



From: Councillor Robert Davis DL

**Deputy Leader of Westminster City Council
and Cabinet Member for the Built Environment**

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Westminster City Council approach to office to residential conversion

As I announced earlier this month, from 1st September this year I will be implementing a new approach to dealing with applications seeking to convert office space into residential. The balance of commercial to residential floorspace has tipped too far in favour of residential across Westminster's Central Activities Zone (CAZ). This is causing several damaging impacts which, if nothing is done to assuage the current trend, have the potential to worsen:

- damage to the global competitiveness of the most significant business centre in the UK and indeed the world. The current trend of losses is undermining the strategic function of the CAZ in favour of housing, which could be delivered in more appropriate locations across London and the UK;
- driving severe under-supply of office floorspace in the West End and pushing up rents, therefore harming business activity and the economy;
- and increasing 'residentialisation' of commercial areas, eroding their character by reducing employment densities and increasing expectations of residential amenity, impacting on legitimate business activities.

The trend in office losses is indisputable. In the past four years:

- 167,000sqm of office space have been lost, representing an annual average loss of 41,756sqm
- A further 158,000sqm of office space loss will be felt from schemes currently under construction
- The current pipeline represents 254,000sqm of office losses not yet started, with only 71,000sqm forecast gains to offset this

For all of these reasons, the City Council's current Mixed Use and Office to Residential policies are now out of date, given that they are based on the market preferring to bring forward offices rather than housing in the CAZ. This is clearly no longer the case. Therefore, from 1st September, applications will be determined under a 'presumption in favour of sustainable development' in line with national policy.

This means that in the CAZ, Core CAZ and Named Streets, housing is no longer acceptable in principle where it results in the loss of office floorspace. The City Council must meet the need for housing and commercial floorspace, and these must be balanced against each other whereas currently the City Council is delivering housing but losing offices.

After 1st September no office losses will be acceptable, except where a developer can demonstrate that the benefits of the proposal taken as a whole outweigh the loss of the office floorspace. Given the importance of Westminster's office stock, this will be rare. For the small amount of losses that would be deemed appropriate, there would be sufficient additional office floorspace also being brought forward to mitigate it. Further exceptional circumstances might include where an application may allow the scholarly reinstatement of significant historic features on an originally residential listed building, which could not otherwise be achieved if it was retained as office floorspace.

Moreover, where applications are made for offices, we will apply our current mixed use policy much more flexibly to allow exceptions to the requirement to provide commensurate residential floorspace. This will include other commercial uses being provided in lieu of the housing. On the basis that the market is now delivering housing without additional policy support, and given that the office losses are widely distributed across CAZ, our new approach will be applied across the board rather than needing to look at residential gains in individual localities.

It is my belief that the current situation cannot continue and as such, the above represents the result of the City Council's commitment to combatting these harmful trends. Westminster is the engine room of the national economy and we will do everything in our power to ensure that remains open for business

A handwritten signature in black ink, appearing to read 'RD', with a long horizontal line extending to the right.

Councillor Robert Davis DL
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