



1. Introduction

- 1.1. Savills has been instructed by the John Lewis Partnership ('JLP') to prepare this statement and participate in the forthcoming examination of the London Borough of Ealing ('LBE') Local Plan 2024 to 2039 ('the Plan').
- 1.2. JLP is the UK's largest employee-owned business and operates stores under the John Lewis and Waitrose brands. The Partnership is seeking to make greater use of its existing property assets in its ambition to become the developer, operator and co-owner of a Build-to-Rent (BTR) portfolio. At West Ealing, JLP proposes to deliver 428 high-quality rental homes and a new Waitrose supermarket by redeveloping its existing store over the next plan period.
- 1.3. This hearing statement is written in response to Matter 5 - Economic Development, question 6 part g, h, j and k:

6. In terms of the local variation to Policy E3 of the London Plan:

g. are the requirements sufficiently flexible and appropriate to the diverse range of circumstances where they might apply?

h. is the reference to 'mixed use schemes' in Policy E3(F) precise and clear in terms of identifying which proposed developments will be subject to the requirement? To be effective, is modification needed to define a 'mixed-use scheme'?

j. what would the implications be if, following consideration of the business plan required under Policy E3(G), onsite provision was not shown by an applicant to be viable and/or suitable? Would the ability to fall back on the levy be a disincentive for applicants to find onsite provision to be suitable and viable? Does that have any implications for the effectiveness of the policy? Is modification required to clarify the expectations in terms of onsite and offsite provision?

k. is modification required to clarify whether contributions will be based on a gross or net uplift?

- 1.4. JLP has concerns that in its current drafting, the emerging Plan is not sound. Modifications are proposed to ensure the Plan's policies are **justified, effective, and consistent with national policy**.

2. Introduction to JLP

- 2.1. As JLP's retail business has expanded and evolved over many years, it has grown an extensive property portfolio of shops, warehouses and previously developed land. Many of JLP's stores and land holdings are close to transport links and amenities, and the company believes it has a social responsibility to make the best use of these sites to play a role in addressing the housing crisis facing London and the UK.

- 2.2. By transforming some of its supermarket and car park 'brownfield' sites, JLP has the potential to deliver a significant number of homes, including affordable homes, in which JLP aim to build as much affordable housing as is commercially viable, targeted at local people and key workers, who will have access to the same services and amenities as private residents due to the pepper-potted nature of the development. As JLP already owns the land, they have the potential to be delivered rapidly.
- 2.3. JLP aims to deliver homes purpose-built for renters, which are developed, operated and co-owned by JLP. Residents would rent directly from a trusted business, providing them with greater certainty around areas such as quality, service, community and security of tenure.

3. Context of JLP's Planning Application and Appeal Inquiry

- 3.1. JLP identified its West Ealing store as a suitable Site to deliver its rental homes.
- 3.2. An application (Ref: 233076FUL) was submitted by Savills on 4 August 2023 ('the Application'), proposing:

Demolition of existing buildings and structures and the phased erection of buildings for mixed-use scheme, including new homes; a replacement food store; Flexible Commercial Space; alterations to the existing access road; associated improvements to streets, open spaces, landscaping and public realm; and provision of car and bicycle parking spaces and servicing spaces and other works incidental to the proposed development.
- 3.3. The Proposals (ref: 233076FUL) represent one of the first Build-to-Rent schemes to be developed and operated by JLP.
- 3.4. Prior to submission and throughout determination, the Application underwent extensive public and statutory consultation. However, it was subsequently appealed (reference: APP/5270/W/24/3347877) by JLP on 10 July 2024 on the grounds of non-determination ('the Appeal').
- 3.5. The inquiry was conducted between two parties: JLP, as the applicant and the third party objector, Stop the Towers. LBE chose not to participate in the inquiry and raised no objection to the proposed development.
- 3.6. The inquiry commenced mid-November and adjourned in early December 2024. Following adjournment, both parties provided written representations on the impact of the revised National Planning Policy Framework (December 2024 version) ('NPPF (2024)') and updated Housing Delivery Test (2023) to the Inspector on 28 January 2025. Upon receipt of these documents, the inquiry was formally closed on 12 February 2025. At the time of writing these representations, the Inspectorate has not issued a decision on the appeal for the Proposals.
- 3.7. An extensive amount of analysis of the Plan is drawn from the Appeal throughout JLP's hearing statements. Where appropriate, some documentation is clearly cross-referenced.
- 3.8. For the avoidance of doubt, the assessment of this Plan within this statement is made against the provisions of the National Planning Policy Framework (December 2023 version) ('NPPF (2023)'). However, where appropriate, analysis may draw from commentary within the provisions of the updated NPPF (December 2024, as updated in February 2025) ('new NPPF') version.

4. Context of JLP's Engagement with LBE Emerging Local Plan

- 4.1. As a committed community partner and long-standing employer within the Borough, JLP is dedicated to enhancing the community it serves and welcomes the opportunity to be heard in shaping the future of LBE via the Regulation 22 consultation.
- 4.2. JLP looks forward to continuing conversations with the Council regarding the Site and its potential contribution to the Strategic Objectives of the Plan. This Hearing Statement has been drafted further to JLP's previous Regulation 19 Representations, where concerns regarding its soundness were raised. JLP's previous representations remain valid and are supplemented by those set out herein pertaining to the relevant matters raised by the Inspectorate.
- 4.3. Local plans and spatial development strategies are examined to assess whether they have been prepared in accordance with legal and procedural requirements, and whether they are sound. Plans are 'sound', as set out by paragraph 36 of the NPPF (2024), if they are:
- a) **Positively prepared** – providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;
 - b) **Justified** – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
 - c) **Effective** – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
 - d) **Consistent with national policy** – enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant.
- 4.4. To be found 'sound', the Inspector will need to be satisfied that the draft Plan is positively prepared, justified, effective and consistent with national policy which for this EiP will be the London Plan 2021 and NPPF December 2023 and so representations in this hearing statement will be made on those grounds, but where relevant and considered helpful to the Inspectors, other contextual matters will be drawn to their attention.

5. Matter Commentary

Question 6. *In terms of the local variation to Policy E3 of the London Plan:*

g. are the requirements sufficiently flexible and appropriate to the diverse range of circumstances where they might apply?

- 5.1. Policy E3 of the DNLP states:

'Affordable workspace in Ealing will be provided on the basis of a levy on development of 10% of gross floor area in mixed use schemes, and 5% of net floorspace in office and industrial schemes. Where that levy would result in affordable provision of at least 1000sqm of mixed-use space, 2000sqm of office space, or 3000sqm of industrial space, then provision should be onsite. Where the total space provided by development is less than these thresholds then provision should be by means of offsite contributions.'

- 5.2. While JLP agrees with the intent to deliver affordable workspace, JLP consider that the proposed drafting of E3 remains onerous, inflexible and rigid in its approach. Affordability is not solely a function of a fixed floorspace percentage but can be achieved through a variety of means, such as flexible lease terms, managed workspace models, and fit-for-purpose units tailored to local demand. In many cases, the blanket requirement for 10% of gross economic floorspace may result in poor utilisation, particularly in areas with minimal

SME demand, rendering such spaces unlettable and counterproductive. In mixed-use residential schemes, the priority should be to maximise the affordable housing that can viably be delivered.

- 5.3. Furthermore, we note the increasing policy emphasis on the need to optimise residential delivery across the planning framework. Draft Policy E3, however, does not adequately engage with the viability implications of requiring affordable workspace provision alongside housing within mixed-use schemes. In many cases, this may result in either compromised residential quality or an inability to bring forward much-needed housing schemes altogether. For example, JLP have detailed viability evidence outlining that the scheme cannot justify the delivery of any affordable housing, without considering a further 10% levy on all gross floorspace. Therefore, a more nuanced approach is required, which balances policy priorities rather than imposing competing burdens indiscriminately.
- 5.4. JLP believe it is too onerous for Policy E3 to require mixed-use developments to deliver affordable workspace based on the gross area of the development.
- 5.5. Therefore, if the Borough do not agree to removing the mixed use affordable workspace requirement, then the requirement should be modified and based on the net additional uplift of commercial floorspace, as opposed to gross area. Also, this policy is not in general conformity with London Plan as the London Plan states affordable workspace should only apply to industrial or office uses . :
- 5.6. Therefore, JLP propose the following wording which removes reference to mixed use schemes, instead stating

'F. Affordable workspace in Ealing will be provided on the basis of a levy on development of ~~10% of gross floor area in mixed use schemes, and~~ 5% of net floorspace in office and industrial schemes. Where that levy would result in affordable provision of at least ~~1000sqm of mixed-use space,~~ 2000sqm of office space, or 3000sqm of industrial space, then provision should be onsite. Where the total space provided by development is less than these thresholds then provision should be by means of offsite contributions.'

h. is the reference to 'mixed use schemes' in Policy E3(F) precise and clear in terms of identifying which proposed developments will be subject to the requirement? To be effective, is modification needed to define a 'mixed-use scheme'?

- 5.7. It is not clear from the draft Policy or the supporting text what a 'mixed-used development' constitutes, with no clear definition within the Plan.
- 5.8. For the reasons set out above, requiring 10% of the gross floorspace of any mixed-use scheme is inappropriate, especially where those schemes provide a significant amount of residential space that may have a design rationale to not co-locate with another use.
- 5.9. Therefore, JLP suggest a definition is included in the supporting text or glossary of the Plan to state just 'commercial or industrial uses'.

j. what would the implications be if, following consideration of the business plan required under Policy E3(G), onsite provision was not shown by an applicant to be viable and/or suitable? Would the ability to fall back on the levy be a disincentive for applicants to find onsite provision to be suitable and viable? Does that have any implications for the effectiveness of the policy? Is modification required to clarify the expectations in terms of onsite and offsite provision?

- 5.10. Policy E3(G) sets the requirement of a business plan, stating the below:

'G. Where affordable workspace is to be provided onsite then development should be supported by a business plan that demonstrates the viability and suitability of the space

for its intended occupants, the optimisation of the site for this use and of the development overall, and appropriate management of the space for the duration of its use as affordable space.'

- 5.11. A further levy on top of MCIL, s106, the soon-to-be-introduced local CIL and Building Safety Levy, all limit development viability and the level of affordable homes that can be provided. Case studies, such as the Site allocation 15EA, have shown that a scheme above the parameters set within draft policy (20 storeys) is already unable to afford any level of affordable housing in viability terms. The introduction of a further levy would only compound the issue.
- 5.12. Therefore, JLP find that this element of the policy is ineffective and not positively prepared as it could hinder the delivery of affordable housing. JLP recommend that part G be **removed** from Policy E3.

k. is modification required to clarify whether contributions will be based on a gross or net uplift?

- 5.13. Yes, a modification is required to clarify whether the policy requires all of the net additional uplift in commercial space to include affordable workspace or the gross of the whole development. As JLP believe requirements to deliver 10% of the gross floorspace would be **unjustified**.
- 5.14. Affordable workspace contributions based on the gross floorspace, rather than the net uplift, risks penalising mixed-use schemes, as these types of schemes already have to balance multiple uses within constrained urban sites to deliver a number of benefits, including the delivery of affordable housing. This requirement should be viability tested.
- 5.15. We therefore strongly recommend a modification to Policy E3 and its supporting text to explicitly state that affordable workspace contributions will be calculated based on the net increase in employment-generating floorspace, rather than the gross total. This clarification is essential to ensure the policy is effective and clear.

6. Conclusions

- 6.1. JLP is dedicated to enhancing the community it serves and welcomes the opportunity to work with LBE to support the delivery of much-needed homes, including as many affordable properties as is commercially viable.
- 6.2. This statement has sought to respond to the issues of Matter 5, Questions 6 parts g, h, j and k.
- 6.3. This Statement demonstrates that:
- Policy E3 in its current form is not in general conformity with the London Plan **Recommendation**: wording should be revised to require affordable workspace only from commercial and industrial schemes and not mixed use schemes, levied on the net increase in commercial/industrial floorspace.
 - The requirement for a business plan and levy is not positively prepared, adding further viability constraints upon development. **Recommendation**: remove the requirement for a levy, but continue marketing of the affordable workspace for an agreed period
- 6.4. We consider that the changes outlined above are required to ensure that the draft Plan has been positively prepared, is justified, effective and consistent with national policy, and in general conformity with the London Plan.
- 6.5. We would welcome the opportunity to participate in the hearing session for Matter 5 to assist the Inspectors in their assessment of the soundness of the plan.