

RESPONSE BY KENSINGTON SOCIETY

MATTER 2: QUANTA OF DEVELOPMENT: OFFICES

The Society is less concerned about the exact quantity of office floorspace forecast to be needed by 2028, although we consider it overestimates the amount of additional office floorspace needed, **but** is concerned by:

- the lack of phasing;
- the reliance on windfalls in locations which are not policy compliant; and
- the recent late changes (Policy CF5 (k)) which would encourage large-scale office developments in Employment Zones which have low public transport accessibility.

Employment Density and Floorspace

The consultants, Roger Tym and Partners (RTP), have chosen a “cautious” employment density of 18sqm/worker (gross) or 14.7sqm/worker (net), as opposed to the “optimistic” figures of 13.8sqm/worker (gross) and 12sqm/worker (net) used in the GLA’s Draft Replacement London Plan based on the London Office Policy Review 2009.

The effect of this choice is to increase the additional office floorspace forecast to be needed by 2028. For example, for the forecast additional 4,700 office jobs, RTP forecast that 60,000 sqm (net) additional floorspace would be needed between 2008 and 2028, whereas at 12sqm/worker (net) the amount of floorspace needed would be 56,400sqm, a difference of 3,600 sqm (net). Since 45,000 sqm of office floorspace is in the pipeline to 2017, the effect of a change in assumption would reduce the amount forecast to be needed after 2017 from an additional 15,000sqm (net) to 10,400sqm (net).

The reasoning for RTP’s “cautious” choice of 18 sqm/worker (gross) and 14.7sqm/worker (net), compared with the “optimistic” assumptions of 13.8sqm/worker (gross) and 12sqm/worker (net) in the London Office Policy Review (2009), are that:

- the difference between the two assumptions is small in its effect (para 2.30); and
- the “aspirational” densities “may be appropriate for large office schemes, which is probably the majority of new office provision in London”, but that “the K&C office market has a large number of small units, often specialising in media, culture, etc where there is less scope to use space more intensively”.

The Society does not agree with these statements because:

- new buildings built over the next 20 years will be more efficiently laid out (ie a higher net to gross ratio) and more efficiently used in terms of less space per worker and a higher occupancy of desks.;
- very small firms (less than 5 employees), which are a large proportion of the Borough's economy, especially new firms, tend to economise on space; and
- larger office developments (over 1,000 sqm) will be occupied by firms using space very efficiently, often purpose-designed to accommodate new styles of working.

In addition, where existing stock is rearranged (like the Town Hall) additional floorspace will be released (or more employees could be accommodated). This will help reduce the number of additional jobs looking for additional floorspace.

The Society is less concerned about the effect of the choice of a "cautious" employment density assumption, than the consultants conclusions (RTP report para 3.5) that the Borough **must:**

- **continue to protect its existing stock** (because it cannot easily be replaced) – a statement we **strongly support** – the Council has realised this too late. The Society is very concerned about the large-scale losses (ca 30,000sqm) of small offices and the loss of large offices at good locations (eg Charles House) – all to housing) – the Society strongly supports the retention of offices in high accessibility locations such as 205 Holland Park Avenue; and
- **seek additional windfall development where possible** – we **strongly object** to this as it does not recognise the policy constraints on the location of large-scale office developments. This should be making a more limited contribution.

Conclusion

The choice of a "cautious" assumption about employment densities in new offices over the next 20 years **adds** to the Borough's challenge of guiding new medium and large-scale office developments to town centres or locations within 500m of major public transport interchanges, because:

- **it forecasts a higher amount of additional floorspace needed.**
After allowing for developments in the pipeline - the amount needed after 2017 would be 15,000sqm rather than 10,400sqm;

- **the addition is not phased** – although para 31.3.32 gives the impression that additional space beyond the pipeline will not be needed before 2017, developers will apply now to “claim” some of the unmet forecast need; and
- without a strictly applied sequential test, developers will propose very large office developments outside the preferred locations because they cannot find space now for the size of development they propose – this would undermine the Council’s policy and be contrary to national policy (PPG13 and PPS4) and the London Plan.

The Society is concerned by the proposed post-submission changes Policy CF5 (k) which proposes that the Council “permit large-scale office developments where consisting entirely of very small, small or medium units” in Employment Zones. This is a response to the RTP “recommendation” to find more sites.

The Society objects strongly to this on policy grounds – this is the subject of a separate objection.

Proposal

The following changes are suggested:

- **the forecast net additional floorspace should be expressed as a range** between the “cautious” and the “optimistic” assumptions. In the proposed changes substitute “between 56,000sqm and 60,000sqm” for “60,000 sqm” in Policy CP1(2), paragraphs 4.3.5, 31.3.31 and monitoring CP1(2);
- **the need for net additional office floorspace should be more clearly presented in phases**, such as first 5 years, second 5 years and last 10 years”;
- **make clear that there is enough office development in the pipeline until 2017 and that sufficient capacity has been identified post 2017 to accommodate the forecast need for space** – At a minimum, change Line 7 of para 31.3.32 delete “plan period” and insert “after 2017; and
- **make clear that there are preferred locations for large-scale office developments** – higher-order town centres and within 500m of major public transport interchanges –**and that any proposals outside these preferred locations will be subject to both an assessment of the need for additional offices in the next 5 years and to sequential testing.**