculating short stay cycle parking standards where uses are not identified in Tables 5.6 and 5.7. The Alliance suggest that provision also take into account existing public provision, shared entrances and overlapping demand between uses.

257. **Alternative cycle parking and contributions:** The Alliance strongly supports the principle of flexibility of provision where on-site provision is constrained. Explicit reference should be made to the CAZ as an area where flexibility may be appropriate. The City of London and Westminster are precisely the types of dense, space constrained locations where shared, nearby or adaptive provision can produce a better outcome than individual basement storages. Heritage buildings, retrofit schemes, small footprints and complex underground conditions make this flexibility particularly important. Flexibility should be allowed in respect of provision through existing nearby stores, shared cycle hubs, public-realm provision and adaptive space, supported where appropriate by a Cycle Promotion Plan or Travel Plan, and this should be acknowledged within supporting text. Any contributions should fund an identified, convenient, deliverable and maintained facility, with no double counting. Boroughs should also be encouraged to take a strategic approach to short-stay cycle parking, joined up with the allocation of on-street space for rental e-bike parking. It

should be clarified within supporting text that existing nearby secure cycle parking/shared capacity can also form part of an alternative solution for provision.

258. At supporting paragraph 5.123, it is welcome that guidance is provided on the circumstances where flexible approaches may be taken to the delivery of minimum parking standards. Whilst this list is not drafted as exhaustive, the Alliance consider that it should be expanded to refer to situations where avoiding the need for a basement/other design requirements which materially improve viability "and whole-life carbon emissions". This reflects the point outlined in the City Property Association's *Cycling & the City* (2024) report which explains how the over-provision of cycling parking space can lead to producing significant associated carbon emissions.

259. **Public hire cycles and scooters:** Clarification is needed on how part(F) of Policy GHR11 relates to the minimum cycle parking standards and whether providing space for public-hire cycles or scooters can count towards other cycle parking or active travel requirements. In central London, hire bikes and scooters can support first/last-mile travel but do not generally create long-stay workplace parking demand. Part (F) should be applied where TfL or an operator identifies a network need and a long-term management plan is secured. Any requirements should be able to be reviewed if the operator or network need changes.

260. Where a development provides cycle-hire facilities or additional provision for dockless bikes, this should be reflected in corresponding reductions in its cycle-space requirements and, where appropriate, its public-realm obligations (where additional on-street space is provided for dockless bikes).

261. **Application of standards:** The cycle parking standards should only be applied to net additional floorspace created by development, not to existing buildings being retained and retrofitted. This will encourage the re-use of buildings but recognise the constraints of refurbishment proposals and their ability to meet standards. Where proposals will lead to an increase in cycle parking provision for existing buildings, this should be considered a planning benefit and weight given in decision making. Cycle parking standards should be applied flexibly to listed buildings, which are more limited in their ability to provide for cycle parking.

262. **Ancillary facilities:** There should be clarity provided around the scale of showers and lockers to be provided alongside cycle parking. Any facilities should be proportionate and aligned with the ratios for cycle parking based on banding.

263. **Modifications sought:** We summarise below the modifications suggested to Policy GHR11 (text only included below where relevant). All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"Development management

…

C Residential development should provide at least the number of long-stay cycle parking spaces set out in Table 5.3, or as identified in a borough's local plan. Non-residential development should provide long-stay cycle parking spaces for at least the percentage of staff

set out in Table 5.4 and the number of students or pupils in Table 5.5, or as identified in a borough's local plan.

D Development should provide at least the number of short-stay cycle parking spaces required by Tables 5.6 and 5.7, or as identified in a borough's local plan. Where uses are not listed in Tables 5.6 or 5.7, the level of provision should have regard to:

(1) borough or local cycle mode share for relevant trip purposes

(2) anticipated demand

(3) existing public provision

(4) shared entrances

(5) overlapping demand between uses

~~(3)~~(6) Transport for London and national guidance such as chapter 11 of Cycle Infrastructure Design.

E The cycle parking spaces required in Tables 5.3, 5.4, 5,5, 5.6 and 5.7, or any locally set standards, should be applied to net additional floorspace only, with any increased provision above standards to be given weight as a planning benefit. Standards should be applied flexibly for listed buildings with heritage constraints limiting provision.

~~EF~~ If developments cannot reasonably or proportionately provide all the cycle parking required by parts C or D on site, they should provide a proportion in alternative locations, through alternative forms of provision or through contributions to this, subject to borough approval. This may be particularly appropriate in locations with high demand but limited space for cycle parking, such as the CAZ and town centres. The different types of provision should have regard to the need to encourage cycle ownership for different groups of people as well as considering the site's use and constraints. Alternative locations and provision could include:

(1) secure and enclosed, on-street (in the carriageway) parking, if the borough can identify suitable location

(2) secure cycle parking areas that serve multiple developments or a town centre

(3) space, infrastructure or both for public hire cycles, either within the curtilage of the development site or in the carriageway

(4) managed on-site shared cycles, made available in perpetuity for residents or staff.

F Development ~~should~~ can provide space, infrastructure or both for TfL's cycle-hire scheme and for other public-hire cycle and scooter schemes as part of a package to meet minimum cycle parking standards, where the development is in areas near to, or already served by, those schemes and where a network need has been identified and long-term management plan secured. The design of this space and infrastructure should be in accordance with any relevant TfL guidance."

Q41. If you have any general comments about any of the chapters in this policy, please record them here. Where you have a comment about a specific policy, it would help us if you could make clear which policy your comment relates to.

264. No comment.

<u>Chapter 6: Place visions and place-based approaches</u>

PV2: Central Activities Zone

Q9. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

265. No.

Q10. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

266. **Policy aim**: The Alliance strongly supports the aim of Policy PV2 and part A(1) which seeks to promote and grow the CAZ. It is right that the London Plan acknowledges the crucial importance of the CAZ and its economic role within a national context. The Alliance's report, *Good Growth in Central London* (2024), demonstrates that the CAZ+ area occupies 2.2% of London's land area but accounts for 48% of London's GVA, 41% of its jobs and 65% of its office floorspace. The Alliance estimate that the CAZ+ contributed some £315 billion in annual GVA in 2023.

267. Notwithstanding this overarching support, we consider that Policy PV2 is unsound as it does not set out a positive approach to delivering growth, an appropriate strategy to deliver on aspirations within the national Industrial Strategy and Mayor's Growth Plan and nor is it consistent with national policy. We set out these comments below, as well as where suggested amendments to policy wording.

268. **Offices and CAZ strategic functions – weight:** The Alliance strongly welcomes the specific support for the provision of "net additional prime office space" within part A(2) (as well as other commercial, business and service use floorspace). This is important, clear and directive support to the type of office accommodation that should be particularly prioritised within the CAZ. It responds to a significant structural underprovision of this type of space. As identified within the Alliance's *Space for Change: Office space dynamics in central London* report (2025), prime vacancy across the CAZ is 0.8% and Grade A is 1.7% and there is £83.6bn of productivity gains to be unlocked by upgrade secondary office space to prime or Grade A. The Alliance suggests that the policy be adjusted to be clear that additional prime office space can be achieved through either retrofit **or** redevelopment, to encourage retrofit where doing so can provide the standard of space needed, and to support redevelopment where retrofit cannot. This reflects the report's call for a strategic programme of renewal: retrofit where possible, new build where necessary, or a blend of the two. The policy should also refer to large, flexible floorplates, which occupiers prize and which are in acute short supply.

269. Supporting text should note that many secondary buildings are listed or in conservation areas, and that sympathetic retrofit of these buildings to improve energy performance and specification is supported. The Alliance suggest a brief explanation of what prime office space means, within the explanatory paragraphs, would also be helpful. The Alliance's *Space for Change: Office space dynamics in central London* report (2025) defines prime spaces as "The best quality buildings in the most desirable locations, typically with an EPC rating of A or B." This could be expanded for supporting text within the London Plan to read:

> *"The best quality office buildings in the most accessible and sustainable locations, typically with an EPC rating of A or B."*

270. The Alliance also welcomes Part A(4) which seeks for local plans and development proposals to promote and enhance the City of London as an internationally important local for financial, professional, business and technology services and the West End as a vibrant international centre for commerce, culture and experience.

271. Notwithstanding this overarching support for the commercial sector, there is nothing in development management terms to direct decision-makers to place substantial weight on the benefits of proposals for offices in the CAZ, and the other CAZ strategic functions. The Alliance considers that major office schemes in city centres should be regarded as critical economic infrastructure, vital to the Government's and the Mayor's growth objectives. *Space for Change: Office space dynamics in central London* (2025) recommends that such schemes be given 'very significant weight', on the same footing as other types of infrastructure, and that the London Plan provide a streamlined, accelerated planning route for the retrofit or redevelopment of major office schemes with large, flexible floorplates. The report demonstrates that office-based sectors support approximately 2.8 million jobs across Greater London and produce close to £290 billion in GVA each year, equivalent to around £105,000 per office job, and that for every 100 office jobs a further 40 are supported through supply chains and approximately 18 through local high street activity.

272. The London Plan should be directive for decision-makers and set out clearly that substantial weight will be attached to the benefits of the CAZ strategic functions, especially prime offices. It should also recognise economic growth, employment, business opportunities and productivity as public benefits in their own right, so that they carry due weight wherever public benefits are weighed against harm, including harm to heritage assets. This would be a positive approach to plan-making, which would also be appropriate in that it would directly support the aspirations of the national Industrial Strategy and the Mayor's Growth Plan, both of which classify the financial and professional services sector as a sector of critical importance which should be strongly supported in order to assist with productivity goals.

273. In respect of the implementation of NPPF Policy S4, such an amendment would also provide clear direction to decision-makers about the scale of benefits delivered by commercial office schemes. As drafted, Policy PV2 is silent on how the benefits of CAZ commercial function floorspace enter the planning balance tests at Policy S4. This is aligned with the direction in NPPF Policy E2 which states that substantial weight should be given to the economic benefits of proposals for commercial development.

274. **Secondary office space:** The LPA supports the acknowledgement at Policy PV2(A)(11) that there should be flexible policy around the use of obsolete secondary office space. Ensuring that such buildings and sites are optimised fully aligns with the principles set out within draft London Plan Policy MBUL2 and the NPPF. As noted within the Alliance's *Space for Change: : Office space dynamics in central London* report (2025), by upgrading the quality of EPC C-G stock to prime and Grade A, an additional £83.6 billion in economic output (GVA) could be generated over the next decade in today's money through productivity gains. The London Plan directly supporting the route to these gains is therefore aligned with national and Mayoral economic growth objectives. The scale of the upgrade challenge is reinforced by the Alliance's upcoming *London HQ City* report, which estimates that 58% of central London office floorspace currently has an EPC rating below B, and which finds that new-build vacancy was 1.2% and refurbished space availability 1.7% in Q4 2025.

275. The reference to the test being "viable to redevelop or refurbish as offices" should be amended to also refer to benefits delivered, not just viability. It may be marginally viable for a secondary office building to be refurbished for secondary office space, but this would not best utilise the building or the site. As demonstrated in the Alliance's *Space for Change: Office space dynamics in central London* report (2025), there is a pressing need for prime office floorspace, particularly those offices accommodating headquarter operations. The forthcoming *London HQ City* report considers the positive benefits of HQ quality workspace and the role of such workspace on London's economic success.

276. Such schemes are likely to deliver significant increased planning benefits above the refurbishment of secondary office space – such as increased GVA, employment, attracting investment, deepening agglomeration advantages, wider benefits including tax revenue, positive impacts on visitor economy and being a strong driver of economic activity against a weak backdrop. As identified within the Alliance's upcoming *London HQ City* report, between 2019 and 2026, output in HQ-related business functions in London has grown by almost 50%, almost twice the rate of London's wider service economy. Where the benefits of redevelopment of a site for higher-specification office floorspace would be materially greater than those of refurbishment for offices, this should be able to be considered by the decision-maker in forming a balanced planning judgement. This approach would better align with NPPF Policy S4, in that it would take a more positive approach to development which directly considers planning benefit versus any adverse effects.

277. For these reasons, the Alliance is keen to ensure policy allows for the redevelopment of secondary offices for continued office use, in preference to the change of use or refurbishment of secondary offices for use as alternative CAZ strategic uses. It proposes alterations to PV2(A)(11) to address this.

278. For these reasons, the Alliance is keen to ensure policy allows for the redevelopment of secondary offices for continued office use, in preference to the change of use or refurbishment of secondary offices for use as alternative CAZ strategic uses. It proposes alterations to PV2(A)(11) to address this.

279. **Affordable workspace:** As drafted Policy PV2(A)(12) implies a de-facto application of affordable workspace requirements on business space within the CAZ. The Alliance strongly objects to the principle of affordable workspace policy within the CAZ, which is not

necessary, appropriate or consistent with national policy, and has set out its response on that matter in greater detail in the response to Policy GLE7. *Space for Change: Office space dynamics in central London* (2025) identifies viability as the single biggest barrier to upgrading secondary stock and delivering new workspace, and calls for planning obligations to be reduced and streamlined to what is genuinely essential for viable delivery. A further CAZ-wide obligation would run counter to that aim and to the delivery of the prime office floorspace sought by Part A(2).

280. Notwithstanding the Alliance's comments on Policy GLE7, Policy PV2(A)(12) does not carry over any of the policy tests from GLE7 for where affordable workspace policies may apply, i.e. where these have been justified (the Alliance considers such tests should go significantly further). There is no requirement for affordable workspace considerations to be applied separately within Policy PV2.

281. Policy PV2(A)(12) is not effective as it conflicts with Policy GLE7. Reference to provision of affordable workspace should be removed.

282. **Transformational gateways:** The Alliance supports the recognition within Policy PV2(A)(6) of the role which the 'transformational gateways' can make to the growth of the CAZ, particularly those at Victoria and Paddington. In the London Plan (2021) these locations were identified as Opportunity Areas and provided with an identified policy framework and indicative growth targets. The specific emphasis which is being placed upon the transformational gateways, and the 'growth potential' referred to should be made clearer within policy. The Plan should include a strategic growth vision for each Transformational Gateway, with a comparable level of detail to the Brownfield First Opportunity Area visions in Annex E. These visions should set out growth objectives, development capacity, infrastructure requirements and each Gateway's contribution to delivering the London Growth Plan. The replacement of an Opportunity Area designation by a Transformational Gateway designation should signal an ongoing focus for growth, supported by a clear strategic framework.

283. **Loss of CAZ strategic functions:** Policy PV2(C) states that development proposals in the CAZ should not lead to a net loss of floorspace in the CAZ strategic functions, unless in identified circumstances. (The loss of office to CAZ strategic functions is addressed by PV2(A)(11), and the Alliance suggests the explanatory text explain this distinction.)

284. The draft London Plan would take a more permissive approach to loss of offices than current policy;. As noted in the Alliance's *Space for Change: Office space dynamics in central London* (2025) report, across the CAZ office stock fell from 213 million sq ft in 2018 to 199 million sq ft in 2023 – a loss of 14 million sq ft, with the biggest losses in Westminster and the City of London. Given the critical importance of the commercial office sector to London's and the nation's economy, it is crucial that London Plan policy seeks to protect, and grow, the overall level of office floorspace within the CAZ. We propose to strengthen Policy PV2(A)(11), so that it is clear that, where viable, offices should be redeveloped for continued office use in preference to change of use or refurbishment for other uses.

285. The Alliance would support a targeted approach to change of use to other CAZ functions throughout the CAZ, and to residential in Mixed CAZ areas. It recommends that the London

Plan require boroughs to identify broad areas or types of street where converting office space to other uses should be more readily allowed. These might be areas of limited office demand or take-up, areas with a high proportion of residential or non-commercial uses, areas isolated from transport connectivity, or concentrations of older secondary office stock. We suggest this could also include reference to other forms of residential use such as Build to Rent, PBSA and LSPBSL.

286. Outside those areas, change of use to other CAZ uses should be allowed where there is clear evidence of sustained lack of demand and economic obsolescence, and an assessment showing that neither retrofit **nor** redevelopment as an office is viable compared with alternative uses. This gives decision-makers a clear and proportionate test, protecting the office core, supporting office redevelopment, and allowing secondary buildings in the right locations to find a productive use.

287. An alternative approach to achieving the objectives described above, i.e. enabling more flexibility in order to facilitate change of use of secondary buildings within the Mixed CAZ to more productive uses, would be widening the definition of CAZ Strategic functions (Box PV2) to include certain residential uses, such as Built to Rent, PBSA, and LSPBSL. This approach would recognise the positive economic and social benefits that would arise from co-locating residential uses in areas that are well connected, and close to employment opportunities, shops and other services, and by extension it would make Policy PV2 more consistent with other areas of the Plan (e.g. Policy MBUL2 which seeks to locate higher density residential uses (which specialist accommodation schemes obviously are) within the most accessible and well connected locations. The CAZ is obviously the most well-connected area within London. This approach would also make the London Plan more effective and consistent with national policy, since the NPPF seeks to ensure new homes are located within settlements and at reasonable walking distance to well-connected stations.

288. London Plan (2021) Policy SD(5) allowed a net loss of office floorspace to residential or mixed-use proposals where there is no reasonable and demonstrable prospect of the site being used for offices. The policy then goes on to explain that this bar could be achieved through “alternative provision of equivalent or net additional office space”. No such test remains in Policy PV12. This should be re-inserted, to enable the policy to be applied more flexibly and allow development to come forward in instances where land use swaps, or credits or similar approaches, could be utilised. This would be beneficial for (unallocated) mixed-use housing schemes for example, where flexibility in provision of CAZ strategic functions across the CAZ may help with delivery.

289. In the identified circumstances where a loss would be permitted, Policy PV2(C) is unclear and therefore not effective. It is unclear whether any one of the criteria can be met to justify a loss, or all need to be satisfied.

290. No definition is provided, either within policy wording or supporting text, for “reasonable prospect of continued existing use or alternative CAZ strategic function”, nor of the exercise which would need to be demonstrated by applicants to justify a loss. Whilst it is acknowledged, and supported, that residential is not the priority land use within the CAZ, there will be instances where housing-led schemes are appropriate and this principle is set out within Policy PV2. However, as drafted part (C) risks any residential proposal having to

demonstrate that there is no reasonable prospect of the site being used for any of the 12 identified CAZ strategic functions. This is a high bar which most sites would not meet, and demonstrating this would be impractical. This does not give the decision-maker any opportunity to properly consider and weigh the adverse effects of a loss of CAZ strategic function versus the benefits of a use which sits outside of the CAZ strategic function. There is a tension with this approach and NPPF Policy S4 which applies a strong presumption in favour of development within settlements, particularly where for example providing residential accommodation would be a benefit which would be outweighed by the loss of an under-performing site. As drafted Policy PV2(C) is also inconsistent with NPPF Policy L3 which seeks for development proposals to make efficient use of land, and draft London Plan Policy MBUL2 which seeks for development to optimise the use of land. Policy PV2(C) risks sites becoming stagnated and under-utilised.

291. In order for Policy PV2(C) to be effective, positive and consistent with national policy, amendments should be made which:

    a) Allow the decision-maker to consider benefits and adverse effects of any proposal resulting in the loss of CAZ strategic functions; and

    b) Widen the defined list of Strategic CAZ functions (Box PV2: CAZ Strategic functions) to include specialist accommodation uses (Built to Rent, PBSA, LSPBSL).

292. **Modifications sought:** We summarise below the modifications suggested to Policy PV2 (text only included below where relevant). All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"Plan-making and development management

A Local plans, and development proposals associated with existing or proposed non-residential uses and/or new housing (as appropriate), should address and positively contribute to the realisation of the following strategic principles:

(2) support the maintenance and growth of a diverse CAZ economic ecosystem including provision of net additional prime office through retrofit and through redevelopment; research and development and other commercial, business and service use floorspace, cultural and night-time economy activity, leisure, tourism and higher education uses.

(6) realise the significant growth potential of the CAZ transformational gateways associated with national rail termini (including at Euston, Liverpool Street, Paddington, Victoria and Waterloo), for development that supports CAZ strategic functions, in accordance with the strategic growth visions in the new Transformational Gateways annex to this Plan. Those visions should set out growth objectives, development capacity, infrastructure requirements and each Gateway's contribution to delivering the London Growth Plan. Local plans should identify the detailed boundaries of the transformational gateways and set out the scale of development capacity to be realised and the infrastructure required to support it.

(9) in areas defined as 'Core CAZ', prioritise, sustain and enhance the agglomerations of CAZ strategic functions (defined in Box PV2), alongside housing and social infrastructure, ensuring that new residential development does not compromise the CAZ strategic functions.

(10) in areas defined as 'Mixed CAZ', promote, sustain and enhance the CAZ strategic functions and realise the potential for new residential development to create areas that are more mixed commercial and residential in character, complemented by social infrastructure.

(11A) across the CAZ, office floorspace should be retained. Where this can be achieved only through redevelopment, redevelopment will be preferred to refurbishment / change of use to other CAZ uses. Where there is clear evidence of sustained lack of office demand and economic obsolescence, and it can be demonstrated that, either, it is not viable to redevelop or refurbish as offices, or that refurbishment or redevelopment for alternative CAZ strategic use(s) would deliver benefits materially greater than those of office refurbishment or redevelopment, manage changes of use to other CAZ strategic function uses in line with strategic and local policies for core CAZ areas and to a mix of uses including housing (including Purpose Built Student Accommodation, Build to Rent and Large-scale Purpose Built Shared Living) in mixed CAZ areas.

(12) promote an inclusive CAZ economy and a wider cultural and innovation ecosystem, through the availability of a range of business space (including secondary space and markets) ~~and securing the delivery of (or contributions to) affordable workspace~~

Development management

C Development proposals in Core CAZ and Mixed CAZ areas should not lead to a net loss of floorspace (GIA) in CAZ strategic function uses (See Box PV2: CAZ strategic functions), unless

(1) there is no reasonable prospect of continued existing use or alternative CAZ strategic function use consistent with the local development plan; or

(2) it can be demonstrated ~~in exceptional circumstances~~ that the property is obsolete and that its refurbishment or redevelopment for the existing use, or for an alternative CAZ strategic function use, is not viable or would deliver materially fewer benefits than those of the development proposed ~~is unviable to refurbish or redevelop for the existing use or for alternative CAZ strategic functions under any circumstances~~; or

(3) the site is allocated for housing or housing-led mixed-use development; or

(4) equivalent or net additional floorspace in the relevant CAZ strategic function use is provided elsewhere within the CAZ.

D Substantial weight should be given to the economic benefits of proposals for offices and other CAZ strategic function uses, and in particular to proposals which deliver net additional prime office floorspace."

Plan-making

B Relevant plan-making authorities should:

(4) identify broad areas or types of street within the CAZ where change of use from office to other CAZ uses, including residential in Mixed CAZ areas, will be supported, having regard to the strength of office demand, letting activity, the prevailing mix of uses and concentrations of older secondary office stock.

(5) monitor total office floorspace in the CAZ through Authority Monitoring Reports, against clear indicators and triggers for review, and contribute to a single CAZ-wide record published by the Mayor.

Amend Box PV2 as follows:

Box PV2: CAZ strategic functions
Functions or uses associated with:

1. *state, government and monarchy*
2. *diplomatic organisations (such as embassies and high commissions)*
3. *financial, professional and business services and technology*
4. *creative industries and technologies*
5. *frontier innovation (including life sciences, digital and climate technologies)*
6. *higher, further and international education*
7. *law and health*
8. *the experience economy (including culture, leisure, hospitality, nightlife, retail and events) and 24-hour uses*
9. *tourism facilities including visitor attractions, hotels and conference centres*
10. *specialist creative uses including for example clothing, fashion, jewellery, printing, music and antiques*
11. *places of worship and places of assembly*
12. *public transport facilities.*
13. *specialist accommodation uses (Built to Rent, PBSA, LSPBSL).*

The Alliance suggests that explanatory text at paragraphs 6.12 – 6.16 explain that:

> The retention of office accommodation within the CAZ will be preferred. Redevelopment for modern, good quality office accommodation will be preferred to change of use or refurbishment for other strategic CAZ uses. Policy PV2(A)(11) sets out the circumstances in which the loss of office accommodation to other CAZ strategic uses will be acceptable. Policy PV2(C) sets out the circumstances in which the net loss of floorspace in CAZ strategic uses (including offices) to other, non-CAZ strategic functions, will be acceptable.

Q11. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

293. N/A.

PV8: Strategic and local views

Q27. Do you consider that, in overall terms, the Chapter or policy identified within the draft London Plan is sound, having regard to the four tests of soundness?

294. No.

Q28. In particular, please provide reasons in the space below for your response and identify any specific areas where you consider the Plan may fail to meet any of the four tests of soundness.

295. Whilst we are broadly supportive of the framework proposed for the management of strategic and local views, we are concerned to ensure that there is greater clarity around the distinction between preserving and enhancing views. We also believe the status of the

London View Management Framework as supplementary planning guidance should be reflected in the policy wording.

296. **Policy Aim:** As currently drafted, the Policy Aim could be interpreted as though it requires development to both preserve and enhance any given view. In our view, where development preserves the view, that should be sufficient. The current wording may support refusal of a scheme on the basis that it would not enhance a strategic or important view, having regard to the Draft London View Management Framework (LVMF) 2026, the policy aim of PV8 and Part E.

297. **London View Management Framework:** As currently drafted, Plan-making Part B requires LPAs to "ensure that their own policies are consistent with the LVMF which provides detailed Visual Management Guidance". This requirement implies that LPAs should treat the LVMF as though it were strategic policy, rather than guidance. This is misleading and should be reworded to make clear that LPAs should continue to treat the LVMF as strategic guidance.

298. **Modifications sought:** We summarise below the modifications suggested to Policy PV2 (text only included below where relevant). All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

"Policy Aim: to support development that enables London to grow and change while preserving and, where possible, enhancing London's most strategic and important views that contribute to the city's identity, including supporting the Outstanding Universal Value (OUV) of London's WHS.

Plan-making Part B

B St Paul's Cathedral, the Palace of Westminster and Westminster Abbey, and the Tower of London are defined as Strategically Important Landmarks. The LVMF identifies and protects aspects of views that contribute to a viewer's ability to recognise and appreciate these landmarks and the authenticity, integrity, and attributes of Outstanding Universal Value of WHS. Where appropriate, these landmarks and WHS are subject to specific geometric constraints, called Protected Vistas and Protected Silhouettes, defined within the LVMF's Management Plans. LPAs should include all relevant LVMF Viewing Locations, Protected Vistas and Protected Silhouettes in their Local Plans and ensure that their own policies have due regard to ~~are consistent with~~ the London View Management Framework (LVMF) which provides detailed Visual Management Guidance.

Development Management Part E

E Development proposals should be assessed for their impact on a designated view if they are visible within the foreground, middle ground or background of a designated view. Development proposals should seek to make a positive contribution to the characteristics and composition of Strategic Views and their landmark elements, as set out in the LVMF. They should also preserve and, where possible, enhance viewers' ability to recognise and to appreciate Strategically-Important Landmarks and WHS in these views and protect the silhouette of landmark elements as seen from designated viewing places where these have been identified in the LVMF."

Q29. If you have answered 'Don't know' and want to explain why, please use the space below to do so.

299. N/A.

Q32. If you have any general comments about any of the chapters in this policy, please record them here. Where you have a comment about a specific policy, it would help us if you could make clear which policy your comment relates to.

300. N/A.

<u>Good Growth Objectives</u>

Q38. If you have any general comments about any of the chapters in this policy, please record them here. Where you have a comment about a specific policy, it would help us if you could make clear which policy your comment relates to.

301. The Alliance wishes to comment on the Good Growth objectives. Whilst it is acknowledged that these are not policies, they are identified as underpinning the London Plan.

302. **Growing London's economy in a way that benefits all:** In the current London Plan, GG5, one of the overarching 'Good Growth' objectives, provides a clear expression outlining that the London Plan seeks to *"conserve and enhance London's global economic competitiveness"*, with parts A-H setting out aspirations to achieve that goal.

303. The economic Good Growth objective in Table 1.1 of the draft London Plan lacks aspiration. There is reference to "enabling" "economic activity to grow" and "supporting" the delivery of the London Growth Plan. This is considered too passive, which could stifle economic growth over the plan period. The London Plan should be proactive and definitive in pushing for economic growth and should continue to make a direct link between economic growth and London's global economic competitiveness.

304. **Creating a greener, resilient and healthy city:** We suggest that the Good Growth objectives, specifically objective 4 (Creating a greener, resilient and healthy city) be expanded to specifically highlight the importance of good design and placemaking to London's 'Good Growth'. The absence of design quality risks this matter being treated throughout the Plan as a secondary consideration, subordinate to the other objectives of optimisation, housing delivery, economic growth and climate and health considerations.

305. **Suggested modifications:** The Alliance suggests the below amendments to the Good Growth objectives. All suggested additions have been shown in red text and any suggested removals shown in ~~strike through red text~~:

Good growth objective	Good Growth sub-objectives	Reasoned justification
Growing London's economy in a way that enhances its global	Secure sufficient space and infrastructure to ~~enable~~ encourage economic activity to grow and to enhance London's global competitiveness, including through promoting the CAZ as the	Planning has a vital role to play in supporting the delivery of the London Growth Plan, including the first ambition to raise productivity. As well as tackling the lack of affordable housing, planning also needs to help

competitiveness and benefits all	powerhouse of the nation's economy. Support priority growth sectors and businesses to improve their productivity and to thrive. Support economic clusters to evolve, to better meet the diverse and changing needs of people and businesses; and to improve their resilience to economic and social change. Improve access to jobs, skills and opportunities for all by ensuring office floorspace is prioritised in the CAZ. Contribute to an accelerated shift to a more sustainable economy, reducing local and global environmental harm.	deliver commercial floorspace, including offices, in order to deliver on London's economic growth aspirations and unlock a range of premises for offices, lab space, industrial and creative workspace, experience, leisure and retail – as well as the growing demand for data centres. It also needs to ensure that land is available for critical infrastructure (such as transport and energy) and other needs. This needs to be done in a way that secures the benefits while minimising environmental and other impacts. Supporting growth within the CAZ will be key to achieving this objective.
Creating a well-designed, greener, resilient and healthy city	Contribute to creating well-designed, high-quality places and spaces which seek to conserve and enhance London's global competitiveness. Contribute to realising London's net zero- carbon ambition; and improve the resilience of people, buildings and places to climate change impacts. Conserve and enhance the natural environment to achieve environmental net gains; promote biodiversity; and support recovery and renewal of natural systems. Support the creation of greener places that bring nature closer to people and a greener built environment that supports efficient resource use. Contribute to a reduction in pollution and in exposure to pollution – supporting the ambition of achieving clean and healthy air and waterways. Enable improvements in mental and physical health; and a reduction in health inequalities.	The environment around us impacts on London's economic success; mental and physical health; and the resilience of people and places to climate change. Planning helps in setting clear expectations and in supporting delivery of built and natural environments that promote liveability; inclusion and equality of opportunity; resilience; net zero carbon; and improved health for all. As London grows and densifies it is ever more important to enhance access to green space and ensure that planning, place-based approaches and design create a greener, resource-efficient, resilient and healthy city.

Draft London Plan Consultation – Closing Questions

Q36. If you are seeking any modification to the plan, please confirm whether you would wish to appear at the Examination in Public, if requested to do so by the Inspector. If so, we will pass your details to the Inspector who will decide whether to issue a formal invitation to you at a later date. The Inspectors themselves would set the dates that the hearing would be held.

306. Yes, the London Property Alliance wish to appear at the Examination in Public.

Q37. Please explain in the space below why you consider it necessary for you to attend the Examination in Public.

307. The Alliance is a not-for-profit membership body and advocacy group representing more than 300 of the leading owners, investors, professional advisors and developers of real estate operating in the Cities of London and Westminster, via our respective associations City Property Association (CPA) and Westminster Property Association (WPA). We provide unified voice for the real estate sector across London's Central Activities Zone. Given the importance and range of interests which the Alliance represents, and the comments which we have raised on the draft Plan, it would be appropriate for the Alliance to appear at the examination hearings.

Appendix 1A – Evidence Submitted (Reports)

308. To support the Alliance's representations, a number of reports and documents are enclosed (as separate documents) alongside this submission for consideration by GLA officers/the Inspector. These reports and documents are as follows:

a) VuCity Methodology and Westminster image, 2019 (enclosed separately)

b) Cycling & the City, City Property Alliance, December 2024 (enclosed as separate report, also accessed here: https://www.citypropertyassociation.com/cycling-the-city/)

c) Space for Change: Office space dynamics in central London, Knight Frank, London Property Alliance, December 2025 (enclosed as separate report, also accessed here: https://www.londonpropertyalliance.com/space-for-change-office-space-dynamics-in-central-london/)

d) Space for Change: Westminster Deep Dive, Knight Frank, London Property Alliance, January 2026 (enclosed as separate report, also accessed here: https://www.westminsterpropertyassociation.com/space-for-change-westminster-deep-dive/)

e) Good Growth in Central London, Arup, London Property Alliance, July 2024 (enclosed as separate report, also accessed here: https://www.londonpropertyalliance.com/good-growth-in-central-london-2/)

f) Embodied Carbon in Central London, Arup, London Property Alliance, May 2026 (enclosed as separate report, also accessed here: https://www.londonpropertyalliance.com/embodied-carbon-in-central-london-2/)

g) The Cycle Storage Gap London Property Alliance, October 2026 (enclosed as separate report, also accessed here: https://www.londonpropertyalliance.com/the-cycle-storage-gap/)

h) London HQ City, Centre for London, London Property Alliance, October 2026 (enclosed as separate report) (please note that this report is sensitive for public release)

Appendix 1B – Emerging London Plan Employment Projections – London Property Alliance Comments

1. Introduction

1.1. This note sets out concerns arising from a review of elements of the London Plan evidence base relating to economic growth. This note has been prepared to support the London Property Alliance's (the Alliance) representations to the draft London Plan.

1.2. The Alliance's concern is that job and floorspace projections have been significantly under-estimated, particularly those for Westminster and the City of London. There are two separate problems which compound each other. First, the borough job projections roll forward recent trends and are tied to identified site capacity, which bakes in past under-delivery. This approach disproportionally affects several boroughs, such as Westminster, where growth has been artificially low in recent years. Second, the Alliance considers that the approach to job densities has been miscalculated, resulting in lower office floorspace projections which do not adequately reflect demand or occupier trends. This affects all boroughs, including the City of London.

1.3. The Alliance has strongly advocated within its representations to the draft London Plan that the London Plan should set out an overarching office floorspace and jobs target to help drive ambitious growth in the capital.

1.4. Should the evidence base stand unadjusted, the Alliance is concerned that this will 'bake in' a very low office growth projection, both to the London Plan and future local development plans. Westminster and the City of London are within the heart of London's CAZ and are uniquely positioned to help drive the Government's and the Mayor's growth agendas. Delivering enough high-quality offices to meet demand is essential to delivering on these aspirations.

1.5. At present, the GLA's evidence base to the London Plan risks undermining these objectives and constraining economic growth.

1.6. We set out within this note a summary of the Alliance's evidence on future office growth projections and a detailed assessment of the relevant evidence base documents.

2. London Property Alliance Evidence

2.1. The Alliance's report, *Delivering Good Growth in Westminster* (March 2024, authored by Arup) notes the potential for 92,000 to 125,600 additional FTE jobs in Westminster in the period 2023-2045 (all sectors). In floorspace terms, this amounts to the potential for 6.2

million to 11.8 million sq ft net additional office floorspace over the same period (which would equate to approximately 576,000 to 1,096,000 sqm).

2.2. The Alliance's report *Cycling & the City* (2024), conducted surveys related to office occupation in association with cycling usage in the City of London. These surveys noted that typical day-to-day density is often closer to one person per 15 sqm to 20 sqm NIA which reflects occupiers' demand to increasingly seek higher-quality offices with additional spaces such as break out zones, meeting and conference rooms, and well-being areas, which do not necessarily translate to more desks and people. A further Alliance report, *The Cycle Storage Gap* (2026), conducted cycle parking surveys across a wider area of the CAZ and across the sample it was demonstrated that average employee density was recorded at one employee per 19 sqm NIA (one employee per 28 sqm GEA). Within the City of London specifically, the recorded density was one employee per 21 sqm NIA/30 sqm GEA and within the West End was one employee per 17 sqm NIA/24 sqm GEA.

3. London Plan Evidence Base

3.1. We provide comments below on three evidence base documents published to support the draft London Plan.

4. London Employment Sites Database 2024 (March 2026)

4.1. The London Employment Sites Database 2024 (LESD) reports on a database of sites with capacity to accommodate employment-generating jobs. It is composed of site allocations, and planning permissions with an employment component. A new approach to calculating employment densities has been developed taking account of different utilisation rates across the week post Covid and hot-desking. This gives 8.3 sqm GIA per employee (8.9 sqm GIA in the City of London), compared with 11.3 sqm GIA in the LESD 2021.

4.2. This appears very much at the higher end of a contested range of potential densities. It compares to call centre density at 8 sqm/person (HCA employment density guide) and is different from the British Council for Offices (BCO) approach, which recommends additional, rather than less, space to account for desk sharing[8]. In plain terms, the GLA takes the BCO's recommended 10 sqm NIA per desk and notes that, post-pandemic, typically only around 66% of desks are in use even on busy mid-week days. It treats this as meaning that 1.5 employees now share every desk (100% ÷ 66%), giving 6.7 sqm NIA (8.3

[8] BCO Guide to Specification Key Design Criteria, Update 2023, Briefing Note, British Council for Offices, February 2023

sqm GIA) per employee. This assumes that lower attendance has been fully converted into smaller offices, and fits around 50% more jobs into the same floorspace than one employee per desk. The higher density cuts both ways: in the LESD it inflates the number of jobs that identified sites can accommodate, and in the Supply and Demand Study it reduces the floorspace needed for projected jobs (in the LESD's own sensitivity test, office jobs capacity falls from 859,000 to 600,000 at a lower density, Figure 18.) We set out below in our comments on the London Economic Uses – Supply and Demand Study further comments on the approach to office densities.

4.3. The LESD therefore gives a total borough-level employment capacity for Westminster of 39,190 jobs in the period 2024-2050[9], heavily weighted towards the first decade of the plan period, with only 670 jobs being delivered between 2041-50. Of that total, 29,860 is office based[10]. This is because the LESD is a database of known sites (allocations and permissions). It measures the identified pipeline, not demand or potential, and pipelines naturally thin out after the first decade because later schemes have not yet been conceived, allocated or consented. Westminster, where much office development comes forward on unallocated sites, is particularly affected. A similar pattern appears in other boroughs. As set out below, this capacity figure feeds directly into the borough jobs projections, so a thin pipeline becomes a low projection.

5. London Labour Market Projections (2024-based update) (March 2026)

5.1. The GLA has also produced a London labour market projections report (2024-based update) (LLMP). It recognises the continued structural shift towards business services, with growth in professional, scientific, technical, real estate, information and communication accounting for half of projected employment increases. The report provides "trend-based models that estimate workforce jobs in future years based on assumptions about future output growth and the historical relationship between output and jobs (labour productivity)."

5.2. Borough-level results (Chapter 5) are subject to a "site capacity adjustment" connected to the LESD outputs. In practice, each borough's figure is a simple average ('bi-angulation') of two numbers: a trend projection, which rolls forward the borough's long-run share of London's jobs, and the LESD capacity (LLMP, p37). This is new. In the 2017 and 2022

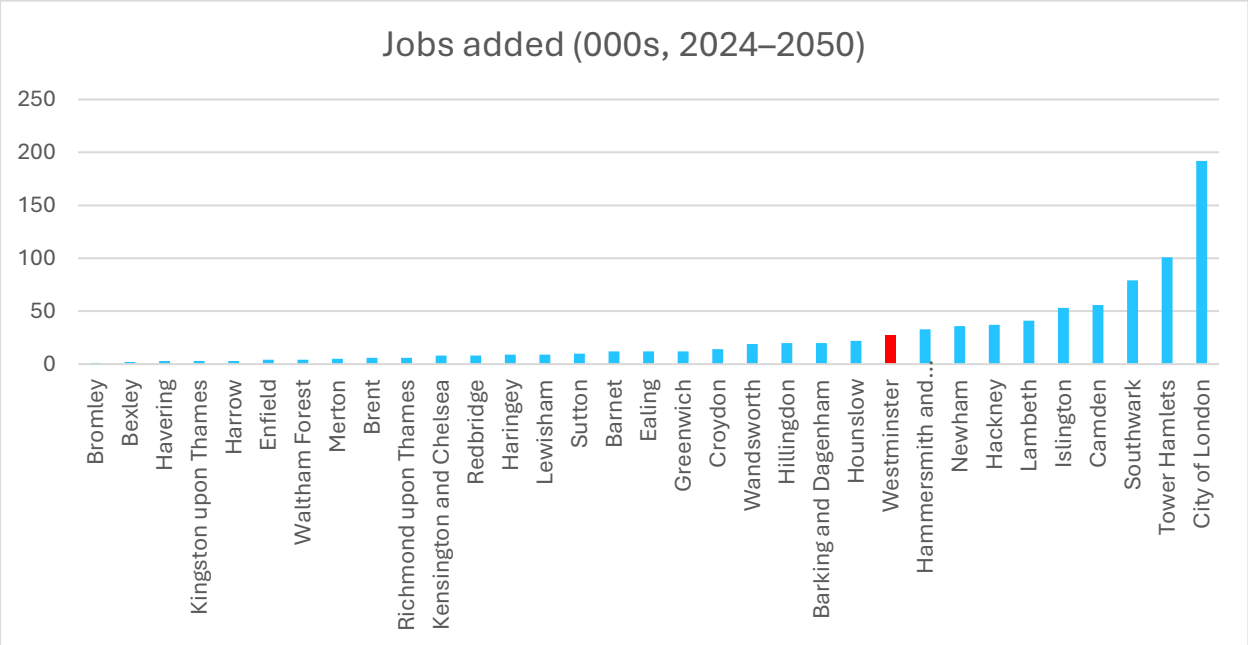
[9] Figure 9, Borough level employment capacity phasing 2024-2050
[10] Figure 11, Borough level employment capacity by Use Class 2024-2050

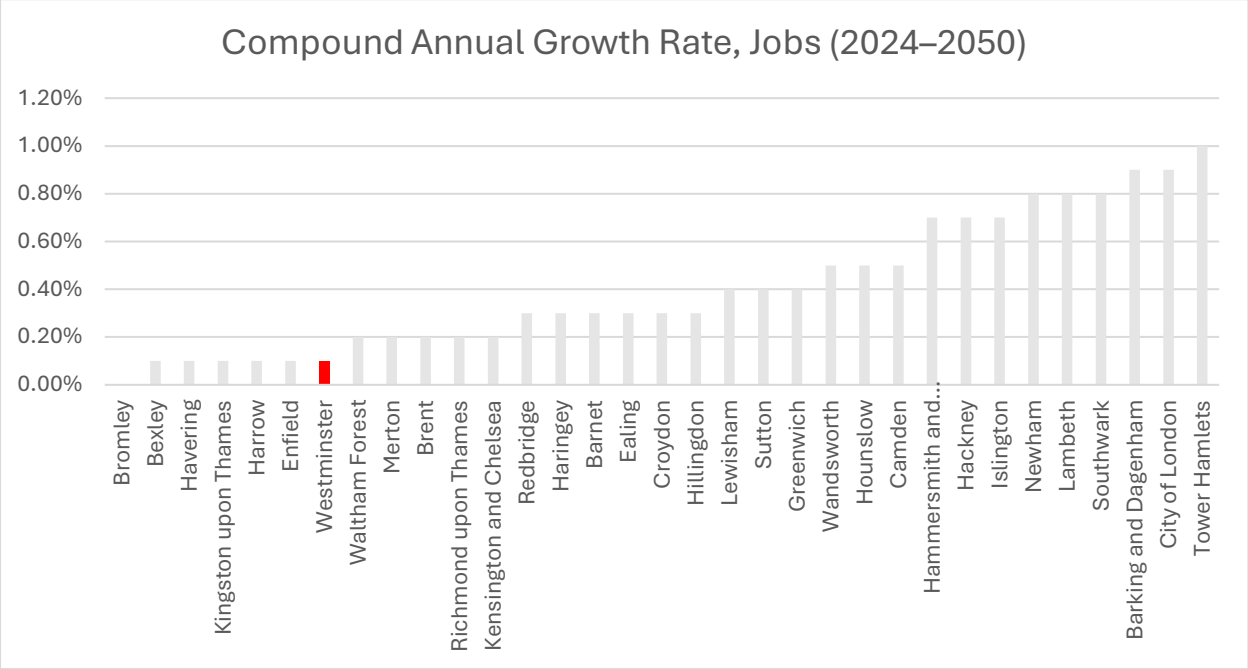
projections, capacity acted as a floor for central boroughs: where trend was below capacity, the projection was set at capacity.

5.3. The borough-level projections are for Westminster to add 27,000 jobs in the plan period to 2050 (Table 5, p20), with a CAGR of 0.1%, the (joint) lowest in London. This compares with the 39,000 capacity identified in the LESD report. The report notes these results are presented after accounting for employment site capacity. The averaging drives this result: Westminster's trend-only projection is +46,500 jobs, which the average with LESD capacity pulls down to +27,000. By contrast, Westminster added jobs at 1.8% a year between 2010 and 2024, and its 2024 total (838,000) already exceeds the 820,000 the GLA's previous (2022) projections expected by 2041.

5.4. At 27,000 jobs, at 8.3 sqm/job, this would equate to a need for 224,000 sqm of additional floorspace over the plan period 2026-2050 if all office based. Annually, that would only be c. 9,000 sqm.

5.5. It would compare unfavourably with other London boroughs, in terms of both absolute additions and growth rate – this would seem incorrect for a central London CAZ borough which is key to London's growth objectives:





5.6. We are concerned that there is circularity; low identified capacity leading to limited apparent need for future employment space, thus reducing the need for future allocations and the weight to be placed on granting permission for employment floorspace. This could constrain, rather than encourage, growth, particularly in Westminster. Both inputs to the average reflect the same decade of constrained supply, so it is in effect counted twice: once in the trend and again in the capacity. The model cannot tell the difference between few jobs being added because demand is weak and few jobs being added because sites have not come forward. The same averaging pulls down projections elsewhere, for example Islington's trend projection of +90,000 jobs falls to +53,000.

5.7. Past evidence documents prepared for the London Plan 2021 based projections on historic productivity and assumed future output growth, along with an assessment of employment site capacity[11]. However, capacity was then used as a floor for central boroughs rather than averaged in. Historic forecasts have included a third approach based on potential density related to transport accessibility. This enabled a more aspirational element to be included. The Supply and Demand Study states that its figures "are projections and not a prediction or forecast and do not take into account current and future changes to policies to promote economic growth" (section 7.3.7). This should be rectified to ensure that the London Plan sufficiently plans for growth.

[11] London labour market projections 2017, GLA economics, August 2017

6. London Economic Uses – Supply and Demand Study (15 July 2026, amended 01 September 2026)

6.1. This study seeks to provide quantitative and qualitative evidence on the supply of, and demand for, economic uses across London over the period to 2050. It projects a need for 827,100 FTE jobs in the City of London by 2050 and 764,500 FTE jobs in Westminster by 2050 (all jobs)[12]. For offices, there is a projected demand of 1,393,000 sqm (GIA) (City of London) and 348,500 sqm (GIA) (Westminster) new office floorspace of over the period 2024-2050[13]. The Alliance consider that these projections are under-estimates.

6.2. Westminster's adopted City Plan 2019-2040 projects a need for 63,000 office jobs by 2040. The floorspace to accommodate those jobs is suggested to be 710,000 sqm at 11.3 sqm/job[14]. Westminster's City Plan does not project office jobs or floorspace to 2050. The City of London's emerging City Plan 2040 aims to deliver 1.2 million sqm (NIA) offices by 2040. The Alliance would have expected projections for both Westminster and the City of London to be substantially higher than set out within the Supply and Demand Study.

6.3. The Supply and Demand Study takes the LLMP borough jobs projections (which in turn incorporate the LESD capacity) as its starting point, so the concerns set out above carry straight through into its floorspace figures.

6.4. The Supply and Demand Study uses a central assumption of 10 sqm NIA per desk and applies a desk-sharing ratio of 1.5 FTE per desk based on a UK peak utilisation rate of 66%, resulting in a job density of 6.7 sqm NIA per FTE. We are concerned that the space per worker which has been applied is too low and does not reflect how the BCO itself interprets its utilisation findings. The BCO Review of Post-Pandemic UK Office Utilisation (2025) guidance states at p26:

"Our utilisation data indicates that, for most organisations, around 66% utilisation is more typical post-pandemic, rather than the BCO's previously proposed 80%. This implies that the effective density is more likely to be 15 m^2 per occupant compared to the previous 12.5 m2 per occupant."

6.5. In other words, the GLA has taken an observed outcome (how many desks are in use on a busy day) and treated it as if offices across London have already been reorganised so that every desk is filled at peak. This assumes that businesses have responded to hybrid working by cutting their floorspace in line with attendance. We do not consider this is happening in

[12] Table 6-2: Projected FTE employment by borough
[13] Table 7-7: Projected new floorspace demand (GIA sqm) by use class, net of existing over/under supply (2024-2050)
[14] Westminster City Plan 2026-2040, paragraph 17.2

practice. Most occupiers have not fundamentally changed their approach: they still need capacity for staff on the busiest days (typically Tuesday to Thursday), the BCO recommends contingency desks on top of any sharing ratio, and space released from desks is being reused for collaboration, meeting and amenity space rather than handed back. CBRE's 2025 occupier survey found that while average weekly utilisation was 46%, peak-day utilisation averaged 71%, and around one in three UK firms planning to expand cited having over-contracted. Offices are emptier mid-week, rather than smaller. The approach also becomes perverse in London: the LESD's high density scenario uses London's lower attendance to assume even more desk sharing (1.7 per desk), so emptier offices translate into more jobs per square metre. Applying the utilisation rate in this way assumes that all offices will be designed to fill all desk spaces to their maximum use all of the time – which is unrealistic and does not reflect market demand or typical office occupation. The BCO utilisation rate already factors in desk-sharing and it does not need to be re-applied when working out space calculations.

6.6. This is notwithstanding the City Property Association's evidence within the *Cycling & the City* report (2024), which showed that for City of London offices, typical day-to-day occupational density is often closer to one person per 15 sqm to 20 sqm (NIA) which reflects occupiers' moves towards higher quality offices with additional spaces such as break out zones, meeting and conference rooms, and wellbeing areas, which do not translate to more desks and people.

6.7. This element and the application of the utilisation rates should be re-considered by the GLA to ensure that the London Plan is adequately planning for office growth and demand. The study's own sensitivity testing shows how much is at stake: at its lower density assumption, London's projected office floorspace need rises from 5.0 million sqm to 7.3 million sqm (Table 7-5). Projections of this kind also date quickly: London's actual jobs in 2024 (6.4 million) already exceed the 5.76 million the GLA projected in 2013 for 2036. **The GLA should therefore present need as a range, treat it as a minimum rather than a cap on growth, and commit to reviewing it regularly through plan monitoring.**

7. Conclusion

7.1. In summary, there are two compounding problems. First, the jobs projections are trend-based and capacity-constrained, so they bake in past under-performance, particularly in places like Westminster. Second, those jobs are converted into floorspace using an office density that assumes far more people per square metre than occupiers actually use. Each

reduces projected office need, and together they compound. The low projected capacity, and lower projected jobs figures are a concern particularly given the weight that is placed by the NPPF on meeting identified needs. Lower need would reduce the weighting to be placed on economic development and the need for new space. If job numbers and growth are to be maximised over the plan period for the London Plan, then the employment projections need to be aspirational and reflect demand and occupier trends.