

Committee: Finance Committee – For decision	Date: 09/12/2025
Subject: Bury Street Public Inquiry Consultancy Contract Contingency Funding	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	Diverse engaged communities, Dynamic economic development, Leading sustainable environment, Providing excellent services
Does this proposal require extra revenue and/or capital spending?	Y – City Fund Finance Committee Contingency
If so, how much?	£750,000
Has this Funding Source been agreed with the Chamberlain's Department?	Y -City Fund Finance Committee Contingency
Report of: Gwyn Richards Report author: Anna Tastsoglou	For Decision

Summary

The City Corporation on the 14th of October 2025 received the Start Letter from the Secretary of State regarding the appeal lodged for a development at Bury Street, notifying the Corporation for the forthcoming 4-week Public Inquiry in February 2026. The Environmental Impact Assessment Planning Application (24/00021/FULEIA) and Listed Building Consent Application (24/00011/LBC) were resolved not to be granted at the Planning Applications Sub-Committee, contrary to officers' recommendation. Legal advice from Counsel has confirmed that it is advisable for City officers not to give evidence in this instance and to seek external witnesses instead.

For the above reason the Planning and Development Team urgently requests the cost for the Public Inquiry of £750,000 to be funded from Finance City Fund

Contingency. This amount will cover the fees for four expert witnesses and external legal costs, securing an experienced King's Counsel and Junior Counsel to represent the City Corporation at the appeal, as well as external legal costs to appoint a law firm, as well as the drafting and reviewing of all necessary appeal documents.

Recommendation

Members are asked to:

- Approve a budget of £750,000 from Finance Committee, City Fund Contingency to enable the relevant Consultancy and Legal Contacts to be agreed to secure representation of the Corporation at the forthcoming Public Inquiry.
- Note the City Fund General Contingency Fund has an available balance of £891k, this proposed £750k allocation would leave a remaining balance of £141k.

Main Report

Background

1. An EIA application (24/00024/FULEIA) proposing an office-led development through the demolition of Bury House and erection of a new building comprising of 4 basement levels, ground plus 43 storeys; partial demolition of Holland House and Renown House; restoration of existing and erection of four storey extension at Holland House and three storey extension at Renown House and interconnection of the three buildings, was presented at Planning Applications Sub Committee (PASC) on the 13th December 2024 with a recommendation to approve the application.
2. An associated Listed Building Consent (24/00011/LBC) application relating to the restoration works of Holland House, partial demolition to facilitate interconnection with the neighbouring proposed new buildings and the construction of a four storey roof extension, was also presented at the same committee meeting with a recommendation to grant listed building consent.
3. At the committee meeting, Members took a different view to that of officers and resolved not to grant planning permission and listed building consent, with precise Reasons for Refusal to be formulated by officers and returned to Members for endorsement. Accordingly, a report was prepared recommending Reasons for Refusal to reflect the Committee's resolution of 13 December 2024 and presented at PASC on the 11th March 2025.
4. Following the debate on the 11th March 2025, it was decided by the committee for the EIA application to be refused for the following reasons:

- (1) The development would, by reason its overbearing and overshadowing impact on the courtyard of the Synagogue, result in less than substantial harm to the setting and significance of the Grade I listed Bevis Marks Synagogue. The harm would not be outweighed by the public benefits. The development would be unacceptable and contrary to Local Plan Policies CS 12, DM 12.1, DM 12.3; Emerging City Plan Policies S11 and DE7; London Plan Policy D9 C (1; d) and HC1 and the National Planning Policy Framework.
- (2) The development would, by reason of the loss of daylight and sunlight within the Bevis Marks Synagogue, adversely affect the ability of worshippers to carry out religious traditions and practices and manifest their religion in worship, being as such unacceptable and contrary to Local Plan Policy CS10 (1); Emerging City Plan Policies DE7 and the National Planning Policy Framework.
- (3) The development would, by reason of its position, height and massing, reduce the ability to view the moon in the night sky from the Bevis Marks Synagogue courtyard to the detriment of the ability of the worshippers to carry out important religious traditions and practices and manifest their religion in worship, contrary to Local Plan Policy CS10(1); Emerging City Plan Policy HL1; London Plan Policy GG1 and the National Planning Policy Framework.
- (4) The development would adversely affect the setting of the Tower of London World Heritage Site by reason of less than substantial harm caused via LVMF view 10A.1, from the Tower Bridge North Bastion to the Outstanding Universal Value of the World Heritage Site. The harm would not be outweighed by the public benefits of the development. The development would be contrary to Local Plan Policies CS12 and CS13; Emerging City Plan Policies S11, HE3 and S13; London Plan Policies D9(C)(e); HC2, and HC3 and the National Planning Policy Framework.
- (5) The proposed development, by reason of its height, massing and design would not preserve the character and appearance of the Creechurch Conservation Area. The harm would not be outweighed by the public benefits of the development. The development would be contrary to Local Plan Policies CS12, DM12.2 and CS14; Emerging City Plan Policies S11 and HE1; London Plan Policies D9(C)(d); HC1 and the National Planning Policy Framework.

5. The LBC application was refused for the following reason:

- (1) The proposed development at Holland House, by reason of its inability to be carried out in the absence of an approved planning permission of the associated development as proposed under the terms of application 24/00021/FULEIA, would result in an incomplete and unsatisfactory

appearance of the listed building, which would fail to preserve the special architectural and historic interest of and result in harm to the Grade II* listed building. The harm would not be outweighed by public benefits. The development would be unacceptable and contrary to Local Plan Policies CS 12, DM 12.1, DM 12.3; Emerging City Plan Policies S11; London Plan Policy HC1 and the National Planning Policy Framework.

Current position

6. An appeal has now been lodged to the Secretary of State and the City Corporation is required to defend the abovementioned decisions on appeal.
7. The Start Letter from the Planning Inspectorate was received on the 14th October 2025, setting out the timetable for the submission of the various appeal documents and the timetable for the Public Inquiry, starting on the 3rd of February 2026.
8. The first appeal document, namely the Statement of Case, had to be submitted on the 18th November 2025, resulting in an extremely urgent need to appoint the expert witnesses and legal representatives. Consequently, the Planning and Development Division had to seek expressions of interest from Planning Consultancy firms. The appointment of Lichfields was approved by the Construction & Property Category Board on 7/11/25.

Proposal

9. The Planning and Development Team are requesting the cost for the Public Inquiry of £750,000 to be funded from Finance City Fund Contingency. Currently, the costs cannot be met from existing Local Risk Budgets for 2025/26 as confirmed by The Executive Director of Environment.
10. As noted above, the appeal timetable necessitates immediate action and requires 100% focus from the appointed consultants up to and including the Inquiry.
11. The estimated cost for this contract is £750,000. This amount will cover the fees for all necessary expert witnesses and external legal costs, including securing an experienced King's Counsel and Junior Counsel to represent the City Corporation at the appeal, as well as external legal costs to appoint a law firm.
12. Officers understand that the future of the Bury Street Scheme is of significant importance to the Members of the Planning Applications Sub-Committee, who voted against approving the applications earlier this year, contrary to officer recommendation. Given the lodged appeal and the receipt of the Start letter from the Secretary of State, it is crucial that this funding for expert witnesses and external legal fees is secured as a matter of urgency.

13. The appeal process is fully controlled by the Planning Inspectorate, and the Start Letter received on the 14th October 2025, sets out the timeframe for the submission of all appeal documents, starting with the submission of the Statement of Case on the 18th November 2025, the Proofs of Evidence in January and the Public Inquiry starting on the 3rd of February 2026. Due to the complexity of the proposal, it has been confirmed by the Planning Inspectorate that the Public Inquiry will last for four weeks, within this financial year. Therefore, immediate access to these funds is essential for the Department to instruct all relevant experts. Without this urgent funding, the Department risks its ability to fulfil its statutory duty to represent its case at a Public Inquiry.
14. Due to the scheme's intricacy and the reasons for refusal, the witnesses representing the City Corporation must possess significant experience and gravitas. We anticipate requiring several expert witnesses, including a planning witness, a heritage expert, an expert in the practices and traditions of the Sephardi community, and potentially an expert in daylight/sunlight and moon transit.
15. The breakdown of the requested £750,000 is as follows:
- £500,000 for a multidisciplinary consultancy covering the planning witness, a heritage expert, an expert in the practices and traditions of the Sephardi community, and potentially an expert in daylight/sunlight and moon transit. This contract will secure the drafting of all necessary documents for a Public Inquiry (e.g., Statement of Case, Statement of Common Ground, Proofs of Evidence) and cover expert witness fees for negotiating the proposed S106 agreement and acting as principal witnesses at the Inquiry.
 - £250,000 for external legal planning fees to secure an experienced King's Counsel and Junior Counsel to represent the City Corporation at the Public Inquiry and external legal costs to appoint a law firm.
16. The total amount must be available to the Department as a matter of urgency, in order to instruct the relevant experts, and it is anticipated to be spent within the 2025-26 financial year.
17. Existing City staff are unable to undertake this work. Their prior recommendation was to approve the applications, and defending a refusal would go against their professional opinion and planning judgment weakening the defence of the appeal and potentially prejudicing their view in future cases within the City Cluster. Legal advice from Counsel confirms it is advisable for City officers not to give evidence in this instance and to seek external witnesses instead. Not mounting a robust defence of the appeal could result in a potential award of costs against the Corporation.
18. Furthermore, assigning current staff to this Public Inquiry would divert an Assistant Director and a Principal Planning Officer from their normal duties for at least four months. This would significantly impact service delivery, especially during a period

of unprecedented workload with numerous major schemes. Development Management is a statutory, front-line service essential to the City's economic growth, and failure to provide adequate service would constitute a dereliction of legislative requirements.

19. The high number of schemes in the pre-application pipeline continues to challenge resources, at a time when economic recovery is a corporate priority. Planning plays a fundamental role in delivering the Corporation's vision as outlined in the Corporate and Departmental Business Plans.

Corporate and Strategic Implications

20. Strategic implications – The development at Bury Street, currently determined at appeal, is a high-profile strategic development that has attracted significant public interest from around the world. Furthermore, the future of the Bury Street Scheme is of significant importance to the Members of the Planning Applications Sub-Committee. The lack of representation of the Corporation at appeal would result in high risk of the Department's ability to fulfil its statutory duty to represent its case at a Public Inquiry.
21. Financial implications – Currently the costs cannot be met from existing Local Risk Budgets for 2025/26 as confirmed by The Executive Director of Environment. Due to the urgency of the submission of the appeal documents, expenses have already started being accrued and the funding needs to be secured as a matter of urgency. The City Fund General Contingency Fund has an available balance of £891k, this proposed £750k allocation would leave a remaining balance of £141k.
22. Resource implications – as noted in paragraphs 17 and 18.
23. Legal implications – The main legal implication, in case of lack of representation of the Corporation at the appeal and Public Inquiry, would be the inability of the Local Planning Authority to fulfil its statutory duties. Where a local authority fail to substantiate the reasons for refusal, there is a risk of a costs award being made against the authority and therefore it is important that the City Corporation put forward a full and comprehensive case supported by expert witnesses and Counsel.
24. Risk implications – The aforementioned legal implication is also considered a risk implication. Furthermore, the lack of representation of the Corporation at the Public Inquiry would prejudice the Members' and consequently the LPA's decision to refuse the applications for multiple reasons, as set out above.
25. Equalities implications – This planning application had considered extensively multiple equality matters. The City Corporation, as the public authority, in exercising its function, had given due regard to the requirements of section 149 of the Equality Act. Some of these matters are under consideration under this appeal

process and therefore, it is fundamental for City Corporation to be represented at appeal and deal with these matters.

26. Climate implications – Sustainability and climate change were some of the main considerations for the assessment of this application. As part of this appeal process, the potential conditions and planning obligations (if the appeal is allowed) would have to be discussed. To ensure that all necessary conditions and planning obligations are secured with respect to sustainability and climate resilience, the City Corporation will have to be represented at appeal.
27. Security implications – Security measures in new developments is a planning policy requirement and a matter that requires to be secured under appropriately worded conditions and planning obligation. As noted above, to ensure the imposition as such obligation, in case the appeal is allowed, the City Corporation will have to be represented at the appeal process.

Conclusion

28. In light of the above, the Planning Department is urgently requesting £750,000 from the Finance City Fund Contingency to fulfil its statutory duty to represent and support the City Corporation's decision regarding this development at a Public Inquiry.