

Ms Deborah Cluett
City of London Corporation
Guild Yard
Aldermanbury
London
EC2V 7HH

9 March 2016



Dear Ms Cluett

21 Moorfields Section 237 – letters from Stephenson Harwood and Mayer Brown

We refer to the letter from Stephenson Harwood of 7 March 2016 seeking to defer the City's consideration of the exercise of its powers under section 237 in respect of our proposed development at 21 Moorfields. We would strongly resist any deferral for the following reasons:

1. 1 Finsbury Circus is only one of a number of properties where deeds of settlement have not been completed. Even if agreement is reached and documented in respect of 1 Finsbury Circus, the need for section 237 as set out in the report to committee remains.
2. Stephenson Harwood entered into their lease fully in the knowledge that they did not have an easement of light over neighbouring properties. On that basis any representations they make should be given very little weight.
3. The receipt of the letter highlights the need for the exercise of section 237 powers. Our initial request for the exercise of section 237 was made in November 2015. Consideration of this request was deferred at the request of the City to enable further discussions to take place with affected parties. Now some 4 months later agreement has still not been reached on 1 Finsbury Circus despite strenuous attempts on our part to settle the issues by negotiation. Despite the lack of a legal right to light Stephenson Harwood were included in the negotiations. The surveyors acting for Stephenson Harwood, the landlord and Land Securities have been in dialogue since early May 2015. Having agreed the technical information, the three surveyors reached an agreement on the compensation, subject to client approval, during a meeting held on 18 November 2015 (held on a without prejudice basis). The formal offer was then issued on 23 November 2015. The offer was for the loss of light to the building as a whole and it was agreed between the surveyors (due to the fact that Stephenson Harwood does not actually enjoy a right to light) that any split of the compensation would be agreed privately between the landlord and tenant. Since the formal offer was issued on 23 November 2015 Land Securities have not received any formal acceptance or response on the offer made. The Landlord has since changed surveyors twice since the letter of 18 November 2015, and the delay in receiving any response can only be assumed to be due to this in part and awaiting the Landlord to get their own agreement in place with Stephenson Harwood. This is a matter that is not within Land Securities' control.

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4. It is not feasible to reduce the scale of the development for the reasons set out in the report. With regard to the comments made on the actual effect to Britannic House, consideration to minimise the impact on the surrounding properties has already been incorporated into the design: such as the set back and raking of the building at higher levels along the Moorfields frontage. This matter has also been discussed between the three surveyors. 21 Moorfields is on the next street over and some 55m away from Britannic House and, following our analysis, the conclusions reached were that the effects were unlikely to change the way in which the space in 1 Finsbury Circus is used due to the design of our building and its distance from 1 Finsbury Circus. Consideration of the design changes that could be incorporated and consideration as to the actual effect on the building have therefore already been undertaken.
5. The other issues raised by Stephenson Harwood are dealt with in the report to committee including the consideration of the impact of the development on affected properties and the need to exercise of section 237 powers now.

In response to the point made in the letter from Mayer Brown of 9 March this has been dealt with above. Firstly 1 Finsbury Circus is one of a number of properties where deeds of settlement have not been completed, so settlement on 1 Finsbury Circus does not remove the need for section 237. Secondly we have been waiting for a response to our offer (agreed between surveyors) since 18 November 2015.

If the letters from Stephenson Harwood and Mayer Brown are to be shared with the Planning Committee, then we would ask that this response letter is also shared with them.

Yours sincerely



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Development Director

On behalf of Land Securities

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Cc: Simon McGinn - City of London