

Planning Policy Team  
Westminster City Council  
City Hall  
64 Victoria Street  
London  
SW1E 6QP

20 February 2026

Dear Sir / Madam,

### **WPA Response to WCC Planning Obligations & Affordable Housing SPD**

I am writing on behalf of the Westminster Property Association (WPA) to respond to the consultation on Westminster City Council's draft Planning Obligations and Affordable Housing SPD.

Whilst these proposed changes seek to provide clarifications to new policy introduced as part of the City Council's Partial Review of its City Plan, we have a number of concerns which we have summarised below and set out in more detail at Appendix A overleaf.

#### Carbon Offsetting

- We recognise the proposed approach is consistent with that set out in the Partial Review, however, we are concerned that the suggested mechanism for crediting embodied carbon against operational carbon at post-completion stage, which would require money to be paid and subsequently refunded to applicants, will be complex and difficult to administer for both the applicant and local authority. We would welcome further discussion with the City Council on this.

#### Affordable Workspace

- We recognise that the proposed amendments to the Affordable Workspace Informal Planning Guidance Note (PAN) are largely administrative in nature. However, we reiterate our view that Westminster's office market offers a broad spectrum of accommodation at varying price points across multiple districts, including a substantial supply of high-quality serviced offices that provide SMEs with the flexibility in space and lease terms that is specifically designed to meet their needs. As evidenced in our recent research by Knight Frank, [Space for Change: Office space dynamics in central London](#) and [Westminster Deep Dive](#), the primary supply challenge relates to the provision of Prime and Grade A space for which there is a pressing need and a limited pipeline. There is no evidence to suggest there is a need for a dedicated affordable workspace policy in Westminster, and we continue to support the Guidance's recognition that affordable workspace is not a policy requirement and that its absence should not, in itself, constitute grounds for refusal.

### Affordable Housing

- We remain concerned about the impact of the proposed amendments to Policy 13, particularly the requirement for small sites to provide affordable housing. As outlined in our Regulation 19 consultation response, we believe this requirement risks undermining the viability and deliverability of development at this scale, including smaller windfall sites.
- We do not agree that the reconfiguration of accommodation which would not require planning permission should trigger affordable housing requirements. For example, the internal reconfiguration of a group of homes to create additional properties. In many cases, these internal works would not normally require planning permission so rather than simplifying the process, it is likely to introduce additional complexity and cost.
- We remain concerned that small-scale residential developments unable to meet the full affordable housing requirement will be expected to submit financial viability evidence. The reliance of financial viability assessments creates uncertainty, add complexity and lacks transparency, so we would urge the City Council to reconsider this requirement.
- Whilst this draft guidance is broadly consistent with the objectives of the Partial Review of the City Plan, we strongly encourage the City Council to keep the policy under close review, particularly its impact on the delivery of much needed affordable homes at a time when residential development activity in London is already experiencing a well-publicised decline.

### Employment and Skills

- Subject to the clarifications set out in detail overleaf, we have no substantive comments on the Inclusive Local Economy and Employment Guidance Note. We would however, highlight the work of the Skills for a Sustainable Skyline Taskforce, a public-private body led by the City of London Corporation in partnership with Central London Forward, representing all CAZ boroughs. The Deputy Mayor of London for Planning, Regeneration & the Fire Service, Jules Pipe CBE, has endorsed the Taskforce's [Future Skyline Skills Commitment](#), calling for greater collaboration between central London boroughs on Section 106 to deliver more impactful skills, training and apprenticeship outcomes. We look forward to continuing to work with the City Council and others to support employment and skills initiatives, including ensuring there is sufficient flexibility in how these commitments are delivered so they can better respond to local employment needs and the varying requirements of contractors and employers throughout the construction lifecycle. We would welcome further discussion with officers on this issue.

Please do contact me if it would be helpful to discuss the contents of this letter further.

Yours faithfully,



**Charles Begley**  
Chief Executive, WPA

## Appendix A

Page	Topic	Comment
Planning Obligations and Affordable Housing SPD		
9	Contributions	WPA notes the statement that the council reserves the right to seek additional or alternative planning contributions to those mentioned in this SPD if required to make the development acceptable.
10	Viability Assessments	WPA notes that “when policy requirements cannot be met, applicants will need to submit a viability assessment when seeking planning permission.” WPA queries this approach as there may be instances in which public benefits may be sufficient to outweigh a departure from the Development Plan without the submission of a Viability Assessment. WPA requests that the statement is updated to “applicants will typically need to submit.”
14	Definition of Major Development	In line with WPA’s response on the Validation Checklist consultation document, Article 2 of the Development Management Procedure (England) Order 2015 states, inter alia, “the provision of a building or buildings where the <b>floor space to be created</b> by the development is 1,000 square metres or more.” (our emphasis). We suggest that the definition on Page 14 is updated to reflect the above.
15	Small-Scale Residential Development	The clarification that the extension and refurbishment of retained existing homes to provide additional living space without creating additional separate homes will not be considered as ‘small-scale residential development’ is noted and supported. WPA notes the confirmation on Page 15 that the 20% affordable housing requirement for small-scale residential development applies to both public and private land.
15 and 16	Flow Chart	WPA notes and support that “if a mixed-use development meets the definition of ‘major development’, but is providing fewer than 10 homes, and less than 1,000sq m (GIA) of residential floorspace, it will be treated as ‘small-scale residential development’ for the purposes of determining affordable housing requirements.” However, WPA queries whether this is reflected in the flow chart on Page 16 and whether the upper right threshold requirement needs to be updated to reflect.
17	Policy Wording	The wording of Policy 13 (Part B) in the guidance varies slightly from the Main Modifications version of the policy.

23	Payments in Lieu	WPA notes the updated payment in lieu tariffs, which have been reduced reflecting market movements.
28	Tenure Split	WPA notes the tenure split to 70 / 30% social / intermediate (as set out in the updated Policy 13.
28	Affordable Housing Statement	WPA notes that the latest available version of the Affordable Housing Statement dates from 2022 and queries whether this has been or is being updated.
30	Income Thresholds	WPA notes the updates to income and affordability thresholds for affordable housing.
36	Amalgamations	WPA notes and supports the proposed policy exception in relation to the amalgamation of existing homes.
37	Affordable Housing in Small-Scale Residential Development	WPA notes and supports the approach that the council will not expect applicants to justify the delivery mechanism for affordable housing in small-scale residential development.
45	Student Accommodation	WPA notes that in the context of viability constraints and when this is justified to the council's satisfaction and in line with London Plan guidance, it may be acceptable for affordable student accommodation to be replaced by C3 affordable housing.
55	Threshold for Employment and Skills	WPA notes that the threshold for Employment and Skills contributions has been adjusted to include a net uplift of over 1,000sqm of commercial floorspace (Gross Internal Area) – including where this is provided from change of use from non-commercial floorspace.
60	Definition of Local Residents	WPA notes that the definition of local residents for the purposes of Employment and Skills contributions has been updated. WPA notes that this update has not followed through to the draft Inclusive Local Economy and Employment Guidance Note and requests that it is updated to reflect.
61	Wages	WPA notes that all jobs and apprenticeships for Westminster residents secured through the agreement to be paid as a minimum London Living Wage. For Apprenticeships, the use of National Minimum Wage for opportunities supported by commissioned partners may be acceptable for the first year, but the council's

		ambition is that these opportunities should attract London Living Wage beyond this period.
82	Green Infrastructure	WPA notes that the council is currently preparing a Green Infrastructure Audit which will update the previous Open Space Audit from 2017, which was used to support City Plan Policy 38.
88	Embodied Carbon Offsetting	WPA notes the introduction of guidance on embodied carbon offsetting in line with the approach set out in the Retrofit First Policy (Policy 43) and the Environment SPD.
88	Crediting of Carbon Offset Payments	WPA notes that it is proposed that Applicants will be able to claim credits against their energy policy carbon off-set contributions when they provide a Whole-life Carbon Assessment post-completion which demonstrates that the development has achieved an embodied carbon per meter square that is lower than the aspirational targets set out in Policy 43. In practice, this would require refunds to be made by WCC to Applicants which is unfeasible. Instead, WPA suggests that the credit is applied within the Section 106 agreement and is crediting upon the paying of the operational carbon offset at the point of implementation.
101	Viability Assessments	WPA notes and supports the confirmation that when assessing viability assessments submitted to support small-scale residential developments applications, the council will not use review mechanisms in order to ensure that this type of housing supply is not compromised.
General		General note that there are some inconsistencies in the inclusion of policies which do not quite align with their wording in the Main Modifications consultation document e.g., references to Policy 13 (Part B) on Page 17 and references to Policy 43 (Part G1) on Page 87.
<b>Affordable Workspace Informal Planning Guidance Note</b>		
-	-	WPA notes that the Affordable Workspace Information Planning Guidance Notes has been updated to reflect the references to the supporting policies to ensure it aligns with the City Plan Partial Review.
<b>Inclusive Local Economy and Employment Guidance Note</b>		
7	Thresholds	WPA notes that the threshold for financial contributions does not

		align with the draft Planning Obligations and Affordable Housing SPD as it does not include reference to changes of use.
14	Fair Wage Definition	WPA notes that the definition of Fair Wage has been updated.
15	Definition of Local Residents	As above, WPA notes that the definition of local residents has not been updated to reflect the definition in the draft Planning Obligations and Affordable Housing SPD.