

Annual Update | March 2016

# London Tall Buildings Survey

#NLATallBuildings



New London Architecture is an independent forum for discussion, debate and information about architecture, planning, development and construction in the capital. Our core mission is to bring people together to shape a better city.

### Foreword

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#### **Peter Murray**, Chairman, New London Architecture

This survey provides a snapshot of the changing shape and scale of 21<sup>st</sup> century London. The pipeline of tall buildings continues to grow, although their listing here is no guarantee that they will all be built. A softening of the top end of the housing market, a resurgence in demand for commercial property, and the uncertainties surrounding the EU referendum all complicate the forecasting of completion dates for this current crop of tall buildings. It will be a couple of decades before we see their full impact. Towers take longer to build than lower buildings and they are impossible to phase; following the financial crash of 2007-8, a number of tall buildings were put on ice thus extending their delivery time – The Leadenhall Building took some 14 years from design to completion, and 20 Fenchurch Street took over a decade. The developer of the Greenwich Peninsula, where some 32 towers are proposed, is looking at a 20-year phased programme.

The clusters of towers in the Opportunity Areas of the London Plan are taking shape – in the east, in Tower Hamlets and Greenwich, the clusters are larger and the population more dense. This change of scale is inevitable as the capital faces up to the challenges of its burgeoning population within the constraints of the Green Belt and the lack of a wider planning strategy.

Yet we still need to improve the quality of planning information so we can better assess the benefits and problems of towers as groups of buildings rather than individual icons and to clarify their group impact on the city in advance. The Corporation of London is using a 3D-computer model to shape the City cluster in a much more effective way than was previously possible. The whole of the capital needs these tools – which can be used by architects, planners and communities alike. It is something the NLA has been pressing for since our first Survey and which the next Mayor will surely need if he is to make properly informed decisions on the future shape of the capital.



#### **James Cook**, Planning Director, GL Hearn

Contemporary tall buildings are an efficient use of land that can provide high quality homes, a range of uses and very significant wider planning benefits. Well-designed tall buildings, in the right location, should be a really positive addition to London as a global city.

This Survey provides a valuable insight into what is actually happening in terms of proposals for tall buildings in London. Taking into account the total estimated pipeline of tall buildings, it is clear that the majority are located within key clusters around London, mainly within the Opportunity Areas that have been identified by the Mayor as locations capable of making a significant contribution to London's needs for new homes and jobs.

One of the most striking findings is that whilst the overall numbers of proposals for tall buildings has increased, the level of construction activity remains relatively consistent. We think that this is likely to be due to the significant development and investment risk required to commit to construct tall buildings. We also noted that there is evidence of efficiency in the planning system with 43 applications for tall buildings gaining planning permission having been submitted within the same year – albeit the majority of these were in one very large scheme. We do think that this points to the benefit of a clear strategic approach for the location of tall buildings that have been established by the London Plan and other planning policies.

Overall, it is clear that delivery is a long way behind the potential pipeline, and the planning system needs to continue to ensure any scheme that comes forward is carefully designed with architecture of the highest quality.

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Analysis of data

GL Hearn

Since 2014, GL Hearn (part of Capita Real Estate) have worked with New London Architecture (NLA) to provide an annual snapshot of activity for tall buildings (20 storeys or greater) in London. The review covered relevant buildings that were referred to the Greater London Authority (GLA), and schemes that were in the public arena pre-planning or known to be under construction from market knowledge.

The conclusion of last year's London Tall Buildings Survey (2015) was that approximately 263 tall buildings were identified to be in the pipeline across the capital from a review of planning activity over the last two years (taking account of any known schemes being prepared for planning, submitted over the last two years, approved, or under construction).

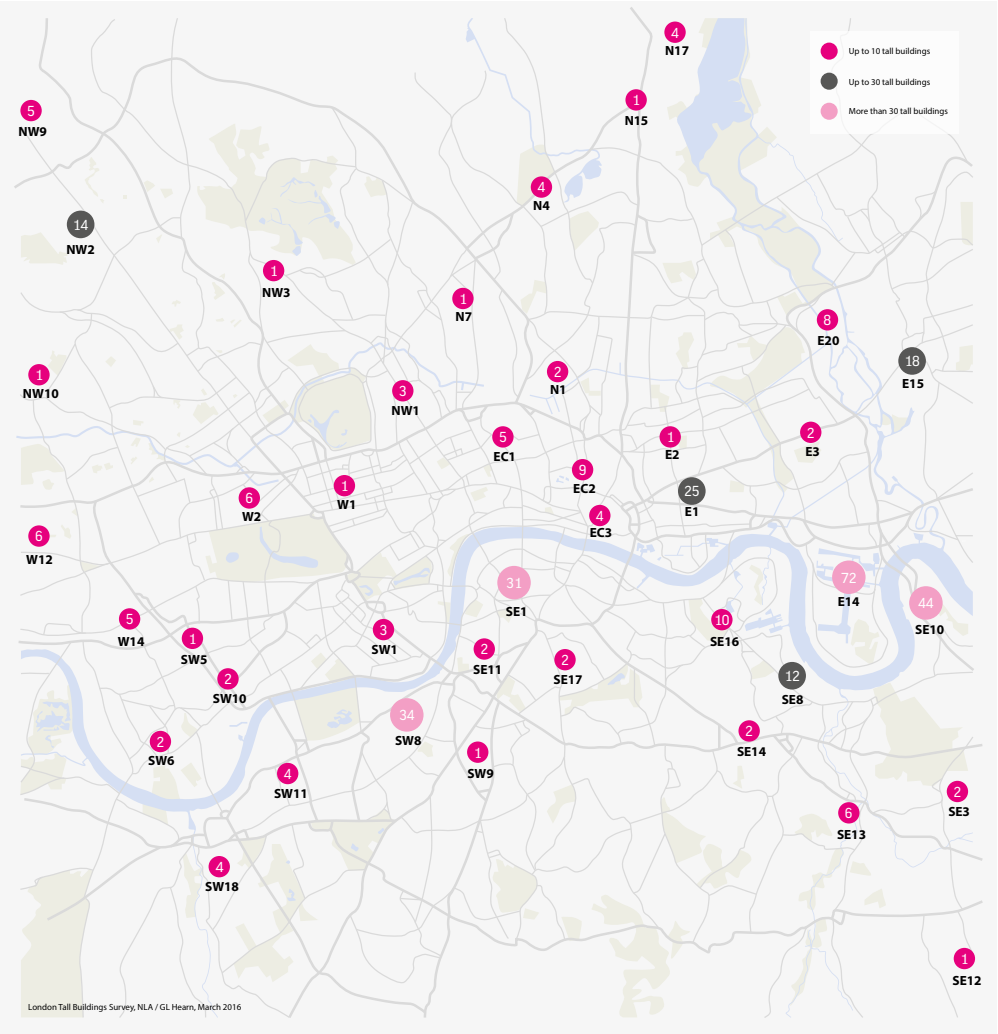
This year, the London Tall Buildings Survey has continued to evolve, and EGi/London Residential Research (EGi) has joined as a data partner. This has meant that the Survey can now draw on the EGi's extensive

database to expand and refine the scope of the Survey, including historical data from before the London Tall Buildings Survey began in 2014.

As a result, the London Tall Buildings Survey 2016 provides a more comprehensive account of the latest position regarding tall buildings across London. Whilst the overall figure of tall buildings has not increased dramatically in terms of the number of buildings currently being constructed, the total number of projects that is included within the report is more extensive.

This report now includes historical planning applications for tall buildings which have permission but have not yet been implemented over the last five years (for the purpose of this report it is considered that any planning permissions obtained longer than five years ago and with no further activity should be considered as historic and removed from this report), as well as an update on planning applications from previous years and any new schemes entering the planning system this year.

Number of tall buildings in the pipeline by London postcode



Update on tall buildings identified in the 2015 pipeline

An update of the tall buildings that were identified in the pipeline in last year’s survey (2015) has been undertaken to review how these schemes have progressed.

- Of the tall buildings identified as ‘under construction’ in 2015:
- 63% remain under construction
  - 24% have been completed
  - 13% have changed status for a variety of reasons (9 tall buildings in total), including scheme amendments resulting in the tall building being reduced to less than 20 storeys, or design changes resulting in schemes being taken back into the planning system.

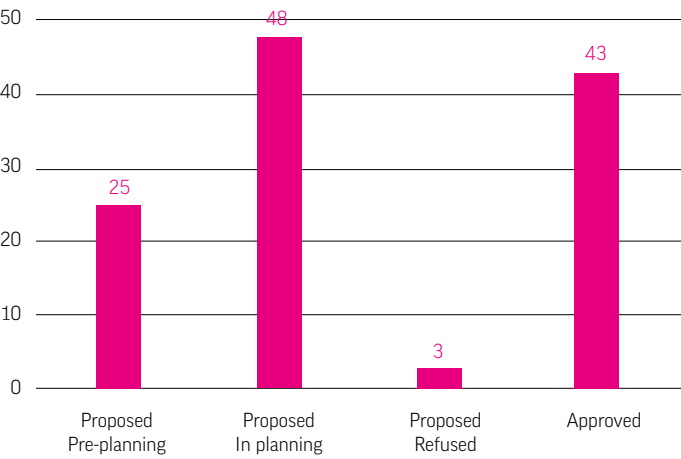
- Of the tall buildings identified as ‘approved’ in 2015:
- 19% are now under construction
  - 72% remain approved (i.e. no change in status)
  - 6% are being amended through the planning system
  - 3% have been completed

- Of the tall buildings identified as ‘proposed’ in 2015:
- 10% are now under construction
  - 51% are now approved
  - 39% remain as proposed (i.e. no change in status)

Key activity over the last 12 months

A review has been undertaken of all known tall building proposals which have been identified as entering the system over the time period of 1 March 2015 to 29 February 2016. This includes pre-planning proposals that we are aware of at this stage, as well as formally submitted applications (some of which have been determined during this period).

Figure 1 – New tall buildings identified in 12 months to February 2016



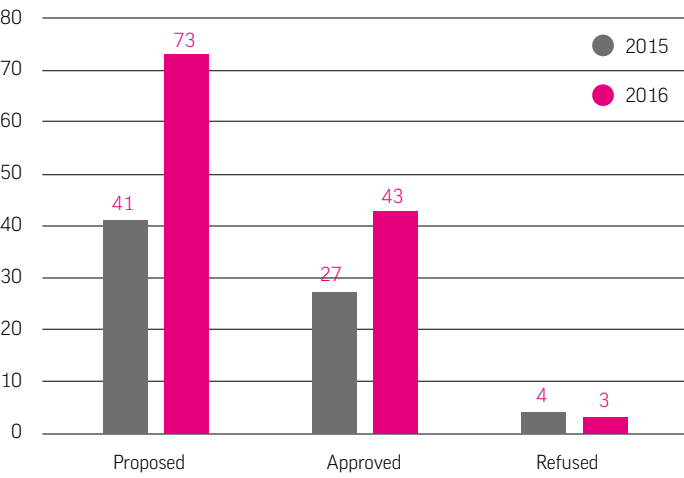
Whilst it appears that a large number of new planning applications for tall buildings were submitted and then approved within the course of the last year (43 tall buildings), the majority of these buildings were updated planning proposals for existing large-scale schemes which had already been identified in previous years. Most significantly, the Greenwich Peninsula scheme accounts for 32 of the 43 tall buildings submitted and approved last year alone (74%). Although the planning application was submitted and approved within the last year, the proposal has been evolving through the planning process over a number of years.

Whilst Greenwich Peninsula is a significant cluster in its own right, many other schemes are also made up of several tall buildings.

25 new tall buildings have been identified as being proposed but not yet submitted for planning. This is an estimate prepared using the information at the time available at the writing of this report as many pre-application proposals are not public.

Comparison of activity in the last 12 months with last years' data

Figure 2 – Comparison between status of new tall buildings over the last 12 months



In summary, there has been an overall increase in the number of new tall buildings being proposed, which includes both schemes pre-planning and formally submitted planning applications, over the last year. The number of planning applications for tall buildings that have been submitted and approved within the last year has also increased, but this increase includes the multitude of tall buildings in the Greenwich Peninsula scheme which somewhat skews the figures if comparing year on year trends.

Summary of all data

Taking account of the updated database of tall buildings available this year, a review has been undertaken to consider what is in the pipeline, and the key areas where tall buildings are clustered.

The overall pipeline figure is higher than shown in previous surveys, standing at 436 tall buildings in the pipeline across London. This is due to the following reasons:

- The majority of the increase is due to 119 new tall buildings applications identified as being new in the system this year, either proposed or approved. A significant number of the individual tall buildings are part of wider masterplan areas in key strategic locations which have been identified over a number of years as suitable locations for tall buildings
- Using the extensive database now available which includes the data available from EGi, 54 additional tall buildings have been identified in the pipeline across London: including those that pre-date the start of the survey, and individual tall buildings within large-scale masterplan areas where information was previously shown as outline.

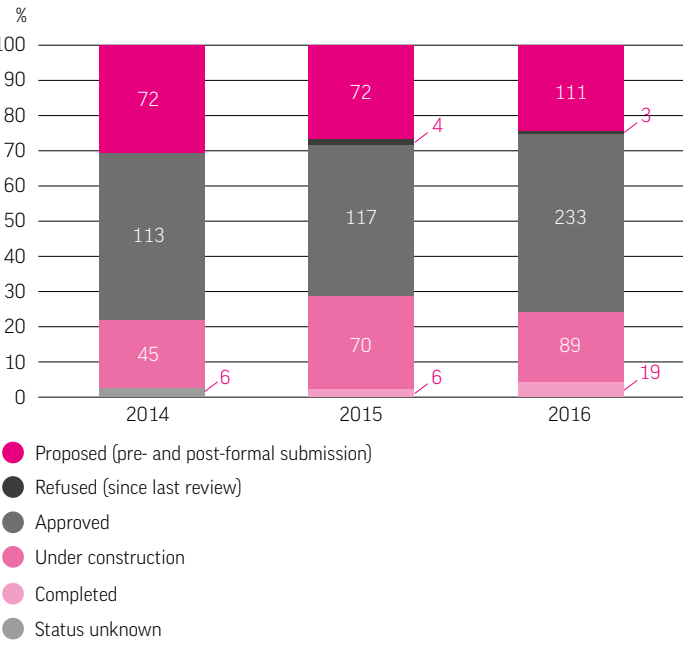
- Key observations:
- Of the 436 tall buildings in the pipeline across London:
    - 89 are under construction
    - 233 are approved schemes, but not yet on site
    - 114 are proposed schemes (including 39 in pre-application)

In addition, 19 tall buildings have been identified as completed in the last year.

The majority (80%) of the tall buildings identified within the pipeline across London remain in the early stages of the process of the development of the tall building (i.e. proposed or approved but not commenced) which means that the actual number of tall buildings committed to construction at present (20%) is relatively low.

A significant number of the tall buildings planned form parts of wider masterplans, which arrange multiple tall buildings in clusters, demonstrating the positive planning for tall buildings across London.

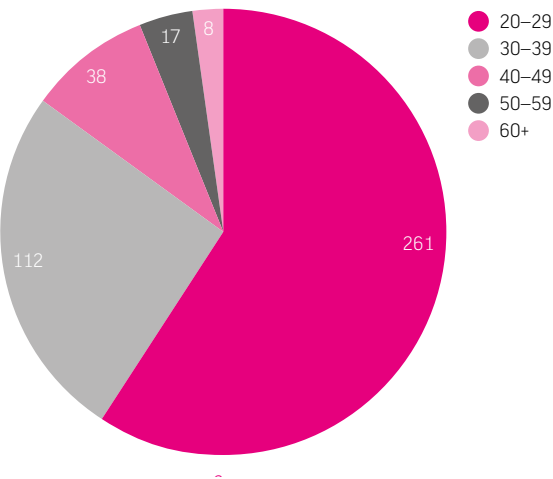
Figure 3 – Year on year comparison of tall buildings in London (percentage of total pipeline with number of tall buildings marked)



The table above compares the data available from the last three years. Although the overall figures of tall buildings for this year has increased compared to the data from the last two years, the percentage in pre-planning of the total pipeline has reduced from 31% in 2014 to 25% in 2016. Whilst the overall actual number of tall buildings under construction has increased this year by 19, the percentage of the total pipeline has decreased from 27% in 2015 to 20% in 2016.

Heights

Figure 4 – Comparison between the number of storeys of tall buildings

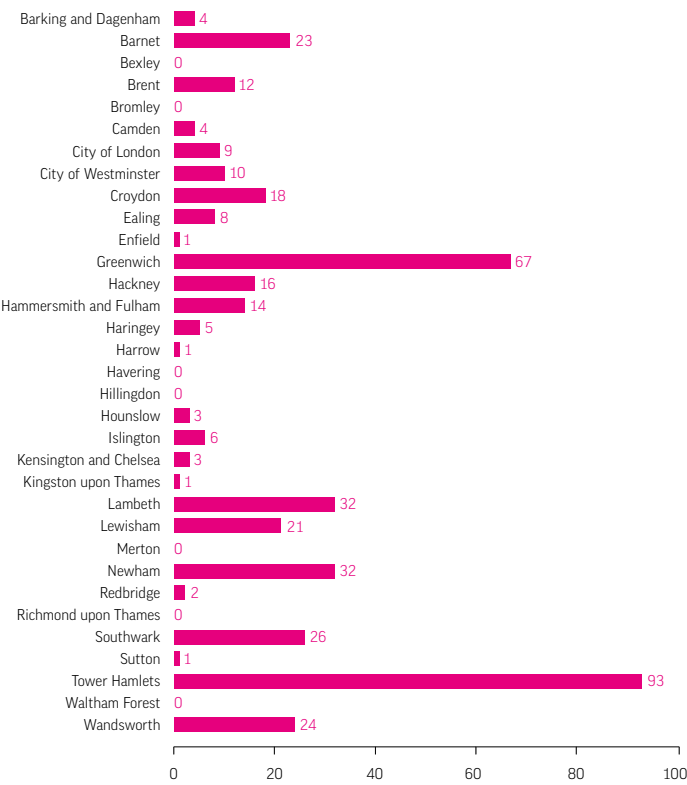


The mean number of storeys of all tall buildings identified within the survey is 30 storeys.

In line with the findings from last year, approximately 60% of the tall buildings in the current pipeline are between 20 and 29 storeys with just 6% extending above 50 storeys.

Location of tall buildings

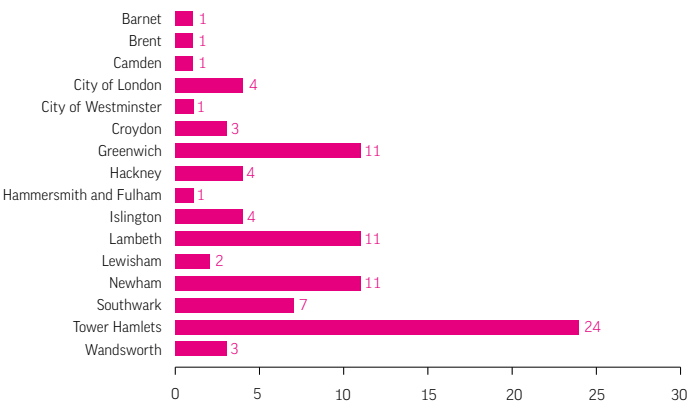
Figure 5 – Location of tall buildings by borough



A review has been undertaken of the geographic distribution of the tall buildings in the pipeline by borough. As previously reported, it is clear the majority of tall buildings remain clustered in key boroughs including Greenwich and Tower Hamlets, as highlighted in the survey last year.

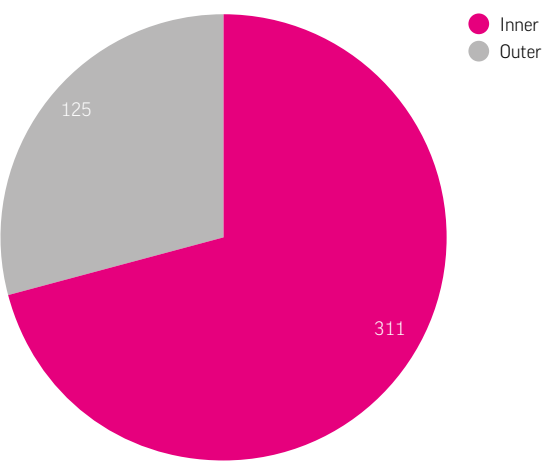
The chart below highlights the location of tall buildings under construction, which provides a more realistic picture of where the tall buildings are actually coming forward at this moment in time.

Figure 6 – Location of tall buildings under construction



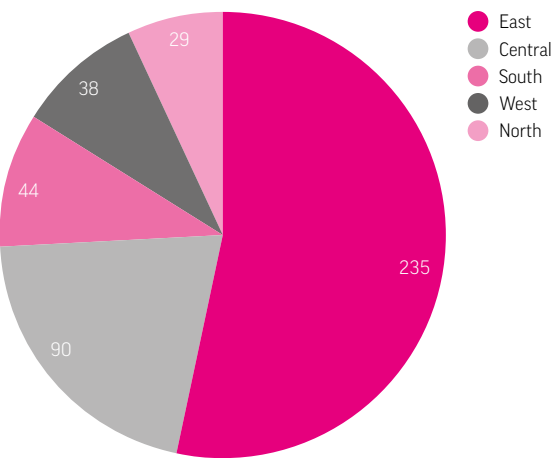
When reviewing the tall buildings which are currently under construction, Tower Hamlets has the most activity with 24 tall buildings currently being built (27%), with Greenwich, Newham and Lambeth each seeing 11 tall buildings currently being built (all at 12%).

Figure 7 – Tall buildings by inner and outer boroughs



When comparing the location of tall buildings in the current pipeline, the majority of the tall buildings are located within the inner boroughs (71%), although it is expected that as Opportunity Areas come forward in the outer boroughs, this may change over time.

Figure 8 – Location of tall buildings by London sub-regions

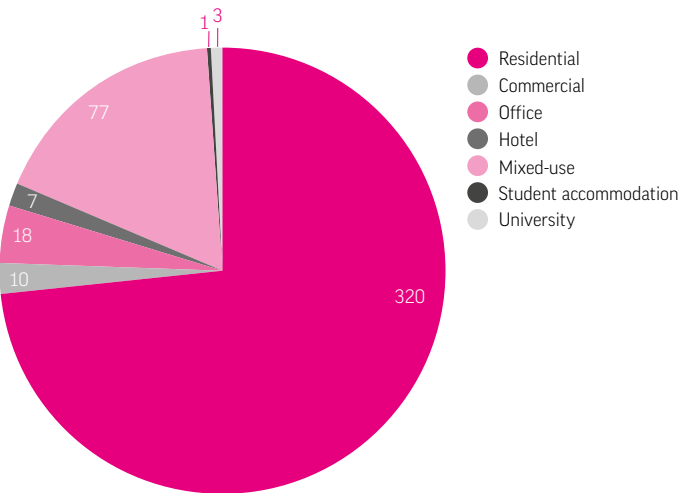


The location of the tall buildings remains clustered around the East and Central sub-regions, with these sub-regions accounting for 326 of the proposals in the pipeline (75%), compared to 77% last year.

The number of tall buildings proposed in the West and North remains much lower, as identified in previous years. However, it is still expected that the number of proposals in these sub-regions will increase in these regions as new Opportunity Areas develop.

Type and Use

Figure 9 – Comparison between primary uses



As identified in previous years, the primary use of the tall buildings remains as residential (73%), although this is a reduction in the overall percentage compared to last year (83% of tall buildings primary use was residential in 2015). The continued dominance of residential as the primary use is not surprising given market conditions and the ongoing demand for new housing across London.

The other key uses for the tall buildings include mixed-use (18%) and office (4%).

### Acknowledgements

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New London Architecture is London's independent forum for discussion, debate and information about architecture, planning, development and construction in the capital. Our core mission is to bring people together to shape a better city. We are based at The Building Centre in central London where our giant interactive model of central London is free to visit six days a week.



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GL Hearn is a leading property and planning consultancy providing commercially driven advice to developers, investors, local authorities and occupiers. GL Hearn has a strong record of delivery in London, as well as across the rest of the UK – which it serves from seven regional offices, including Glasgow, Manchester and Southampton.

GL Hearn's property services provide specialist advice across a range of sectors, including planning, asset management, investment, residential development, viability, and affordable housing. The overall vision of GL Hearn is to understand its clients business, bringing its expertise and enthusiasm to provide an integrated service to clients from site assembly and CPO, through planning and development appraisals, affordable housing to project monitoring and end disposal.

In July 2015, GL Hearn was acquired by Capita and as a result GL Hearn as part of the 500 plus strong Capita Real Estate team is able to act as an integrated specialist property and infrastructure business which spans the full spectrum of strategic, financial, operational and development-related consultancy. GL Hearn and Capita can provide end-to-end planning, design and project/programme management of social, affordable and high-end residential developments.

Overall, GL Hearn alongside Capita Real Estate can provide a service that is more than just delivering projects – with a focus on being a strategic partner, clients are provided with a service that extends beyond bricks and mortar to creating communities where people want to live; boosting economic activity, aspiration and opportunity – a total housing solution.



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EGi London Residential Research forms part of the data service behind Estates Gazette. The database has been compiled over the past 20+ years and has details on every site that enters the planning system of 5 units or more in the inner boroughs and 10 units or more across the outer boroughs – from pre-planning to application, right through to completion with sales and pricing data, along with everything in between.

Every month the team will sift through 15,000 planning applications, site visit 400 schemes and make 450 pricing enquiries, to update daily a benchmark database used by developers, agents, investors, and many others within the industry to inform key business decisions.