
Appeal Decision

Site visit made on 4 February 2025

by **L J O'Brien BA (Hons) MA MRTPI**

an Inspector appointed by the Secretary of State

Decision date: 25 February 2025

Appeal Ref: APP/X5990/W/24/3353403

50 Hugh Street, London, SW1V 4ER

- The appeal is made under section 78 of the Town and Country Planning Act 1990 (as amended) against a refusal to grant planning permission.
 - The appeal is made by BALK Investments Limited against the decision of City of Westminster Council.
 - The application Ref is 24/03943/FULL.
 - The development proposed is change of use from a residential to use as a short term rental/holiday let.
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Decision

1. The appeal is dismissed.

Preliminary Matters

2. The National Planning Policy Framework (the Framework) was updated in December 2024, during the consideration of this appeal. Insofar as is directly relevant to the appeal, there are no substantive changes and no parties have been prejudiced as a result.

Main Issue

3. The main issue in this appeal is the effect of the development on the housing stock in the area with particular regard to the adopted local development plan policies.

Reasons

4. The appeal site is a residential dwelling set over four floors located within a terrace of similar properties. The proposal is for the change of use of the property, which the evidence before me indicates has stood empty for some time, from a residential dwelling to short term rental/holiday let.
5. Section 38(6) of the Planning and Compulsory Purchase Act 2004 states that "If regard is to be had to the development plan for the purposes of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise."
6. Policy 8 C of the City of Westminster City Plan 2019 – 2040, adopted April 2021 (LP) sets out that all existing residential units, uses, floorspace and land will be protected except where the reconfiguration or redevelopment of supported or affordable housing would better meet need; or non-family sized housing is being reconfigured to create family sized housing. Paragraph 8.8 within the supporting text to this policy goes on to say that the high cost of land in Westminster and its limited availability mean that all existing housing uses must be protected.

7. The appellant argues that the property would retain its residential use. However, the business plan provided by the appellant in support of the appeal¹ is clear that the property would be rented out night by night and the target market would be tourists, business executives and special occasion guests. The business plan also sets out that the target occupancy rate would be 70% or approximately 255 nights per year. At present the property could be used as a long term permanent family home. Should the proposal be allowed, the property would no longer be available for such use. As such, it is clear to me that the proposal would not retain the residential use of the property in such a way as to meet the objectives of the adopted development plan which is clear in its aim to provide housing, especially family housing, for permanent residents of the area.
8. On the basis of the evidence before me, the proposal would not meet either of the exceptions which would justify the development set out within the local plan. For these reasons I consider that the proposal would have an adverse effect on the housing stock in the area with particular regard to the adopted local development plan policies and would conflict with Policy 8 C of the LP. As I have found conflict with the development plan I turn now to whether or not there are any material considerations which would indicate that planning permission should be granted nevertheless.
9. The appellant states that the Council has a deliverable housing land supply of 5.25 years. Whilst this may indeed be the case the future delivery of housing on other sites is not a satisfactory reason to allow the loss of existing units.
10. The evidence before me indicates that the appeal site is located within the London Central Activities Zone (CAZ) as set out within figure 2.16 of the London Plan, 2021 (the London Plan). The London Plan states that "London's Central Activities Zone (CAZ) and town centres are the primary locations for commercial activity in the capital. These are complex parts of London, with a wide mix of uses and unique local character. The CAZ and the town centre network have a crucial role to play in supporting London's growth, and the London Plan sets out how this growth should be managed and planned for."
11. Policy SD4 of the London Plan sets out the approach to the CAZ and is clear that the unique concentration and diversity of cultural, arts, entertainment, night-time economy and tourism functions should be promoted and enhanced. The supporting text to the policy is equally clear that arts, culture, tourism and entertainment activities are a defining feature of the vibrant and distinctive character of the CAZ. This sentiment is also expressed within Policy E10 of the London Plan which, within the supporting text, sets out that, given the importance of tourism to London's economy, London needs to ensure that it is able to meet the accommodation demands of tourists who want to visit the capital.
12. However, policies within the London Plan also state that within the CAZ, strategically-important serviced accommodation should be promoted in Opportunity Areas, with smaller-scale provision in other parts of the CAZ except wholly residential streets or predominantly residential neighbourhoods and are clear that the quality and character of predominantly residential neighbourhoods, where more local uses predominate, should be conserved and enhanced.

¹ Business Plan for Airbnb at 50 Hugh Street, Pimlico, London, SW1V 4ER

13. I accept the appellant's view that Hugh Street, when considered in its entirety, is not wholly residential. However, the part of the street in the immediate vicinity of the appeal site is residential in nature and, though the wider area may be more varied, the neighbourhood in the immediate area of the appeal site, in my view, can also be considered to be predominantly residential. As such, the London Plan indicates that the area around the appeal site should be conserved and the appeal site does not fall within an area where the London Plan specifically advises that serviced accommodation should be promoted.
14. The addition of tourist accommodation, in this instance, whilst a benefit of the scheme, carries limited weight for the reasons set out above. The benefits in this regard are not, in my view, sufficient to outweigh the harm which would be caused as a direct result of the conflict with the adopted development plan for the area. Consequently, other material considerations are not such that they indicate that the appeal should be granted despite the conflict with the local plan.

Other Matters

15. I accept that no notable physical changes to the external appearance of the appeal property are proposed. This lack of harm is, however, a neutral factor in my consideration of the scheme and does not add weight in favour of permitting the development. I also note that the property has been empty and not in active use for some time. Notwithstanding this, the property could be bought into residential use and the lawful use of the property remains as such.
16. I have noted a number of other issues raised, including some concern around the potential effect of the proposal on the living conditions of neighbouring residents. However, as I am dismissing the appeal on a matter of principle in relation to the adopted development plan and the other concerns expressed do not have a direct bearing on the main issue, it is not necessary for these to be explored further as part of this appeal.
17. I have given careful regard to all of the above considerations. However, none are sufficient to dissuade me from the conclusions I have reached that the proposal would have an adverse effect on the housing stock in the area.

Conclusion

18. For the reasons set out above, the proposal is contrary to the development plan. There are no material considerations that indicate that permission should be granted. Therefore, taking all other matters raised into account, the appeal is dismissed.

L J O'Brien

INSPECTOR