

WPA ANNUAL REPORT

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 21st Annual General Meeting will be held in
**New London Architecture, The Building Centre, 26 Store Street, London WC1E
 7BT, At 5.45pm on Tuesday 3 March 2009**

AGENDA

1. To receive the Chairman's report of Association activities in 2008
2. To receive and consider the Statement of Accounts and Balance Sheet for the year ended 31 December 2008
3. To receive the retirements of:

British Land	Tim Roberts
CB Richard Ellis	Keith Hearn
Colliers CRE	Nicholas Ridley
DE&J Levy	Simon Heilpern
Grafton Advisors	Nigel Kempner
Lifschutz Davidson	Alex Lifschutz
Hammerson	John Mulqueen
Loftus Family Property	Richard Loftus
W A Ellis	Mark McKenzie Charrington
4. To make elections to fill vacancies on the Council
5. To transact such other business as the Chairman may accept.

By order of the Council

Paul Houston
 Director
 Westminster Property Association
 1 Warwick Row – 7th Floor
 London SW1E 5ER

29 January 2009

Notes:

- i. A member entitled to attend and vote at the meeting convened by this Notice is entitled to appoint another person (whether a member or not) as a proxy to attend and vote on his/her behalf. Any proxy so appointed shall have the same right as the member to speak at the meeting.
- ii. To be valid forms of proxy must be complete and returned to the Director, Westminster Property Association, 1 Warwick Row – 7th Floor, London SW1E 5ER so as to arrive no later than 5pm on 24 February 2009.

OFFICERS 2008

Chairman

Vice Chairman
Honorary Treasurer
Honorary Solicitor
Honorary Auditor
Immediate Past President

Hugh Seaborn

Robert Noel
Julian Stocks
David J Brecher
Ms Lynette Lackey
Robert Heskett

(Formerly) Portman Estate

Great Portland Estates
Jones Lang Lasalle
Brecher
BDO Stoy Hayward LLP.
Land Securities

COUNCIL 2008

British Land
Capital and Counties
CB Richard Ellis
Colliers CRE
Coverdale Davis
Crown Estate
D E & J Levy
Loftus Family Property
Derwent London
Drivers Jonas
DTZ
Exemplar
Grafton Advisors LLP
Grosvenor
Hammerson plc
Helical Bar
Henderson Global Investors
Church Commissioners
Howard de Walden Estates Ltd
King Sturge
Land Securities
Legal and General
Lifschutz Davidson Sandlands
Montagu Evans
Shaftesbury plc
Stow Securities
Prudential Property Investment Managers Ltd
W A Ellis

Tim Roberts
Ian Hawksworth*/Alexander Nicoll*
Keith Hearn
Nicholas Ridley
Anna Coverdale
Charles Gardner
Simon Heilpern
Richard Loftus
David Silverman
Mike Jones*
Paul R Smith
Daniel Van Gelder*
Nigel Kempner
Peter Vernon*/Giles Clarke*
John Mulqueen
Gerald Kaye*
Clive Castle
Rosemarie Carty*/Joseph Cannon*
Simon Baynham
Avril Butt
Jonathan Evans*
Helen Gordon
Alex Lifschutz
Peter Bovill*
Simon Quayle
Julian Milne
Giles Difford
Mark MacKenzie Charrington

Hugh Bullock++

Paul Houston

Director

++ H J W Bullock attended as adviser on planning issues.

* part year only

CHAIRMAN'S MESSAGE

When I was elected as Chairman I was not expecting this, my first Chairman's Message in the Annual Report also to be my last. While my move to Cadogan meant I realistically could not continue in office for a second year, I have to say I am genuinely sorry to be leaving you – I have enjoyed the year immensely.

And a momentous year it has been; the Association's Twenty-First. During this time I have taken the opportunity to initiate a keener focus on our priorities (see our Mission Statement below); and also, in support of this, to refresh our brand image with a view to making it crisper and more contemporary. With the support of our members we have dropped the "O" for Owners from our name, in the interests of simplification and better to reflect our membership which has come to include occupiers, developers and professional advisers as well as the property owners and developers that continue to be so important to the organisation.

The most significant activity of the year has been our response to Westminster's Local Development Framework. This is the key policy document which will define the development framework for up to the next 15 years and so is of vital importance to us all.

Our job has been to explain to Westminster City Council (WCC) how we believe these policies will impact upon future development and to make proposals that support the process of allowing the renewal of the building stock in the interests of protecting London's position as one of the leading cities of the world. Our members and advisors have devoted many hours to this already, through various stages of the consultation process, and will continue to do so next year. I am particularly grateful to WCC for the opportunities it has given us to engage with them over this.

The Association has a twenty-one year relationship with WCC and virtually throughout this time it has been the only body consulting on property development issues. I believe that our consistent and continuous engagement with the Council over this period in pressing for a more user friendly planning environment has been of immense value to the property industry, the Council and to the City of Westminster itself.

Of course, in the wider world the theme has been the deepening financial crisis and recession, and these cold winds are already blowing through the property industry, and through Westminster. Westminster - and its neighbour the City - will weather the storm and emerge eventually stronger.

There are too many people for me to thank individually here and many are mentioned later in this Report, but they fall into three groups: the City Council, both officers and members for their openness, friendliness and willingness to make themselves available; my own colleagues on the WPA Council and from amongst the membership who have given me immense support as well as committing considerable time and effort to furthering the aims of the Association; and the executive led by Paul Houston for all their good work supporting WPA. These people have all contributed to making my time as Chairman enormously enjoyable and, I hope, effective and I maintain a debt of gratitude to them all.

I wish my successor well and the Association every success over the coming years. Finally, let me assure you that I will remain a champion of WPA's cause even if it is from a neighbouring borough!

Hugh Seaborn
Chairman WPA

ANNUAL REPORT

ANNUAL GENERAL MEETING 2008 - A RECORD

1. The twentieth Annual General Meeting was held on Tuesday 26 February 2008 at the Goring Hotel, Beeston Place, London SW1W 0JW. Thirty members were represented.
2. The Chairman's Report and Annual Accounts and Balance Sheet were received by the AGM.
3. Individuals elected and re-elected to the Council were:

Simon Baynham	Helen Gordon
Peter Bovill	Mike Jones
Avril Butt	Alexander Nicoll
Joseph Cannon	Robert Noel
Clive Castle	Paul Smith
Anna Coverdale	Julian Stocks
Giles Difford	Dan Van Gelder
Charles Gardner	Peter Vernon

4. As required by the Constitution, the new Council met immediately after the Annual General Meeting to elect the Association's Honorary Officers for the ensuing twelve months. The Council elected:

Hugh Seaborn as Chairman,
Robert Noel as Vice Chairman
Julian Stocks as Honorary Treasurer.

5. Full Minutes of the occasion will be available at the 2009 AGM.

ANNUAL LUNCHEON 2008 WEDNESDAY 26 NOVEMBER 2008

6. The Association welcomed the Lord Mayor of Westminster, Cllr Louise Hyams, Cllrs Colin Barrow and Robert Davis (Leader and Deputy Leader of Westminster City Council) and members of the WCC Cabinet, as well as the Deputy Mayor responsible for policing (Mr Kit Malthouse), Mr Mark Field, MP, representatives of London First and the Chief Executive of the British Property Federation.
7. The Guest of Honour was Michael Grade. Mr Grade entertained guests with what many rated as the most amusing speech for years. However he had some serious messages about the recession and about London.

8. He believed the current downturn would eventually reverse, as all previous downturns had – though he could not predict exactly when. He was convinced that Olympics was a good thing and provided a useful target date for improving the capital. There would be a useful legacy, witness what happened to Sydney following its Games in 2000.
9. Some relief from the Congestion Charge was needed. Mr Grade also felt that parking regimes in central London were unduly strict.
10. Mr Grade said that he was proud to live in London and that his family were there. With the exception of a short time in the States he had always lived there.
11. Concluding, Mr Grade said that London would recover and be a force to be reckoned with in the future. The property sector could contribute. He remained resolutely optimistic about the future.

WESTMINSTER CITY COUNCIL

12. The Association has valued the nature of all its discussions with WCC over the course of the year. We once again thank both elected members and officers for their accessibility, frankness and courtesy. The Association is especially grateful to :
 - Councillor Sir Simon Milton, former Leader of the Council;
 - Councillor Colin Barrow, Leader
 - Councillors Robert Davis, Deputy Leader and Danny Chalkley, Cabinet member
 - Councillor Alastair Moss, Planning and City Development Committee Chairman
 - Peter Rogers, Chief Executive, and his successor Mr Mike More;
 - Rosemarie MacQueen, Director of Planning and City Development
 - Martin Low, Director of Transportation
13. We continue to enjoy cordial relations with both members and officers of WCC, generally, and we were pleased to entertain them as guests at our annual Reception following the Association's Annual General Meeting in February.
14. The Association continued to support the City Council in operating their Considerate Builders Scheme (designed to promote consideration for the public when building works are under way). The City Council's Considerate Builders Inspectorate compiled a short-list of outstanding building sites within the scheme. The Association was again invited to participate in selecting the overall Most Considerate Builder. The winner for 2008 was Balfour Beattie Construction Ltd, for the site at 60-61, St Martin's Lane. WC2N 4JS.

PAST YEAR ISSUES

Manifesto

15. Under the New Chairman the Council adopted a Manifesto for the Association as follows:

Vision

We want the City of Westminster to contribute to and build on London's pre-eminent global status, to provide a world class city experience for residents, businesses and visitors, and therefore to contribute to the economic success of the UK.

Mission

To that end we will:

- *Work for a good open relationship with Westminster City Council and other public authorities*
- *Press for a user friendly planning framework for development in Westminster*
- *Press public authorities to encourage a built environment which supports Westminster's unique diversity and contains*
 - *Better public realm*
 - *Good and innovative building design (while respecting the unique heritage)*
 - *Environmentally sustainable development.*

16. At an Extraordinary General Meeting of the Association on 16 September, the Association voted to change its name to "Westminster Property Association"

Planning Policy

17. The key issue of the year was Westminster City Council's Local Development Framework, which reached Core Strategy (Preferred Options) stage. The Association responded to Westminster's consultation by seeking a series of meetings with officers, which took place during August. The key issues which we pressed in these meetings can be summarised as follows:

Recognition within policy for the need to promote commercial development as a necessary enabler for residential provision and the development of a swaps and credits framework which we believe will encourage delivery of more residential by making it more viable;

The need to apply policies "flexibly" in order to provide "better buildings in the round" ;

Recognition that land use policies can create inefficient mixed use buildings. This will, over time, serve inhibit/delay the renewal of building stock (world class city issue);

The need for opportunity areas to be just that. In some areas, Oxford Street East for

example, in order for wholesale improvement there will need to be some difficult decisions made in relation to conservation versus progress;

Recognition that current policies are restricting the expansion of the city, particularly in relation to the balance between commercial and residential;

The need to follow through the debate about good design, which the Association wholeheartedly supports.

18. Subsequently the Association developed its own set of Preferred Options on key issues, which were displayed on the Council's website.
19. The Association attributes particular importance to the issue of swaps and credits and pursued this at a detailed level with Council officers. We commented on a paper drafted by officers for the Planning Policy Sub Committee, as a result certain changes were made, and the paper is to be considered by the Sub Committee in January. Meetings were also sought with Members within the Council on the LDF as a whole, culminating in a meeting with Councillors Davis and Moss on 18 November. Having heard the Association's views, Westminster promised the Association a formal response early in the New Year.
20. At the start of the year the Association wrote to the Council in response to a consultation on the topic of Metropolitan Views. The Association welcomed the greater specificity about views contained in the document, but felt that its tone came across as hostile to the principle of development. It felt that the nature of the relationship with the Mayor's London View Management Framework was not clear. It also felt that the documents dealt with aesthetics in isolation from the broader assessment of the City's future development potential.
21. In the spring the Association responded to English Heritage, who were consulting on "History in view" – guidelines on views of historic buildings. The Association felt that the methodology proposed was unnecessarily onerous and would over complicate an already complex planning system and create further delay in the delivery of development in London. It considered that any further guidance should be simpler and ensure that it was consistent with the London Plan and the London View Management Framework (LVMF).
22. In October the Association responded to a call by Property Week by writing to the Prime Minister on empty rating. It said that scrapping relief on empty property was having a crippling effect on the UK economy and particularly the property, retailing and manufacturing sectors. In addition, it was also hampering regeneration by preventing development, and would have a damaging effect on pension fund holdings in property which had already been hit hard by the current economic downturn. The Association therefore urged the PM to restore the empty rate relief that existed before 1 April 2008 so that all unoccupied properties receive full relief for the first 3 months; shops and offices pay 50% subsequently and industrial premises receive full relief indefinitely.
23. In November the Association wrote in response to the Mayor's consultation document

"Planning for a better London". It endorsed the comments made by London First, and commented specifically:

We supported the policy of sustaining and enhancing the CAZ as the country's most important strategic office location and ensuring that there is adequate capacity to meet future demand.

We welcomed recognition of the specific constraints within the West End office market which is heavily supply constrained due to heritage and mixed-use policy restraints. We pointed to a December 2007 report by Drivers Jonas commissioned by the City Council which demonstrates a net loss of office floorspace within the West End as a result of mixed-use planning policy.

We urged commercial development as equal priority use within the CAZ (ie: no less than residential) in enhancing the area's unique economic and world city functions and as the driver for redevelopment, re-investment and mixed-use including housing delivery;

We urged flexibility in the formulation of mixed-use policy within the Central Activities Zone to encourage rather than restrain re-investment and redevelopment. High existing asset and development threshold values exist throughout Westminster combined with heritage and townscape constraint

Given the highly complex, diverse and dynamic nature of CAZ we urged that flexible planning policy should explicitly encourage the benefits of land use swaps and credits and land use off-sets to achieve enhanced commercial, housing and other strategic planning objectives such as West End Special Retail policy, community/social, public realm, world class design and sustainability.

Flexible planning policy should also have full regard to the economics of development including asset values and thresholds, scheme requirements, site specific considerations and other planning objectives.

We argued for a balance between the objectives of densification and commercial and housing growth and heritage and townscape constraints including listed buildings, conservation areas, World Heritage sites and LVMF.

We urged strong policy support for delivery of the maximum development and redevelopment capacity within Opportunity Areas to provide significant commercial and housing development potential.

We urged recognition that the market will deliver flexible commercial floorspace for all sizes of business across the CAZ and that strategic planning policy should not intervene to create a two tier market in relation to office or retail uses;

We welcomed the policy support for the strategic growth of hotels and tourism within the CAZ and consideration of the loss of existing lower quality hotels in relation to the identified trajectory and other policy objectives such as housing.

We also welcomed the Mayor's support for Crossrail and regeneration of identified sub-areas such as Oxford Street but highlighted the need for a co-ordinated strategic delivery mechanism if these strategic development projects are to be successful.

24. Towards the end of the year, the Association responded to the City Council's preliminary consultation on the City Management Plan, seeking to be represented at planned workshop sessions and also to meet separately with the City council to discuss key issues. We stressed that throughout the formulation of the City management Plan, it was critical that the policies should be interlinked and reflect the underlying objectives of the Core Strategy, including:
- Balance and emphasis between commercial and residential uses inside and outside of CAZ;
 - The need for flexibility in policy formulation to reflect site circumstances
 - Recognition of the benefits of off-site solutions
 - Reflecting the economics of delivery of policy objectives
 - Reflecting policy priorities and the need to off-set or balance competing demands
 - Design excellence and sustainability
 - Support for retail, hotel and other forms of commercial development

The future of the West End

25. In October we lent our support to an initiative by London First to press the Mayor to reduce the number of buses on Oxford Street. A recent report had recommended minor alterations and enhancements to bus routes in Oxford and Regent Streets which would significantly reduce congestion, improve the pedestrian environment, increase bus reliability, and have minimal impact on accessibility. A poll conducted by the Evening Standard had since shown that over 70% of respondents wanted to see a reduction in buses in Oxford Street. Moreover a range of surveys and studies had shown that improving the pedestrian environment was a top priority for shoppers and tourists, and reducing the impact of the high number of buses was a critically important step to achieving this. We urged the Mayor to explore urgently schemes such as that proposed by London First to improve the our environment of London's premier shopping district by 2012.

Design Challenge

26. In the spring Cllr Robert Davis, then WCC Cabinet Member with responsibility for planning, wrote to the Association with a challenge to improve the quality of design of buildings coming forward for planning approval. The Association has been keen to meet this challenge, and sought a meeting with Cllr Davis in July to explore what was needed – on both sides of the planning process – to improve design quality. The Council subsequently invited Cllr Alastair Moss (Chairman of the Planning Committee) to address it on the same subject. We hope to pursue the dialogue further in the coming year.

Sustainability

27. We have had a number of discussions during the year with organisations like the London Climate Change Agency, the Better Buildings Council (of which WPA is an associate member) and (through our senior members) the UK Green Buildings Council. The subgroup to take sustainability forward has passed to Giles Clarke, who is reviewing how best the Association should take the issues forward. The question of an award remains a possibility, but the Association has not yet reached a view about what the basis of such an award would be.
28. Together with New London Architecture, Westminster City Council and Greater London Publishing, the Association is planning a seminar in the New Year on "Retrofitting for sustainability". The occasion will take place at NLA on 10 February, and will be sponsored by Grosvenor and Land Securities.

Planning Services

29. We continued our productive dialogue with Rosemarie MacQueen and her colleagues in the Planning and City Development Department, Transport Department and Legal Services Department of Westminster City Hall. We continued to feed in points from our survey of members on the quality of planning services.
30. We have great concern over the level of resourcing in the planning department which deals with the largest workload in the UK. We continue to recognise the challenges of staff turnover and of securing the right replacements.
31. The problem is exacerbated by the need to devote resources to new challenges like the Design Challenge (see above) and sustainability. The recession is unlikely to provide much relief, since planning applications tend to continue, even when buildings are not getting built. We supported in writing a bid by the Director of Planning and City Development for extra design officers. At the turn of the year we understand this bid has been put on hold.
32. The Association has continued to express its concern about the Council's Public Realm Levy, which came into effect at the beginning of the year. The quantum of the levy remains high and it is particularly concerning that there is no relief in respect of public realm work voluntarily entered into by the applicant. We look forward to discussing the first year of operation of the levy early next year.

Transport

33. Crossrail received Royal Assent on 22 July 2008. The Association is delighted that this hurdle has been crossed, but remains anxious about the project, which is essential to the future of Westminster and the whole of London. Shortly before the year end the Mayor issued on a pre-consultation basis some draft Supplementary Planning Guidance on a new charge for Crossrail – applicable in the CAZ on office developments in excess of 500 sqm (GEA) additional floorspace, at a rate of £213.30 per sqm of net additional floorspace. This is obviously of concern to the Association.

34. The Transport Working Group led by Julian Milne has monitored a number of transport issues, including Crossrail and the Congestion Charge. In October the Association wrote in support of a proposal by London First to limit the number of buses in Oxford Street. The Association welcomed the publicised intention of the Mayor to bring an end to the westward extension of the Congestion Charge area.
35. The Working Group has also monitored work on public realm in Westminster, and has produced a matrix which it updates from time to time for the benefit of members. This work may pass next year to the Working Group on the environment.

Security

36. The Association retains links with the London Resilience network, and to Westminster Project Griffin, which establishes a business information network to deal with major incidents. Further details are to be found on our website. We strongly support the Police in their efforts to detect and counter terrorist and other criminal activity.

COMING YEAR ISSUES

37. We expect 2009 to see intensive further activity on Westminster City Council's Local Development Framework. Both the Core Strategy and the City Management Plan will be coming to completion, and in the latter part of the year we expect an Examination in Public. The Association intends to be represented at the Examination.
38. We shall also be watching closely the further work by GLA on the London Plan, following the closure of consultation on Planning for a Better London. At national level we shall watch closely the implementation of new legislation on planning, following the Killian Pretty report.
39. On sustainability, we hope that the NLA seminar on Retrofitting Sustainability will provide important signposts of how further to develop the Association's policy on this important topic.
40. On public realm we shall be pressing Westminster for a sensible structure for developers to contribute to improved public realm in the City in the run up to the Olympics. We regard the public realm tariff as unfair and inflexible. We shall also continue to participate in the London-First-led WEST project.
41. On transport we shall follow closely, and engage in as necessary, the debate over the Mayor's proposed levy for Crossrail. We shall continue to work with London First and the New West End Company on issues like buses on Oxford Street. We shall monitor the Mayor's developing policies transport policies, set out in "Way to Go", and particularly proposed changes on Congestion Charging.

WPA'S INTERNAL WORKINGS

42. Following our new Manifesto, the Association undertook a complete rebranding exercise. At an extraordinary General Meeting on 16 September and after extensive consultation

within the membership, it was resolved to change the name to Westminster Property Association, in recognition of the gradual widening of its membership. Along with the rebranding went a new logo and brand image, which is used in this Report. The website is being completely redesigned to be more user-friendly.

43. During the year we were delighted to welcome Julian Stocks (Jones Lang Lasalle) as new Treasurer in succession to Mr John Stephen; and Peter Bovill (Montagu Evans), Joseph Cannon (Church Commissioners), Giles Difford (Prudential), Charles Gardner (Crown Estate), Mike Jones (Drivers Jonas), Alexander Nicoll (Capital and Counties), Paul Smith (DTZ) and Mr Dan Van Gelder (Exemplar) as new members of the Council.
44. During the year we have held three seminars for members:
 - (a) Breakfast with Sir Simon Milton On 8 July Sir Simon Milton addressed members at a breakfast seminar to talk about aspects of his new role as Planning Advisor (and subsequently Deputy Mayor for Policy and Planning) at the GLA.
 - (b) Electricity Supply in Westminster On 28 October three senior representatives from EDF made themselves available at a breakfast seminar to respond to the concerns of members about power supply and connections.
 - (c) Local Development Framework On 24 November Hugh Bullock of Gerald Eve hosted a workshop to explain to members the concerns of the Association about Westminster' Local Development Framework, and how it was approaching ongoing negotiations with the City Council.
45. Finally, we have continued the links established with the British Property Federation, London First, the City Property Association, and the New West End Company, and established a new relationship with Central London Forward (the successor organisation of Central London Partnership).

MEMBERS

46. The Association has been pleased to welcome during the year:

Cosgrave Group,	Hines,
D2Private,	Langham Estate,
Delancey	London School of Economics,
Exemplar,	Midtown Business Club,
Faber Maunsell.	Motcomb Estates,
Farebrother Ellis,	New West End Company,
Grove End Housing Association,	Primus, and TfL.

47. Total membership at the end of the year was 145, a net increase of three on the year.