

Len Duvall AM, Chair of the GLA Oversight Committee

Gordon Innes

Chief Executive
London & Partners
6th Floor
2 More London Riverside
London
SE1 2RR

City Hall
The Queen's Walk
London SE1 2AA

Switchboard: 020 7983 4000
Minicom: 020 7983 4458
Web: www.london.gov.uk

Ref: 2/2015-16

28 May 2015

Dear Gordon

London and Partners' Role in Crystal Palace Redevelopment Proposal

Further to the recent discussions between the GLA Oversight Committee and London & Partners, I would be grateful if you could provide clarification of your role in the Crystal Palace Redevelopment proposals, and in particular, the allegations in The Sunday Times' recent article that Lord Bates of Langbaugh (Parliamentary Under Secretary of State for Criminal Information) and his wife Xuelin Li Bates met with "London planners" on behalf of the ZhongRong Group (*Minister faces quiz over link to new Crystal Palace*, 12 April 2015).

The meeting (which took place on the 16 November 2012), as officially recorded in the document attached at Appendix 1, involved the attendance of a member of staff from London and Partners – Jeff Cao, Head of Asia Pacific – who is listed alongside Lord and Lady Bates as an applicant.

I write therefore to seek clarification on London and Partners' role in this application and would be grateful for your comments in relation to the following questions:

- What role Mr Cao took at the meeting;
- What other work London & Partners undertook for the ZhongRong Group with respect to this application; and
- Whether London and Partners received any additional money for attending this meeting on behalf of the ZhongRong Group.

The Committees is particularly concerned that, on the face of it, London & Partners' role in this matter might be construed as having strayed beyond its core "brokering" function and into the realm of strategic advice.

I would be grateful to receive your response at your earliest convenience and ask that, in your formal response to the Committee, you copy in the committee officer, whose details are at the bottom of this letter. Please note that I have copied this letter to Sir Edward Lister.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Len Duvall', written in a cursive style.

Len Duvall AM
Chair of the GLA Oversight Committee

CC – Sir Edward Lister, Board Chairman, London & Partners

Enc. – Appendix 1 – Technical Planning Advice Note (REF: PDU/1295b, 16 November 2012)

GREATER LONDON AUTHORITY

TECHNICAL PLANNING ADVICE NOTE (REF: PDU/1295b)

16 November 2012

Crystal Palace Park, Bromley

in the London Borough of Bromley

The proposal

A recreation of Great Exhibition glass-house buildings is proposed on the original site. Uses proposed to be contained within these buildings include a 6 star hotel, retail uses (mainly jewellery showrooms and sales) and art galleries together with 1800 car parking spaces. The floorspace proposed is 2 million sq.m.

The applicant

Is Zhongrong Group and the architect is Dominique Hertenberger.

Context

1 Following on from a meeting in August between the Mayor, Edward Lister and Rick Blakeway a meeting was held on 30 October 2012 with the following attendees:

GLA

- Richard Blakeway- Deputy Mayor for Housing, Land and Property
- Fiona Fletcher-Smith, Executive Director of Development and Environment
- Martin Clarke, Executive Director Resources
- Stewart Murray, Assistant Director, Planning
- Lan Feng, Principal Policy Officer- International Promotion

Applicant

- Xuelin Bates- Architect and property developer representing Zhongrong Group
- Lord Bates (Xuelin's husband)
- Jeff Cao- Head of Asia Pacific, London and Partners

Site description

2 Crystal Palace Park is located in the London Borough of Bromley immediately to the north-east of Upper Norwood town centre. The park is bounded by Crystal Palace Parade to the west, Crystal Palace Park Road to the north, Thicket Road to the east and Anerley Hill/Crystal Palace to Sydenham railway line to the south. The majority of the park fronts directly onto these roads/railway line, although along parts of Crystal Palace Park Road and Thicket Road there are residential properties in between. The Park is on the north-west tip of the borough boundary. The London Boroughs of Croydon, Lambeth, Southwark and Lewisham all adjoin the Park boundary.

3 Crystal Palace Park Road (A234), Crystal Palace Parade (A212) and College Road (A2199), which joins Crystal Palace Parade are all part of the Strategic Road Network. The nearest Transport for London Road Network is the A205, located approximately 2km away from the site. Crystal Palace national rail station and London Overground is located 500m away from the top site (however it should be noted that there is a steep slope between the station and top site which could be regarded as a significant barrier to accessibility). Adjacent to the southern boundary of the site, whilst Penge West national rail station is located just beyond the eastern boundary of the Park. Both stations offer regular services to Central and South-East London. Crystal Palace bus terminus is also located adjacent to the western boundary of the site and is served by ten different bus services. A further seven bus services run close to the north, east and south of the park respectively along Westwood Hill / Crystal Palace Park Road and Anerley Hill. Given the proximity of the rail and bus station, it is considered that the development site is well located at the south-western boundary and as such, records a public transport accessibility level (PTAL) of 6, out of a range of 1 to 6 where 6 is considered as excellent. Due to the size of the park, this PTAL however decreases gradually to 2 in certain areas of the park and particularly towards the north-eastern boundary.

4 The Park was originally laid out between 1852 and 1855 to accommodate the relocated and enlarged 'Crystal Palace' – the building designed and built by Joseph Paxton for the **Great Exhibition in Hyde Park**. Paxton imposed a strong symmetrical design for the park, orientating it around a Central Walk (Paxton Axis) with a maze, rosary gardens, English landscape garden, Italianate garden cascades, fountains and basins on either side. The Crystal Palace itself was located on the western side of the park, fronting Crystal Palace Parade, on what is now known as the 'top site'. The Park and Palace were used for a huge range of activities including shows, exhibitions, concerts and mass meetings of numerous organisations, there was a charge for entry, which varied depending on the event. It was also home to the FA cup final between 1895 and 1914. The Park is regarded as the world's first theme park for mass entertainment. The company running the Palace and the Park was declared bankrupt in 1911 and in 1913 it was bought for the nation. It was run by the London County Council and its successor the Greater London Council. The London County Council commissioned a masterplan for the Park in 1954 which involved the construction of a national exhibition centres and national sports centre. The latter was completed in 1964. The remainder of the masterplan was never implemented. Between 1937 and 1972 the Park accommodated a motor racing circuit. On abolition of the Greater London Council in 1986 it was transferred to the Bromley Council. The GLA has a leasehold interest in the National Sports Centre.

5 The Park is 80 hectares and now comprises open parkland (grassland and trees) with pathways, access roads and car parks, cricket pitch, fishing lake, maze, along with buildings and structures related to park maintenance and sport and recreation that are mostly located in the centre of the Park. The main built elements include the National Sports Centre (which includes a 50m swimming pool and other indoor sports facilities), the athletics stadium, Lodge Tower (which provides accommodation for athletes), seven houses, the Italian Terraces, the Paxton Axis, BBC television transmitter mast, a caravan site, tidal lakes in the north and south-east, a concert stage, the Crystal Palace Park museum the base of the Brunel water tower, the subway to the former Crystal Palace 'high level' Station, dinosaur statues and geological features, the former City Farm and covered reservoir.

Details of the proposal

6 A recreation of Great Exhibition glass-house buildings is proposed on the original site. Uses proposed to be contained within these buildings include a 6 star hotel, retail uses (mainly jewellery showrooms and sales) and art galleries together with 1800 car parking spaces. The floorspace proposed is 2 million sq.m.

Strategic planning issues and relevant policies and guidance

7 The relevant issues and corresponding policies are as follows:

- Economic development *London Plan; the Mayor's Economic Development Strategy; Employment Action Plan;*
- World city role *London Plan;*
- Urban design *London Plan;*
- Mix of uses *London Plan;*
- Regeneration *London Plan; the Mayor's Economic Development Strategy;*
- Transport *London Plan; the Mayor's Transport Strategy;*
- Parking *London Plan; draft Revised Early Minor Alteration to the London Plan; the Mayor's Transport Strategy;*
- Retail/town centre uses *London Plan ;*
- Open land *London Plan; All London Green Grid SPG;*
- Green Belt/MOL *London Plan;*
- Employment *London Plan; Land for Industry and Transport SPG;*
- Biodiversity/Geodiversity *London Plan; the Mayor's Biodiversity Strategy; draft Tree and Woodland Strategies; London's Foundations (Geodiversity) SPG;*
- Access *London Plan; Accessible London: achieving an inclusive environment SPG; Planning and Access for Disabled People: a good practice guide (ODPM);*
- Culture *London Plan; Mayor's Cultural Strategy;*
- Historic Environment *London Plan;*
- Sustainable development *London Plan; Sustainable Design and Construction SPG; Mayor's Climate Change Adaptation Strategy; Mayor's Climate Change Mitigation and Energy Strategy; Mayor's Water Strategy ;*

8 For the purposes of Section 38(6) of the Planning and Compulsory Purchase Act 2004, the development plan in force for the area is the 2006 Bromley Unitary Development Plan and the 2011 London Plan.

9 The following are also relevant material considerations:

- The National Planning Policy Framework and Technical Guide to the National Planning Policy Framework
- the Bromley Core Strategy (Issues and Options stage)
- The Early Minor Alteration to the London Plan

Case history

10 Outline planning permission was granted by Bromley Council for the following description of development in 2008. The decision was upheld by the Secretary of State following a call-in Inquiry in December 2012. The Crystal Palace Community Association challenged this decision by way of judicial review and in June 2012 this was dismissed and the decision upheld. The Claimants have lodged an application to appeal this decision and a decision as to whether they have been granted leave to appeal is awaited.

11 Comprehensive phased scheme for landscaping and improvement of park comprising demolition of and alterations to existing buildings and structures including removal of existing hard surfaces; changes of use including part of the caravan site to public open space and museum to park rangers base; erection of new buildings and structures for various uses including museum, park maintenance facilities, community facilities, information kiosk, greenhouses, retail kiosks, cafes, toilets classroom, children's nursery, treetop walk, student accommodation, up to 180 residential units, new regional sports centre; alterations to ground levels with new pedestrian paths, vehicular access roads, car parking highway works, water features.

Land use principle

12 Whilst the economic, cultural and heritage benefits of the proposal are acknowledged the impact on the Metropolitan Open Land will need to be assessed. In order to properly assess the impact of the proposal the quantum of the individual uses should be set out and supplied as soon as possible.

13 London Plan Policy 7.16 sets out that Metropolitan Open Land should be treated in the same way as Green Belt. It then goes on to state that "the strongest protection should be given to London's green belt, in accordance with national guidance. Inappropriate development should be refused, except in very special circumstances"

14 The policy guidance of paragraphs 79-92 of the National Planning Policy Framework (NPPF) on Green Belts states that the Green Belt serves five purposes:

- to check the unrestricted sprawl of large built-up areas;
- to prevent neighbouring towns merging into one another;
- to assist in safeguarding the countryside from encroachment;
- to preserve the setting and special character of historic towns; and
- to assist in urban regeneration, by encouraging the recycling of derelict and other urban land.

15 Paragraph 87 of the NPPF states that inappropriate development is, by definition, harmful to the Green Belt and should not be approved except in very special circumstances. In addition, paragraph 89 of the NPPF states that 'a local planning authority should regard the construction of new buildings as inappropriate in Green Belt'. Paragraph 89 sets out that when considering any planning application, local planning authorities should ensure that substantial weight is given to any harm to the Green Belt. 'Very special circumstances' will not exist unless the potential harm to the Green Belt by reason of inappropriateness, and any other harm, is clearly outweighed by other considerations.

16 By definition the development proposed is inappropriate development and will have a substantial impact on the MOL both by its appearance, its introduction of new uses and the substantial number of visitors it will attract.

17 That said it should be noted that the proposal is a recreation of a historic structure, albeit taller than the original, which attracted substantial users and there may be demonstrated very exceptional circumstances.

18 The previous application accepted that restoration of the rest of the park which was in a poor condition, including the dinosaurs, and refurbishment of the Sports Centre could constitute *Very Special Circumstances* for the development of housing on part of the park in order to fund the works.

19 The Stage I report also set out that there was a unique combination of factors in this case to suggest that very special circumstances do exist. Firstly, the Park is not a traditional urban Victorian park (such as Victoria Park or Battersea Park, which is both of a similar size and was both previously run by the GLC). It was a private park to which an entrance fee was charged with a huge indoor attraction and an eclectic range of attractions. It is commonly accepted as being the World's first amusement park. The historical legacy of these remains – in the form of the listed Terraces, the top site, the dinosaurs etc. These legacy features represent a significant cost, which are exceptional and not common to any other park in London. Secondly, the presence of the listed National Sports Centre and the athletics track and spectator stands significantly detract from the quality of the park – they represent a severe physical barrier in the middle of the park and give rise to further exceptional costs to remedy the problems they cause. Of course they are valued features in their own right, but nevertheless do not fit well with the rest of the Park. The fact that they were part of a much larger proposal for an exhibition centre that was never completed is also relevant. The partial implementation of a much bigger plan has resulted in truncated features such as the elevated walkways. Dealing with these problems is an exceptional cost that is unique to the history of this park.

20 Other factors that have some relevance are the historical precedent established by Paxton, of selling off parts of the edge of the park for residential development to fund ongoing maintenance and the fact that many other parks and open spaces of this size or character in London have alternative sources of funding – e.g. through the Royal Parks Agency, Corporation of London and precept on Council tax, although this is not the case for all parks of this size.

21 Very special circumstances have previously been justified for uses which have substantial public benefits such as educational and health uses. Given the unique combination of factors at play here the employment and economic benefits of this proposal together with its cultural and historic benefits may be able to constitute very special circumstances given the public benefits they bring and if the applicant proposes improvements to the park and sports centre of a similar manner to those previously proposed. In addition the applicant will need to demonstrate these very special circumstances and clearly set out the number of jobs the proposal is expected to generate and the likely economic impact on the surrounding area. The impact of the level of traffic likely to be generated will also need to be taken into consideration.

Retail, leisure and hotel uses

22 The London Plan and NPPF set out that retail and leisure uses should be located in town centres and the London Plan sets out that hotels should be located in town centres outside the Central Activities Zone.

23 This site is outside of a town centre and as such generally a sequential assessment and retail impact assessment is required. Given the unique nature of the use it may be possible to make an argument that a sequential test is not required. The applicant will need to clearly set out how the offer differs from usual offers to justify this and the application may need to be conditioned to such a use. A retail impact assessment should be submitted.

24 Whilst the site is not in a town centre justification may be possible for the hotel location given the unique nature and opportunity of the site.

Heritage

25 Whilst the recreation of the glasshouses to the site is welcomed and its positive heritage impact is acknowledged the applicant will need to demonstrate that the proposal does not have an adverse impact on the listed terraces and other heritage assets on the wider site either by virtue of its bulk or the impact of the number of visitors.

Biodiversity

26 As the wider park is in a Site of Borough Importance for Nature Conservation the biodiversity implications of the proposal should be assessed.

Energy

27 Whilst the aspiration to restore the glasshouses to the site is welcomed given the high level of glazing it will be important to have early discussions around the energy strategy and in particular energy efficiency and the levels of cooling required.

Transport

28 The local highway network is not particularly suited to a large increase in traffic. The nearby Upper Norwood / Crystal Palace triangle with local shopping centre operates as a one-way system, which experiences queuing and congestion at peak times. The use of public transport modes should be encouraged. Whilst the scale of the uses is acknowledged, given the PTAL of the site a reduction in parking numbers should be considered. In any case the level of parking will need to be robustly justified. It should be noted that temporary car parking is occasionally provided on the lower terraces below the development site to serve major events in the park, as part of a major event planning process which includes road closures and diversions in the surrounding area to ensure that the local road network operates efficiently.

29 Rail network constraints would prevent any major increase in rail frequencies.

30 At Crystal Palace station, recent internal improvements have been carried out to re-open the former historic ticket hall in September 2012, and lifts are due to open in 2013, which helps to provide improved internal circulation – though with any major new development all internal circulation impacts would need to be investigated. Impact on train services would also need detailed investigation and potential mitigation. When irregular major athletics events are held, there are lengthened train services and additional staffing and information as part of major event planning.

31 There is a steep hill from the station to the top of the park which would be regarded as a barrier to access and connectivity from the station to the site. The Crystal Palace Tramlink extension would have provided a link from the station to the top of the park, or there may be other alternatives to provide an accessible link from the station to the development site.

32 There is an existing bus station accessed off Crystal Palace Parade which provides standing space for terminating routes and bus stops – which reflects the provision of bus services around the local south London area coming to a hub at Crystal Palace. This bus standing provision would need to be retained and potentially enhanced, especially if there would be significant increases in the number of people using bus services to access the development proposal Tramlink extension feasibility work drew up proposals for an integrated tram terminus / bus station in that location.

Tramlink

33 Significant feasibility and development work was carried out on the Crystal Palace extension before it was shelved as a project in 2008. The extension would connect to the existing Tramlink network at Harrington Road with options to utilise part of the National Rail corridor towards Birkbeck and Beckenham Junction as far as Crystal Palace station and there were three alignment options to connect to a terminus near the existing bus station adjacent to the original Crystal Palace site. The park alignment options were designed to dovetail with the LDA's Masterplan proposals within which an alignment was safeguarded.

34 TfL are currently drafting a Tramlink Strategy which prioritises enhancements to the existing system (additional platform at Wimbledon, double-tracking more of the Wimbledon branch), and three potential extensions; Harrington Road to Crystal Palace, Wimbledon to Sutton and Beckenham Junction to Bromley. The Crystal Palace alignment and business case are currently being refreshed, alongside a feasibility study into the potential extension to Sutton so that both projects are at a comparable level of design. It is expected that this work would be available in mid 2013. Tramlink enhancements are included in the London Plan, however there is no commitment to funding in the TfL Business Plan.

35 Following further discussion with the Mayor about Tramlink enhancements, in the current economic climate it is clear that any large infrastructure project needs to be able to generate additional jobs and homes and/or other types of development to prove viable, and local Boroughs have been made aware of this. TfL are undertaking a series of studies to look at development potential along the extension routes.

36 Whilst the Crystal Palace extension is only one of the options being considered to improve connectivity and capacity in south London should it be decided to go ahead with it any development of the scale proposed would be expected to include a substantial contribution to this extension.

Conclusion

37 The principle of recreating the Great Exhibition glasshouses on their original site is strongly supported in terms of supporting London's World City role and achieving the exceptional strategic development of Crystal Palace as a major destination. The planning and technical appraisal process will be an important next step to provide further justification for the nature and scale of the envisaged mixed use development. In addition, discussion is encouraged early on to ensure that a robust case can be demonstrated on the very special circumstances arguments for the scale and uses proposed, particularly the retail/shopping elements, hotel and leisure uses as well as the transport impacts of the proposal.

38 It should be noted that it would be expected that these proposals would come forward as part of a package to restore and upgrade the park and sports centre and to make a contribution to the tramlink extension

39 There would need to be close dialogue between the GLA, Transport for London, Bromley Council and neighbouring Borough Councils and communities on the vision and masterplanning of

this significant strategic development. Clearly, there could be demonstrated very significant community and wider London benefits providing the planning policy tests and local impacts are fully addressed.

40 Early technical advice and establishment of a competent planning and transportation consultancy team for the development is highly recommended who could then engage closely with the GLA's Planning Team and TfL, alongside the Local Planning Authority, Bromley Council. The key contacts at the GLA Planning are as follows: -

Stewart Murray, Assistant Director – Planning
[REDACTED]

Colin Wilson, Senior Manager – Planning Decisions
[REDACTED]

Justin Carr, Strategic Planning Manager (Development Decisions)
[REDACTED]

Emma Williamson, Principal Strategic Planner
[REDACTED]

LONDON[®] & PARTNERS

London & Partners, 6th Floor, 2 More London Riverside, London SE1 2RR
T +44 (0)20 7234 5800 F +44 (0)20 7378 6525
londonandpartners.com

Len Duvall AM
Chair of the GLA Oversight Committee
City Hall
The Queen's Walk
London
SE1 2AA

3 June 2015

Dear Mr Duvall

I refer to your letter of 28 May requesting clarification of London & Partners' role in the proposed redevelopment of Crystal Palace.

Perhaps I can explain some background to this project.

Mr Cao leads London & Partners' Asia Pacific Inward Investment team. The team identified in 2011 that there might be opportunities for investment from ZhongRong Group. The team met with the Group's Chairman to discuss investing in London and it subsequently introduced him to relevant London contacts, including at the GLA.

There are two errors in the official record of the meeting which you refer to in your letter. The meeting took place on 2 November 2012 and Mr Cao did not attend as an applicant.

GLA officials asked Mr Cao to attend the meeting because it related to a potential significant investment into London by a major Chinese company that London & Partners had previously been in contact with. Mr Cao attended in his capacity as London & Partners' Head of Asia Pacific. We have subsequently pointed out the error in the meeting note to the GLA.

I can confirm categorically that London & Partners did not carry out any work on behalf of Zhongrong Group in relation to its planning application and London & Partners has never received any payment from Zhongrong Group.

Yours sincerely



GORDON INNES
Chief Executive Officer

c.c. Sir Edward Lister