

Pre-Submission Publication Representation Form



Ref:

R049

(for official use only)

Name of the document (DPD) to which this representation relates:

Draft Revised Lambeth Local Plan Proposed Submission Version January 2020 (DRLLP PSV Jan 2020) and associated Proposed Changes to the Policies Map January 2020 (PCPM Jan 2020)

Please return to: localplan@lambeth.gov.uk

or by post: Planning Policy Team, London Borough of Lambeth, PO Box 734 Winchester SO23 5DG

by 11pm on 13th March 2020.

Please read the Guidance Note and Privacy Notice attached to this form before completing the representation form or submitting your comments

This form has two parts –

Part A – Personal details (please see applicable privacy notices in Section 5 of the guidance note)

Part B – Your representation(s). Please fill in a separate sheet for each part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 you wish to make a representation about.

Part A

1. Personal details*

2. Agent's details (if applicable)

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

Title	<input type="text" value="Mr."/>	<input type="text" value="Mr."/>
First name	<input type="text" value="Will"/>	<input type="text" value="Will"/>
Last name	<input type="text" value="Thomson"/>	<input type="text" value="Thompson"/>
Job title [†]	<input type="text"/>	<input type="text" value="Director"/>
Organisation [†]	<input type="text" value="ROK Planning on behalf of Waterloo Hub Hotel Limited"/>	<input type="text" value="ROK Planning"/>
Address	<input type="text"/>	<input type="text" value="16 Upper Woburn Place"/>
	<input type="text"/>	<input type="text" value="London"/>
	<input type="text"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>
Postcode	<input type="text"/>	<input type="text" value="WC1H 0AF"/>
Telephone	<input type="text"/>	<input type="text" value="07921 067 012"/>
Email [†]	<input type="text"/>	<input type="text" value="will.thomson@rokplanning.co.uk"/>

[†] where relevant

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Part B – please use a separate sheet for each representation

3. To which part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 does this representation relate? *(identify specific reference if possible)*

Paragraph no. Policy no. Policies Map

4. Do you consider the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 that you identified in Q3 is:

(please tick)

4.1 Legally compliant

Yes

No

4.2 Sound[^]

Yes

No

4.3 Complies with the Duty to co-operate

Yes

No

[^] The considerations in relation to being 'sound' are explained in the notes at the back of this form. If

you have ticked 'No' to 4.2, please continue to Q5. Otherwise please go to Q6.

5. Do you consider the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 that you identified in Q3 is unsound because it is not:

(please tick)

5.1 Positively prepared

5.2 Justified

5.3 Effective

5.4 Consistent with national policy

(Please tick only one option. A separate form should be used if you wish to raise more than one concern.)

6. Please give details of why you consider the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 that you identified in Q3 is not legally compliant or is unsound or fails to comply with the duty to co-operate. Please be as precise as possible

If you wish to support the legal compliance or soundness of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 or their compliance with the duty to co-operate, please also use this box to set out your comments and then go to Q9.

Please see covering letter

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7. Please set out what change(s) you consider necessary to make the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 that you identified in Q3 legally compliant or sound, having regard to the test you have identified in Q5 above where this relates to soundness. (Please note that non-compliance with the duty to co-operate is incapable of modification at examination.) You will need to say why this change will make the part of the DRLLP PSV Jan 2020 or associated PCPM Jan 2020 that you identified in Q3 legally compliant or sound. It will be helpful if you are able to put forward your suggested revised wording of this part of policy or text. Please be as precise as possible.

Please see covering letter

(if required continue on the additional comments page attached)

Please note your representation should cover succinctly all the information, evidence and supporting information necessary to support / justify your representation and your suggested change, as there will not normally be a subsequent opportunity to make further representations based on the original representation at publication stage.

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

8. If your representation is seeking a change to the DRLLP PSV Jan 2020 or associated PCPM Jan 2020, do you consider it necessary to participate at the oral part of the examination?

No I do not wish to participate at the oral examination

Yes I do wish to participate at the oral examination

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

If you have selected 'No', your representation(s) will still be considered by the independent Planning Inspector by way of written representations.

9. If you wish to participate at the oral part of the examination, please outline why you consider this to be necessary:

We are representing our client who is a current hotel landowner within the borough and they consider the proposed prohibiting of hotels in certain locations as too restrictive and would like the opportunity to put forward their case at examination.

(if required continue on the additional comments page attached)

Please note the Inspector will determine the most appropriate procedure to adopt to hear those who have indicated that they wish to participate at the oral part of the examination. You may be asked to confirm your wish to participate when the Inspector has identified the matters and issues for examination.

10. Please tick relevant boxes if you require notification of any of the following to your address stated in Part A:

That the DRLLP PSV Jan 2020 and associated PCPM Jan 2020 have been submitted for independent examination

The publication of the inspector's recommendations following the independent examination

The adoption of the Revised Lambeth Local Plan and Policies Map.

Signature

Will Thong

Date

13/03/2020

Please use this section for any additional/continued comments

SENT VIA EMAIL: (localplan@lambeth.gov.uk)

ROK REFERENCE: WT/JD/R00369

Planning Policy Team
London Borough of Lambeth
PO Box 734,
Winchester,
SO23 5DG

13 March 2020

Dear Sir or Madam,

REPRESENTATIONS TO THE REGULATION 19 PUBLICATION OF THE DRAFT REVISED LAMBETH LOCAL PLAN & DRAFT LAMBETH CIL CHARGING SCHEDULE

Following instructions from Waterloo Hub Hotel Limited, ROK Planning have been commissioned to make representations in respect of the London Borough of Lambeth's ('the Council') Draft Revised Lambeth Local Plan Proposed Submission Version January 2020.

Our client has commissioned and submitted alongside this representation the following document: -

- Hotel Development Planning Report (March 2020) prepared by Colliers International.

National Planning Policy Framework Requirements

Paragraph 35 of the NPPF provides the relevant tests for soundness for Local Authorities when preparing local plans. We have briefly set out below our assessment of the proposed policy intended by the Council to manage hotel development in the borough as contained in the proposed new Lambeth Plan – namely, to be consistent with national, regional (London Plan), justified, positively prepared and effective.

a) Soundness

To be consistent with national policy the revisions to the new Lambeth Plan should ensure the Plan remains consistent with the overarching aspiration of the NPPF which seeks to enable the delivery of sustainable development.

Paragraph 35 of the NPPF requires that Local Planning Authorities should provide policies and development management which delivers a balance of uses. We consider that the proposed presumption against new hotel development on any sites in Waterloo in the Central Activities Zone

(‘CAZ’) does not sufficiently take into consideration the NPPF and London Plan requirement to significantly boost the supply and range of hotel accommodation within CAZ, to meet current and future need from business and tourists visiting the Borough, and part of the wider targets set for London as a whole. The draft policy should be redrafted to take a more flexible view of full balance of uses within CAZ including offices, residential and hotels.

The Policy should therefore be amended to greater reflect the locational demands for hotels from the business and tourist visitors to Lambeth, when compared to other parts of London; and need for hotel providers to assist in meeting this demand, so that it is fully ‘justified’ and allows continued hotel development. The draft policies seek to provide the Council with unrequited control over the type, size and (non) location of new hotels.

b) Effective

The draft Lambeth Plan policies, including draft Policy ED14 should assist the Plan to be deliverable over its operational period and based upon effective joint working on cross boundary strategic priorities. The draft Lambeth Plan does not assist Lambeth with sufficient flexibility to deliver much needed hotel room targets set within the London Plan and be adaptable to market changes during the plan period.

c) Positively Prepared

In order to be positively prepared, the draft Lambeth Plan should be flexible to address any unmet need within the Borough over the whole plan period and from neighbouring authorities where it is reasonable to do so and consistent with sustainable development. A review mechanism needs to be in place to positively manage dynamic sensitive linkages to central London, particularly in CAZ locations so that additional hotels can continue to be delivered, in locations where they can prosper.

d) Positively meet the development needs of the area, and sufficiently flexible to adapt to rapid change

The currently drafted hotel policies in the Draft Lambeth Plan will clearly fail to support the short- or long-term hotel needs of visitors to Lambeth, particularly in the north of the Borough and are currently drafted in a form that is inflexible.

e) Shaped by early, proportionate and effective engagement

The extent of change proposed from the current adopted policies is a radical departure given the Council are seeking to effectively prohibit any new hotels on any sites ‘located’ within Waterloo and within the

CAZ, whereas new hotel sites were previously and fully supported within CAZ. This creates a whole new planning policy landscape that needs to be fully tested and assessed on evidence relating to objectively assessed need and infrastructure requirements including trajectory development.

London Plan Policy Requirements

The London Plan Policy 4.5 'London's Visitor Infrastructure' seeks 40,000 additional hotel rooms by 2036. London Plan Policy 2.10 'Central Activities Zone' supports the CAZ as the world's leading visitor destination and supports the improvement of the offer.

Hotels are strategically important to support the operations of other businesses, however, from a broader economic perspective, hotels play a supporting economic role while other business types in the B-Use Class play a driving economic role.

GLA evidence which informed the London Plan estimates that London will need to add an additional 58,140 rooms to the serviced accommodation supply by 2041, at an average of 2,236 rooms per annum – this strategic benchmark is reflected in policy E10 of the London Plan. The evidence underpinning this latest London-wide projection suggests Lambeth would need to see a net increase in supply of 3,368 rooms between 2015 and 2041, which equates to 5.2% of the London-wide figure.

The Plan requires the Council to therefore positively support provision for business visitors, including high quality, large scale conventional facilities in or around the CAZ. It is therefore incumbent on Lambeth to continue supporting provision of new hotel development in suitable locations within the Borough, unless it can be shown that the existing and proposed developments unacceptably compromise local amenity or the balance of local land uses.

The Council state that Draft Policy ED14 has been prepared to be consistent with national policy and in general conformity with the Draft London Plan Intend to Publish version (December 2019), however we would contend this on the following reasons.

Specific Comments on Draft Hotel Policy

Draft Policy ED14: Hotels and other visitor accommodation

The policy appears to be resisting new hotel accommodation in Waterloo within the boundary of the Central Activities Zone (CAZ). Our client wholly objects to the proposed blanket ban approach taken to prohibit new hotel development on new and existing sites within Waterloo at part (C) of the policy.

The London Plan (Intend to Publish version December 2019) Draft Policy E10 'Visitor infrastructure'

does not endorse a blanket resistance to additional serviced accommodation in Waterloo.

In fact, part C of the policy states: “A sufficient supply and range of serviced accommodation should be maintained”

Part F of the policy states: “Within the CAZ, strategically important serviced accommodation should be promoted in Opportunity Areas, with smaller-scale provision in other parts of the CAZ except wholly residential streets or predominantly residential neighbourhoods (see Policy SD5 Offices, other strategic functions and residential development in the CAZ), and subject to the impact on office space and other strategic functions. Intensification of the provision of serviced accommodation should be resisted where this compromises local amenity or the balance of local land uses”.

Paragraph 6.10.3 in the reasoned justification for the emerging London Plan policy does not mention housing as an ‘important strategic activity and land use’ in the example it gives in relation to this policy (notwithstanding we acknowledge the importance of delivering all land uses in London, including housing).

We do not interpret this emerging London Plan policy as an endorsement of no additional serviced accommodation in the Waterloo CAZ at all, but rather a balanced decision needs to be made on the merits of each case when determining individual development proposals.

Whilst we endorse the overarching policy approach of ensuring that an appropriate balance of land uses is maintained and delivered throughout Lambeth, including much needed housing and employment floorspace, we do not agree with: -

1. Total resistance to additional new build serviced accommodation in the Waterloo CAZ.
2. What appears to be increased resistance to making use of untapped site capacity on existing hotel sites for additional serviced accommodation.

General Hotel Market

Colliers International have prepared a Hotel Demand Report assessing the current demand and supply market in Lambeth. This is included at **Appendix 1**. This confirms that demand for London hotels continues to grow and with it the wealth of income that it brings from domestic and international tourists to the city. London in general and Lambeth has a serious shortage of good quality and reasonably priced hotel accommodation.

The Council’s topic paper directly relates to unit supply and does not consider the quality and service

provided, particularly in drawing visitors to the area. This has fueled a burgeoning un-regulated sector that is impacting the living quality of residents and has created an un-level playing field for hotels who pay their taxes and abide by stringent fire, life safety standards. Air bnb is an example of this wherein the Council have loosely referred to this sector in their topic paper 5 as a supplementary supply of accommodation.

Preventing the development of new hotels in certain locations that remain sustainable and are wholly acceptable for such development will further exacerbate this situation – especially within the CAZ area identified including driving up room prices in the existing hotels. At the very least the Council should be encouraging more dense development of the existing sites to encourage additional rooms development on already designated sites.

Economic benefit case

London is a global city and since 2010 has seen tourism as its fastest growing sector in the UK in employment terms. Deloitte reported that Britain is forecast to have a tourism industry worth over £257 billion by 2025 and that London accounts for 55% of all inbound visitor spend compared to the rest of England at 32%, Scotland 9% and Wales 2%.

There is clear advantage to local business from encouraging hotel development in the Lambeth CAZ and consider the continued pressure the retail, museums and restaurants industry in the UK faces it would be in the best interest for the borough to encourage use classes that have higher spend per person for the local community.

Suggested Change:

1. The blanket approach to preventing any additional new build serviced accommodation in the Waterloo CAZ needs to be softened.
2. At the very least, the policy wording should be amended to ensure that it plainly sets out that additional serviced accommodation can be delivered on existing hotel sites via extensions and/or redevelopment of land within hotel sites via demolition and/or new build, providing that the residential amenity of occupants of neighbouring housing isn't harmed.
3. Section (d) "Proposals to extend existing visitor accommodation will only be supported in the locations set out above subject to the other requirements of this policy being met" needs to be revised to make it clear that 'locations set out above' means all locations (i.e. a, b & c).

4. Supporting text to ED14 (paragraph 6.014) should not include reference to historic planning permissions, because this could include permissions from years ago which are no longer relevant.

Otherwise existing site capacity on existing hotel sites which might otherwise be effectively used to deliver additional serviced accommodation in the Waterloo CAZ might be neutralized.

Specific Comments on Draft Charging Schedule

Our client would like to **object** to the proposed increase in the charging rate from £100/sqm to £200/sqm as stated in the draft charging schedule for new hotel development.

We consider such a policy approach should be applied taking account of viability considerations at the site specific level.

The increase in CIL charge will reduce incentivisation in hotel investment, which is at odds with the Mayor's strategic objective which seeks to manage/balance the competing functions of the Central Activities Zone (CAZ) as a retail and leisure destination, visitor attraction, global office centre, and home to residential neighbourhoods. This does not consider the wealth of economic benefits hotel development can bring to the CAZ which the Council themselves state to be integral to the economic growth of CAZ.

Summary

We contend that:

- Hotel and aparthotel use should be encouraged across the Central Activities Zone as existing, given ongoing demand and the employment generating and general economic benefits that hotel uses bring.
- The leading role of the CAZ is its function as a strategic commercial area. Therefore, commercial and employment generating uses including hotels should be acceptable in principle, which is the current approach with the London Plan CAZ policy.
- The blanket approach to preventing any additional new build serviced accommodation in the Waterloo CAZ needs to be softened.

I trust this is in order. I reserve the position to further amplify these representations as necessary during the plan review process and participate in the Examination in Public as necessary.

In the meantime, if you have any queries relating to the proposals, please feel free to contact Will Thompsen (will.thompsen@rokplanning.co.uk) (M: 07921 067 012) or myself.

Yours faithfully



Jamie Dempster

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ROK Planning

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Appendix 1: Hotel Development Planning Report – Colliers International (March 2020)



Palm holdings Ltd.

Hotel Development Planning

IN SUPPORT OF YOUR SUBMISSION TO PLANNING STRATEGY
MARCH 2020

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1 INTRODUCTION

This note has been prepared with a view to commenting on the planning strategy for the Borough of Lambeth which appears to seek to reduce the new development of hotel stock in the Borough – especially in the vicinity of Waterloo Station.

2 COLLIERS EXPERIENCE

Colliers is one of the largest commercial property advisory companies in the world and a global player in the sector.

In the UK Colliers has one of the leading hotel sector specialist teams with over 40 professional team members active in the hotel market.

The team is divided into four specialist areas by function:

- Hotel Valuations: Valuing £6bn worth of hotels each year in the UK;
- Hotel Agency: Selling about 100 hotels in the UK each year for owners;
- Hotel Development: Advising on 40 projects with 7,500 new rooms in UK
- Asset Management Representing hotel owners on about 5,000 rooms

As such we could be considered to be amongst the leading hotel experts in the market.

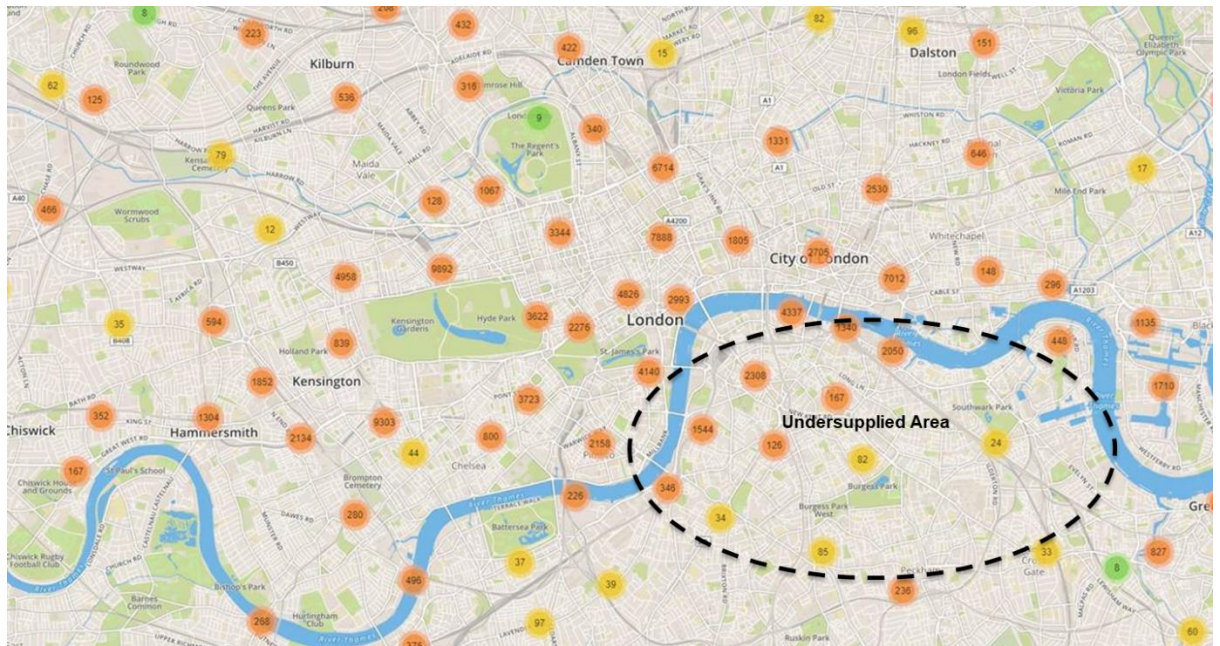
3 HOTEL SUPPLY

3.1.1 GENERAL

London in general has a shortage of hotel accommodation stock and this shortage is more acute to the South of the River Thames than it is to the North.

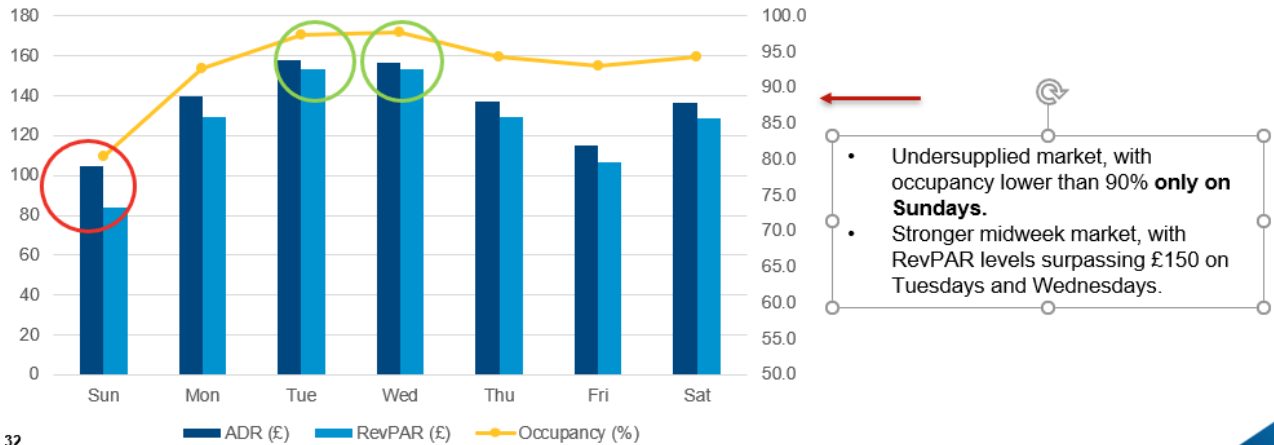
Lambeth has one of the lowest levels of provision in the Central London area – with 35% less supply than neighbouring Southwark.

Borough	Number of bedrooms	Share of London
Westminster	38,480	26.4%
Camden	18,038	12.4%
Kensington and Chelsea	15,151	10.4%
Hillingdon	9,885	6.8%
Tower Hamlets	6,757	4.6%
City of London	6,064	4.2%
Southwark	5,802	4.0%
Newham	4,810	3.3%
Hammersmith and Fulham	4,590	3.1%
Lambeth	4,269	2.9%
Hounslow	3,913	2.7%
Islington	3,633	2.5%
Croydon	2,574	1.8%
Brent	2,417	1.7%
Ealing	2,275	1.6%
Greenwich	2,048	1.4%
Hackney	1,929	1.3%



Hotel occupancies in hotels around Waterloo (including properties in Lambeth and Southwark, are in excess of 90% on every day of the week except for Sunday nights.

Limited Service Superior Competitor Set



This is indicative of a seriously under-supplied market and there is evidence of a great deal of displacement of demand occurring. In premium quality accommodation with limited service (3*) this is particularly acute.

3.1.2 3* ACCOMMODATION LACKING

Three Star / premium budget accommodation is in chronically short supply. Across London there are just under 21,000 3 * rooms in a total of 298 properties, representing 13% of the total supply. In the area within 1 mile radius of North Lambeth underground station there are just 252 such rooms located in 4 properties and representing just 2.0% of the local supply – this is a clear and serious gap.

All Supply				
Grade	Hotels	Share	Rooms	Share
Budget	242	14%	35,273	23%
Hostel	63	4%	2,312	2%
2-star	370	21%	11,153	7%
3-star	298	17%	20,528	13%
4-star	336	19%	53,359	35%
5-star	109	6%	18,911	12%
Apts	307	18%	11,788	8%
Total	1,725	100%	153,324	100%

1-mile radius of Lambeth North Station				
Grade	Hotels	Share	Rooms	Share
Hostel	8	11%	209	2%
Budget	15	21%	2916	27%
Apts	15	21%	839	8%
2-star	4	6%	124	1%
3-star	4	6%	252	2%
4-star	18	26%	4931	45%
5-star	6	9%	1624	15%
Total	70	100%	10,895	100%

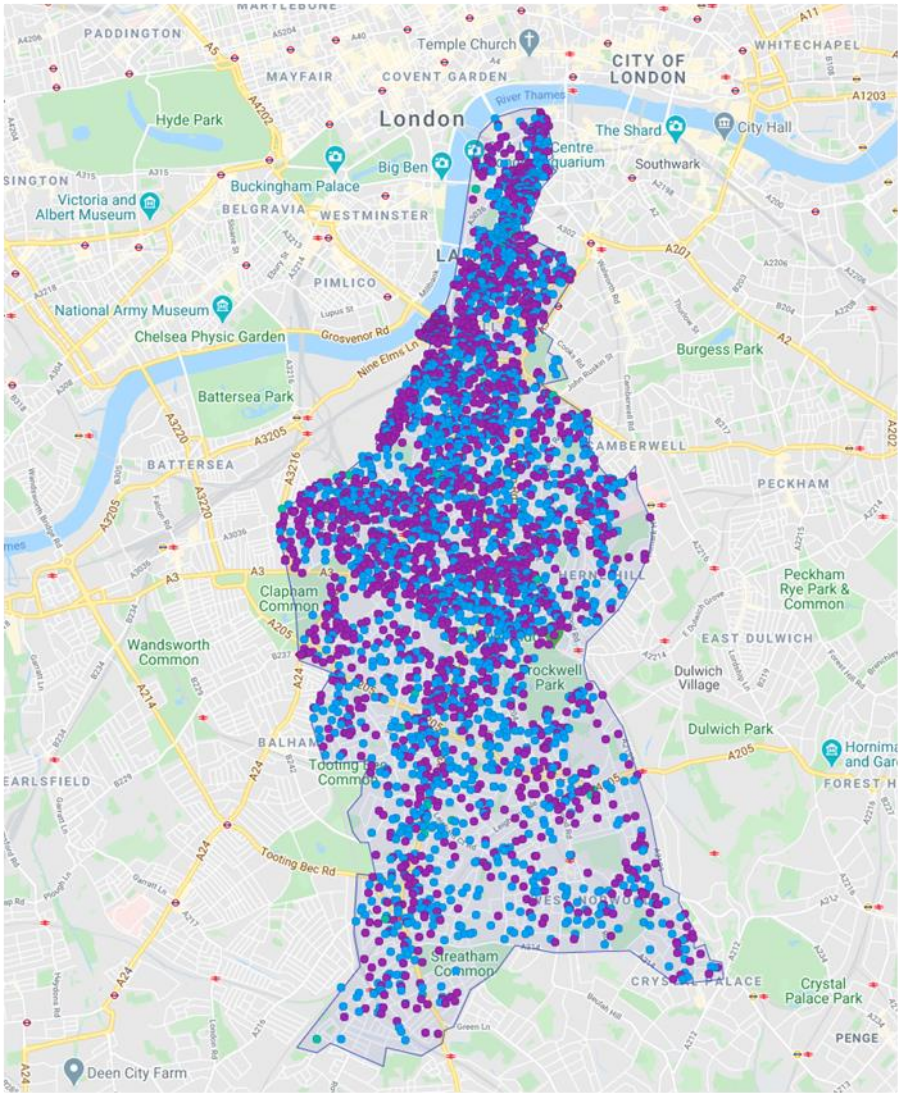
3.1.3 THIS HAS GIVEN RISE TO ALTERNATIVES

Within that same 1 mile radius of Lambeth North station we identified a total of just under 11,000 hotel accommodation rooms. By the end of 2019 there were an additional 7,000 rooms available in alternative accommodation – such as Air BNB and similar – much of which is un-registered and some of which may not pay VAT, business rates or abide by fire and workplace rules as hotels are required to.

In Lambeth there are 3,547 rooms available either as whole units or private rooms through Air BNB or other similar channels. There are a similar number of units available in Southwark.

Distribution of the 3,547 Alternative rooms (Air BNB) rooms in Lambeth

Geographical Distribution of Existing Supply



Source: AirDNA

In Lambeth active listings have almost doubled since February 2017 and have grown at a compound annual growth rate of 17%. This has clearly been a response to the lack of hotel accommodation – particularly in the 3* / premium budget category.

4 DEMAND

Demand for London hotels continues to grow and with it the wealth of income that it brings from domestic and international tourists to the city.

As the growth in demand out-strips the growth in new supply this creates an imbalance and this forces hotel prices upwards and gives rise to alternative accommodation suppliers. These suppliers are not adequately regulated and are much more disruptive to local residents than hotel rooms in formal accommodation blocks.

Some of this accommodation is now achieving rates higher than hotels with the current ADTR in the alternatives sector sitting at £125 in Lambeth.

5 CONCLUSION

London in general and Lambeth in particular has a serious shortage of good quality and reasonably priced hotel accommodation.

This has fuelled a burgeoning un-regulated sector that is impacting the living quality of local residents and has created an un-level playing field for hotels who pay their taxes and abide by stringent fire, life safety standards.

Preventing the development of new hotels will further exacerbate this situation – especially within the CAZ area identified.

At the very least the council should be encouraging more dense development of the existing sites to encourage additional rooms development on already designated sites.

