Section 7: Business uses and hotels

This section is a synthesis of the comments received as part of the December 2014 Issues and Options consultation and any subsequent comments made on the 2015/16 consultation.

**Issue 1: What planning policies should the Council adopt which will help to bring forward new business development?**

**Option 1:** The Council should require business floorspace to be provided as part of new large scale residential developments.

**Option 2:** The Council should support the loss of employment floorspace in one building as long it is being re-provided elsewhere in the Borough.

**Option 3:** The Council should be prescriptive and require the provision of those particular types of unit which would meet the specific demands of the Borough’s office sector.

24 responses. Key points:

- Only very limited support for requiring the provision of new business floorspace within new large scale residential developments. Concern that such an approach could jeopardise new development through the fragmentation of the ownership of sites and through reductions in viability.
- Such an approach was seen by some to be inappropriate given the overwhelming need for new housing across the capital.
- Some support for the Council allowing the loss of employment floorspace in one location where it is being re-provided elsewhere. However, there was concern that such liberalisation would lead to a reduction in diversity within a given area and the movement of offices to less valuable areas within the north of the Borough. This concern was not shared by landowners seeking to make use of such swaps.
- Only limited support for the Council being prescriptive about the types of units being provided in new development. The market was seen as better placed to decide what was needed in any given location.
**Issue 2: What planning policies should be adopted which will protect the premises used by the business sector and improve the nature the premises available?**

| Option 1: The Council should take a flexible approach and allow changes of use between the B class uses. |
| Option 2: The Council should seek to protect warehousing within the Borough |
| Option 3: The Council should support a loss of business floorspace on a site where that which remains is of a better quality, or of a nature better suited to the local market |
| Option 4: The Council should promote the creation of new districts - to attract innovative, creative, and growing businesses. If so, where would they be most appropriate and what policies could enable them? |
| Option 5: The Council should normally resist the replacement of floorspace in basements and other sub-optimal areas |
| Option 6: The Council should allow the loss of office floorspace when the loss is to a social and community uses and/or to affordable housing, or where the uplift in value is used to gain other significant local benefits |
| Option 7: The Council should allow the loss of business floorspace when lying within otherwise residential buildings |

27 responses. Key points:

- Majority supported a liberalisation whereby the Council would allow changes of use within (if not outside) the B class uses. The protection of remaining light industrial uses was no longer seen as a priority, and perhaps a luxury in a central London borough such as ours.
- Controls should, however, be in place to stop a possible loophole whereby a change from an office to a class B8 warehousing use is merely a step towards the ultimate goal of a residential use.
- Many of the view that business floorspace should be able to be lost where that which remains is of better quality. There was also a view that some loss of business floorspace can add value which can help can contribute to the long term and ongoing viability of a business premises. Such flexibility helps promote the provision of high quality, fit for purpose, floorspace. This was the view taken by the majority of those with a particular interest in the northern part of the Latimer Road Employment Zone.
- Whilst there was widespread support for the protection of business uses across the Borough some flexibility was sought, particularly when being lost to affordable housing or to a social and community use.
- The Council asked whether it should promote the creation of new innovation districts to attract new businesses. There was little appetite for such an approach, with a view that such areas should evolve organically. That is not to say there is no opportunity to rebrand existing areas. Attempts to micro manage are likely to be self-defeating.
In 2013 the Borough sought, and achieved, an exemption from the permitted development rights which removed the need for planning permission for changes of use of offices to residential. In November 2014 the Council was aware that in all likelihood this exemption would expire at some unspecified time in the future. As such the Council asked stakeholders whether the Council should use an Article 4 direction to retain some control of such changes of use. In October 2015 the Government confirmed its approach and announced that Borough’s exemption would only run to May 2019.

- Perhaps unsurprisingly the responses received which directly addressed this issue largely reflected the nature of the respondent. In general terms landowners sought greater flexibility – and a relaxation of permitted development rights - whilst residents and amenity groups supported the use of Article 4 directions.
- Whilst the St Quintin and Woodlands Neighbourhood Forum made no comments as to the appropriateness of an Article 4 direction as a response to the Issues and Options they have since made their position clear. In the NF’s basic conditions statement drafted in preparation for the examination of their own Neighbourhood Plan they stated that they support the use of an Article 4 direction to resist the removal of permitted development rights on changes of use from B1 to residential on the ground and mezzanine floors of commercial buildings. By inference, they do not support an Article 4 direction for the upper floors of commercial properties in the St Quintin and Woodlands area. They have reiterated this opinion in the latest round of consultation.

Issue 3: What, if any, spatial policies should the Council adopt in respect of business use?

Option 1: The Council should take a different approach for business uses within town centres than elsewhere.

Option 2: The Council should take a different approach to the protection of business floorspace in Earl’s Court than that taken elsewhere the Borough.

Option 3: The Council should continue take a different approach to development within the Employment Zones than elsewhere in the Borough.

Option 4: Should the Council develop policies tailored to the character of each Employment Zone?

26 responses. Key points:

- Widespread support for recognising the particular value of town centres as locations for office floorspace.
- Care must be taken to ensure than any non-office town centre uses are not precluded within town centres.

• Town centres should be the focus for new large scale offices, and by inference, resisted in less accessible areas.
• Only limited support for the loss of office premises in the Earl’s Court area.
• Questioning as to why Earl’s Court had been identified as an area where greater liberalisation could be allowed. The Freston/Latimer Road Employment Zone area is seen by some as more suitable for such liberalisation, being considered by some consultees to be a marginal office location.
• Some support for an individual suite of policies relevant for each of the Employment Zones, policies which reflect the special character of these areas.
• Some of those who supported a spatial approach suggested that a less restrictive approach should be taken. Mixed uses (commercial and residential) should be allowed to support the function of the Employment Zones. Residential uses should be allowed to cross subsidise business uses, helping ensure their continued existence/ helping deliver new development.
• The Mayor of London notes that the Borough needs to ensure that it has considered all potential sources of housing supply – including mixed use schemes on existing employment sites, where appropriate.
• A number of responses concerned the Latimer Road Employment Zone, suggesting that greater flexibility should be allowed within the Zone. Mixed uses should be allowed even when at the expense of business floorspace.
• Need to support the small creative businesses and the antiques sector within Lots Road.
• Support by landowners for greater flexibility and for a mix of uses within the Kensal Employment Zone. Commercial uses should remain the primary use, but residential uses can play a useful role in both helping meet housing need and in enabling the remaining business floorspace.

**Issue 4: Hotels**

**Option 1:**
The Council should support the creation of new hotels and hotel bed spaces, across the Borough, where they can be shown to support the function of that area.

**Option 2:** The Council should allow the loss of hotels and hotel bed spaces to residential uses.

**Option 3:** The Council should differentiate between Earl’s Court Ward and the rest of the Borough.

**15 responses. Key points:**
• General support for greater flexibility in terms of the locations suitable for building new hotels. Whilst impact on residential amenity was important, hotels could successfully operate both within and outside of established town centres.
• No widespread support for any relaxation on the protection of existing hotels. Liberalisation could see a significant loss of the Borough’s hotel stock as owners and investors seek to maximise value through changes of use to residential.
• There is scope for some flexibility as the London boroughs are likely to meet the Mayor’s need for additional hotel bedspaces “ahead of time”.
• The provision of new visitor accommodation within the South Kensington District centre will help support the function of the Strategic Cultural Area.
• No consensus as to whether hotels and hotel bedspaces should be protected in the Earl’s Court Ward.

**Issue 5: Call for Sites**

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<td>Are there any sites that should be considered as a site allocation as part of the Local Plan Partial Review for Class B business uses? If so, please complete the Call for Sites section of the Consultation Response Form.</td>
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3 responses relating to business floorspace. Key points:

The following sites have been identified as having the potential to provide a significant amount of new B class floorspace:

- Former Knightsbridge Fire Station, 16 Basil Street. 482 sq m of A or B class floorspace by 2020
- 92 Lots Road has been identified as being suitable for a range of uses, including mixed use residential and commercial floorspace. The consultee has not indicated the level of uplift in floorspace, if any.
- South Kensington Station, Pelham Street and Thurloe Street. Residential-led mixed uses scheme. No indication of uplift in commercial floorspace given.