

**From:**

**Sent:** 22 October 2023 12:11

**To:** Planning

**Cc:** David Fowler

**Subject:** planning and listed building applications 2023/2510/P and 2023/2653/L

**Re: Composite Planning and Listed Building Applications (*Composite Applications*) in respect of proposals for the development of a series of plots bounded by High Holborn, Museum Street, New Oxford Street and West Central Street including Selkirk House, Museum Street (formerly Travelodge) (now reference 2023/2510/P and (listed building) 2023/2653/L), originally Labtech application 2021/ 2954/ P)**

Dear Sirs

This is an additional submission in objection to the above Composite Applications. I make this as a local resident.

I have recently had occasion to review successive viability assessments in relation to the proposal, as prepared by Gerald Eve. It has been difficult to find them on the planning portal, which explains why I was not able to make this submission sooner.

I note these reports are stated to have been prepared “with reasonableness, impartiality and without interference” (although presumably based on inputs from the applicant), despite the fact that Labtech is the client.

All the reports clearly indicate that the proposals included in the Composite Applications **are not viable**. This comes as a shock given that Labtech and BC Partners have been working on them (supported by an army of professional advisers) for so long.

It may be assumed that the effects of inflationary cost increases and of delays would only exacerbate any risks of non- viability. Those risks are further increased by the fact that this is seemingly a wholly speculative development at a time when there are real questions about likely levels of future office demand in future years.

These conclusions, recently confirmed by Gerald Eve, also mean that when Labtech/BC Partners made the resubmission of the Composite Applications earlier this year, they did so knowing that the proposals were not viable, which is extraordinary as well as irresponsible. For such sophisticated financial actors, this is almost incredible.

It would therefore be a huge risk for the Council to approve the Composite Applications in their present form and I do not consider it would be reasonable for the Council to take this risk.

This is not “just” a risk for the Council, in the sense that it might not get the minimum housing, including social housing, benefits which its policies require. There is also an important risk which affects the entire community and London generally, in that the applicant might carry out demolition and/or erect its bulky 74 metre skyscraper, with all the ensuing damage to the environment and heritage, without providing all of the benefit which, one supposes, the Council would have relied on in seeking to justify authorizing that damage.

I note that the Gerald Eve reports state that the Composite Applications do not currently comply with the Council’s requirements as to housing. In acknowledging this and that such non compliance gives rise to a corresponding requirement to make a payment in lieu, Gerald Eve argue that the applicant should not make that payment in lieu because BC Partners (who, as stated above, have knowingly lodged the Composite Applications) cannot afford it. This is both implausible and unjustifiable in the case of a large and profitable private equity firm which has knowingly persevered with a seemingly non viable project.

I am not sure how impartial Gerald Eve are being in making this claim, as this seems to make the document a negotiating tool for the benefit of the applicant. The Council will need rigorously to test what Gerald Eve say.

If the Council were to be minded to approve the Composite Applications in any form, the Council should certainly not grant any financial concessions to the applicant in respect of the minimum additional financial contributions required as a result of its deliberate non compliance with well know published Council policies.

I should add that the non-compliance is caused by the sheer quantity of commercial space which the applicant wishes to include in the project, by means of a 74 metre and bulky skyscraper.

The fact that the applicant/ owner seems to be an offshore vehicle resident in a tax haven makes the counterparty risk to which the Council and the community is exposed all the greater. Councillors need to reflect on how Londoners and visitors would judge them if the granting of permission led to a situation where, in a few years’ time, such an important central London site became a blighted and unsightly (as well as unsafe) building site belonging to a bankrupt overseas company and the subject of years of litigation. Ironically, the Council has experience (in a licensing context) of such a situation in relation to one of the plots included within the Composite Applications, where

the Council's laxity in its treatment of non-compliance by the Den/ End nightclub in West Central Street stirred up trouble for it, eventually leading to expensive court action by the Council and loss of business rates for extended periods.

In view of the offshore element and of the apparent non viability of the proposals (and the insolvency risks that implies), should any permission be granted, the Council should seek binding guarantees from an entity of sufficient substance within the jurisdiction of all the financial obligations of the applicant to which the grants would give rise.

For these reasons, in addition to others previously notified, I consider that the Council should **reject** the Composite Applications.

Please acknowledge receipt and place on the planning Portal.

Regards

Peter Bloxham

**Peter Bloxham**