

March 2014

Planning Statement

40-42 Parker St

Prepared by Savills



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1. Introduction

- 1.2 This statement has been prepared in support of a planning application at 40-42 Parker Street. The property is currently in office (B1) use, set over four storeys.
- 1.3 The planning application submission relates to the proposed addition of two additional storeys at roof level, and the change of use of the third floor from office to residential. The application proposes a total of six new flats, consisting of 1 one bedroom unit and 5 two bedroom units.
- 1.4 This planning application is made following pre-application advice received in November 2013, the contents of which have been taken into account within these revised proposals.
- 1.5 This report has been prepared following an examination of the site and surroundings, research into the planning history of the property, and an examination of relevant policy documents.
- 1.6 This statement provides the background information on the site and an assessment of the proposals in relation to planning policy and other material considerations, and is set out under the following sections:
- **Section 2** outlines the site and its context within the surrounding area
 - **Section 3** provides an overview of the planning history
 - **Section 4** provides an outline of the proposals
 - **Section 5** examines the main planning considerations
 - **Section 6** draws our conclusions in respect of the proposals

2. Site and Surroundings

- 2.1 This planning application relates to a four storey office building at 40-42 Parker Street.



- 2.2 The building is not listed, however it lies within the Seven Dials (Covent Garden) Conservation Area. The building is not identified as a building which makes a positive contribution to the conservation area.
- 2.3 The site is allocated within the Camden Proposals Map as being within an Archaeological Priority Area. This is not considered relevant to the proposals as the proposed development is above ground level. The site also lies within the Central Activities Zone.
- 2.4 The site has a Public Transport Accessibility (PTAL) rating of 6b, which is highly accessible. It is located within close proximity to both Holborn and Covent Garden underground stations, and a number of bus services run close to the site.

3. Relevant Planning History

- 3.1 The following sets out the planning history for the site. The lawful use of the building is B1(a) offices.

APPLICATION NUMBER	SITE ADDRESS	DEVELOPMENT DESCRIPTION	DATE OF DECISION	DECISION
8800557	40-42A Parker St	Addition of part third floor extension and plant room at roof level addition of ground floor extensions at side and rear covering existing passageway and alterations to elevations for use for B1 purposes	2 March 1989	Approved
9000527	40-42A Parker St	Alterations to the design of third floor mansard extension as an amendment to the scheme which received planning permission on 2nd March 1989	1991	Approved
PSX0204923	40-42 Parker St	The installation on the main roof of two air conditioning units to replace three existing units.	9 June 2003	Approved
2010/3948/P	40-42 Parker St	Erection of glass canopy above main entrance to office (Class B1).	21 Sept 2010	Approved

- 3.2 Pre-application discussions were carried out with Hugh Miller and Nick Baxter towards the end of 2013, with written feedback received October 2013. The comments received have been taken on board and responded to accordingly. Section 5 of this Statement sets out how the revised proposals address the various items raised at pre-application stage.

4. Proposed Development

- 4.1 The following sets out the proposed development at the property:

Roof extension

- 4.2 Two additional stories are proposed, which will accommodate 3 residential apartments, two of which will be duplexes. These have been designed so that they are sufficiently set back so as not to be visible from the majority of views on the street.

Change of use

- 4.3 It is also proposed to change the use of the existing third floor level from office to residential. This will accommodate three further residential apartments.

5. Planning Considerations

- 5.1. The 2004 Planning & Compulsory Purchase Act requires that determination of any planning application must be in accordance with the development plan unless material considerations indicate otherwise.
- 5.2. In this case the development plan comprises the London Borough of Camden Core Strategy and the Camden Development Policies Document (both adopted November 2010).
- 5.3. Camden Council has prepared a range of Supplementary Planning Guidance (SPG) to supplement the policies contained within the Local Development Framework. Consideration has been given to the relevant parts of this adopted Camden Planning Guidance where appropriate.
- 5.4. Relevant national planning guidance set out in the National Planning Policy Framework (NPPF) has also been taken into account.
- 5.5. The following section sets out the considerations of the proposed development in relation to planning policy and guidance under the following headings:
 - Land use
 - Loss of office floorspace
 - Principle of residential use
 - Roof extension
 - Design
 - Impact on conservation area
 - Residential amenity
 - Quality of proposed accommodation
 - Amenity space
 - Sunlight/Daylight
 - Transportation and highways

Land Use

Loss of office floorspace

5.6. The existing building is currently in B1 office use. The proposed development seeks to retain the office use at ground, first and second floor levels, whilst changing the third floor to residential use. The retention of three floors of office space is in accordance with Development Policy DP13, which relates to employment uses and seeks to maintain an element of business use on sites.

5.7. In relation to the change of use of the third floor from office to residential, Policy DP13 is supported by the additional guidance set out in Camden Policy Guidance 5: Town Centres, Retail and Employment. Part 6.3 of this CPG states:

‘Camden’s Core Strategy sets out the projected demand and planned supply of office floorspace in the borough. We expect the supply of offices to meet the projected demand over the plan period and as a result we may allow a change from B1(a) offices to another use in some circumstances, such as older office premises or buildings that were originally built as residential dwellings. Our priority is for the replacement use to be permanent housing or community use.’

5.8. This approach is in accordance with the officer’s delegated report for planning permission received for the change of use of offices to residential at 196 Shaftesbury Ave (ref. 2012/5939). Paragraph 2.6 states:

“The LDF acknowledges that the future supply of offices in the borough, particularly in Kings Cross and Euston, can meet projected demand. Policy DP13 states that when it can be demonstrated that a site is not suitable for any business use other than B1(a) offices, the Council may allow a change to permanent residential uses or community uses.”

5.9. Therefore, it is considered that compliance with Policy DP13 to allow a change to a residential use at third floor level can be achieved by demonstrating that the floorspace is not suitable for any business use other than B1(a) offices.

5.10. It is considered that the property is clearly not suitable for any business use outside of B1(a) offices for the following reasons:

- The site is not located in or adjacent to the Industry Area, or any other locations suitable for large scale general industry and warehousing;
- The site is not located in a location suitable for a mix of uses including light industry and local distribution warehousing;
- The site does not have adequate on-site vehicle space for servicing;
- The site is not near to other industry and warehousing, noise/vibration generating uses, pollution and hazards.

5.11. As such, the proposal accords with Policy DP13 insofar as it clearly is not suitable for business use outside of B1(a) and therefore a change of use to residential is acceptable.

Supply and Demand

5.12. Camden's Planning Policy Guidance Note 5 also identifies evidence of a lack of demand for office space within the location as a key consideration that should be taken into account when considering applications to change the use of offices. The following evidence clearly shows that there is a lack of demand and an oversupply of offices in the area.

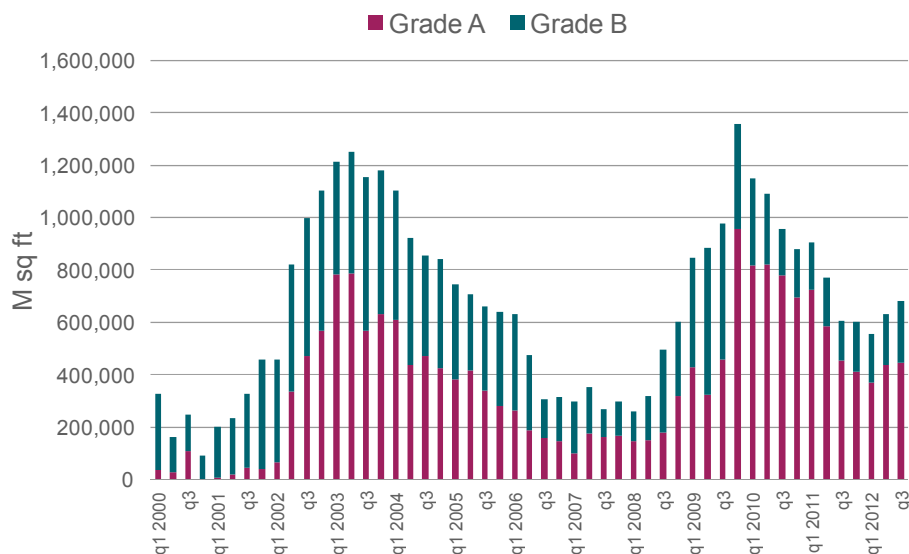
5.13. The site falls within the Covent Garden submarket. Savills' research department defines the Covent Garden submarket as the area running from Kingsway to Charing Cross Road/Haymarket and is bounded north and south by New Oxford Street and Cockspur Street/Northumberland Avenue.

5.14. We estimate that the office stock contained within the Covent Garden sub-market makes up approximately 9.1m sq ft out of the West End's total 121m sq ft.

Supply

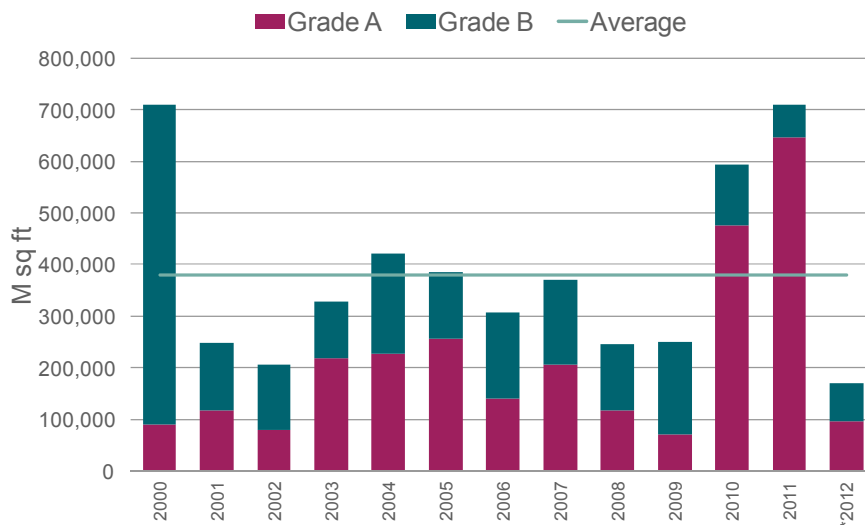
- 5.15. In the wake of the economic uncertainty throughout 2008 and 2009, supply in all sub-markets in central London rose as a result of tenants returning empty space back on to the market. Whilst the Covent Garden sub-market also saw this, the dramatic rise in supply towards the end of 2009 was primarily down to new developments due for completion in 2010 entering the supply figures. These included Central Saint Giles (400,000 sq ft), 60 St Martin's Lane (30,000 sq ft) and St Martin's Courtyard (66,000 sq ft).
- 5.16. Since then, supply in Covent Garden currently stands at 682,100 sq ft. This level of availability is equivalent to a vacancy rate of 7.5%, up from 6.1% seen at the beginning of 2013. This rise in supply is the result of several developments and refurbishments entering the supply figures over the last few months including 33 Kingsway (60,000 sq ft), 6 Agar Street (55,000 sq ft) and 1 Kingsway (55,000 sq ft). 65% of space in the sub-market is of Grade A quality.

Covent Garden supply



Demand

- 5.17. Over the period of 2002-2011 take-up has averaged around 380,000 sq ft. Take-up in 2010 and 2011 reached well above average levels, with 594,800 sq ft and 711,000 sq ft achieved in 2010 and 2011 respectively. This was driven by an above average level of deals done in the >25,000 sq ft size-band. On average, just 2.6 deals are done in this size-band; however 2010 saw 6 deals and 2011 saw 7 deals. Deals at Central Saint Giles made up 38% of take-up in 2011, these deals included Google and NBC taking 165,000 sq ft and 106,000 sq ft at the Legal & General's scheme. 91% of space taken in 2011 was of Grade A quality.
- 5.18. As at the end of September 2012, take-up was approximately 170,000 sq ft, of which 56% has been of Grade A quality. Lack of larger deals has been a contributing factor to the very low levels of take-up so far this year, with just one deal of over 25,000 sq ft completed, (Blick Rothenberg took 25,1010 sq ft at New Brook Buildings, WC2). Indeed, the table below shows that take-up in 2012 has been the worst for at least a decade, indicating a clear lack of demand in the submarket.



*As at end June 2012

- 5.19. It is clear from the above market overview that the supply far outweighs demand for B1 office floorspace in the Covent Garden sub-market. This is reflected in paragraph 6.3 of the Council's Planning Guidance note 5, which states that:

“We expect the supply of offices to meet the projected demand over the plan period and as a result we may allow a change from B1(a) offices to another use in some circumstances, such as older office premises or buildings that were originally built as residential dwellings. Our priority is for the replacement use to be permanent housing...”

Marketing of the Third Floor Office

- 5.20. Attached at Appendix 1 is a letter from Edward Charles & Partners written in November 2013 setting out details of marketing of the third floor office. The letter sets out that the office was unsuccessfully marketed, and eventually let to an existing tenant of one of the other floors. The feedback from the marketing was that the street was not a popular place for potential office occupiers, due to the location and the nearby uses such as strip clubs.
- 5.21. The letter also sets out Edward Charles & Partners view with regards to vacancy rates within the nearby area, which at 8.2%, is slightly higher than the above research and therefore reemphasises that there is a high vacancy rate within the area.

National Policy relating to Loss of Offices

- 5.22. The property lies within the Central Activities Zone (CAZ), and therefore does not benefit from permitted development rights to allow the change of use from offices to residential. However it should be highlighted that the introduction of these permitted development rights clearly reflect a shift in national policy direction in terms of encouraging housing development in order to kick-start the economy. Notably, the NPPF states at paragraph 51 that local planning authorities should:

“normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing in that area, provided that there are not strong economic reasons why such development would be inappropriate.”

- 5.23. The London Borough of Camden has recognised this national policy direction in its decision-taking, notably the delegated report (referenced earlier) associated with the planning permission for change of use from offices to residential at 196 Shaftesbury Ave directly references paragraph 51 of the NPPF when concluding that the change of use would be acceptable. As such, we consider that this proposal should be considered under the same policy context and should therefore be considered favourably in light of the national drive towards flexibility in changes of use from offices to residential.

Pre-application Response regarding Loss of Office Floorspace

- 5.24. The pre-application response received in relation to the potential loss of office floorspace confirms that “The marketing information is considered to address the requirements set out in DP13 and CPG5 and alternative uses may therefore be considered’. The case officer further clarified this in his follow-up note which stated that his reference to ‘marketing report’ was related to the information shown in the pre-application statement on issues relating to demand and supply and analysis of available business space. As such, the Council have confirmed that the above information satisfactorily addresses Camden’s policy stance on loss of offices.

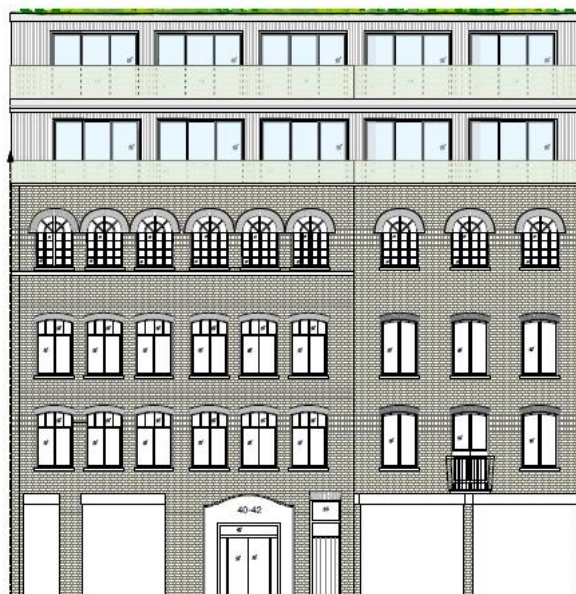
Principle of Residential Use

- 5.25. An increase in residential provision is a priority for Camden, as set out in Policy CS6 of the Core Strategy and DP2 of the Development Policies Document, which both state that housing is the priority land-use of Camden’s Local Development Framework.
- 5.26. Paragraph 6.39 identifies that homes with 2 bedrooms are the highest priority within the borough, and homes with 3-4 bedrooms have medium priority. As such, it is considered that the proposed mix of unit sizes clearly meets the identified priorities within the borough.
- 5.27. In terms of affordable housing, the proposal does not incorporate 10 or more dwellings or more than 1,000sqm of floorspace, as such the proposed development is not required to make any contribution to the supply of affordable housing within the borough.

- 5.28. Consideration has been given to Lifetime Homes criteria. Inclusive access is to be provided throughout the development. The shared main entrance on the ground floor has a level threshold and the door would be refitted with clearly legible door furniture. The lift is to provide level access to all of the front entrances to the flats and to the living space on the upper level for one of the duplexes. Bedroom and corridor sizes comply with the London Housing Guide.

Design

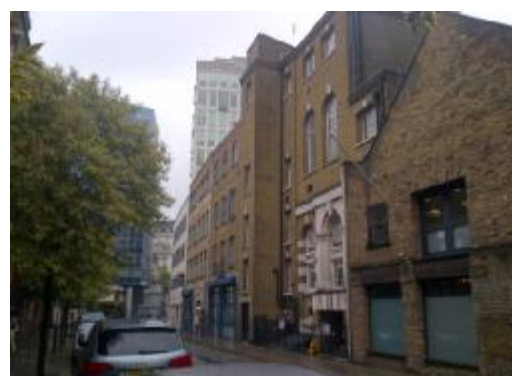
- 5.29. Two additional stories are proposed at 40-42 Parker Street. It should be noted that, whilst the property is within the Covent Garden conservation area, it is not identified as a building which makes a positive contribution to the conservation area, as such there is no presumption to protect this building or resist alterations to it.
- 5.30. At pre-application stage, 2 options were proposed to the Council with regards to the design of the additional floors, one of which was a contemporary style design and the other was a traditional style mansard. The pre-application response from the design officer stated that the flat-fronted, more contemporary option was preferable, as such this is the design which we have progressed for the planning application. Consideration has been paid to Camden's Design Guidance CPG1, which at paragraph 5.20 states that on some contemporary buildings, a less traditional form of roof addition may be appropriate. The drawing below shows the proposed design of the additional storeys.



- 5.31. With regards to the principle of the two additional storeys, the pre-application feedback stated the following:

“...it is considered that the first floor of the roof extension is likely to be acceptable, as long as it is the flat-fronted option, not the mansard type. To demonstrate the acceptability of the upper level, the applicant will need to prove beyond all reasonable doubt that it will be sufficiently set back as not to be visible from oblique views from the street level. Therefore, it should be set back further than it is at the moment.”

- 5.32. As such, a visibility survey was carried out by Baillie Knowles Partnership, which assessed the proposed development from various points within the street in order to ensure that the proposals would not be visible. As a result, the top floor has been further set back than the pre-application proposals, by 5.7m, narrowing to 5.4m. This ensures that the top floor will not be seen from the majority of views along the street, as shown in the accompanying visibility drawings. It will also be set back from the neighbouring stair tower, ensuring that views of this tower are not obscured from the street.
- 5.33. It is considered that the resulting scheme ensures that the additional storeys are subservient to the original building, and will not be visually dominant in terms of height and bulk. A drawing showing how the development sits within the wider terrace is enclosed with this application. The surrounding area is considered to be very varied in form and design and it is considered that the two additional storeys, not seen from the street, will have no impact on the character of the Conservation Area. The buildings are of a varying sizes and indeed there is a large tower block at the end of the road.



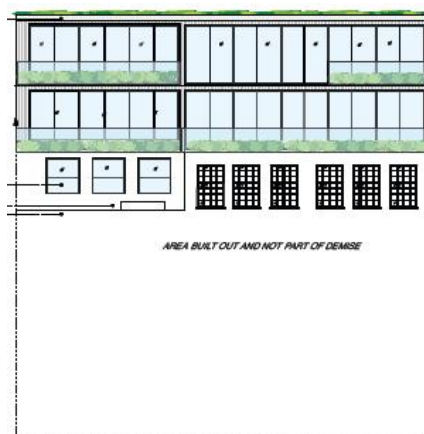
Variety of building design and roof forms along Parker St

- 5.34. Further, we note that Camden Council have recently granted planning permission (ref. 2012/6132) for the redevelopment of 25 Parker Street which also proposes a mansard extension to the existing building, as shown in the approved plan below.

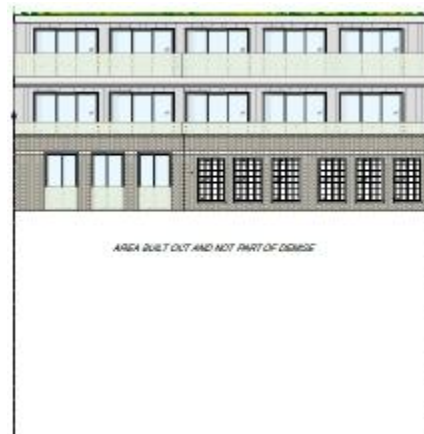


Approved development at 25 Parker St

- 5.35. In much the same way as the approved mansards have been set back at 25 Parker St, the additional storeys at 40-42 Parker St will also be set back so as not to have any impact on the street or wider Conservation Area.
- 5.36. As such, it is considered that the principle of extending the building by two stories should be considered acceptable within the context of the area and bearing in mind that the property is not considered to be a building which makes a positive contribution to the conservation area.
- 5.37. In terms of the rear elevation, the design of the additional storeys have evolved since the pre-application scheme, as shown in the drawings below.



Pre-application rear elevation



Revised rear elevation

- 5.38. In short, the rear elevation has been revised in order to reduce the amount of glazing so that the elevation appears tidier and cleaner in appearance, and in order to reduce potential for overlooking or impact on privacy to the rear windows of the buildings on Great Queen Street.
- 5.39. We note that the pre-application did not comment with regards to the design or appearance of the proposed rear elevation, as such it is considered that this element is considered to be acceptable by the Council.

Residential amenity

Quality of Proposed Accommodation

- 5.40. Standards for all matters relating to residential amenity are protected by the requirements of Development Policy DP26, which requires developments to not cause harm to amenity. The Council sets out a series of standards for residential development in terms of sizes for individual rooms and dwellings as a whole. These are summarised within CPG2: Housing.
- 5.41. All individual rooms and the individual units clearly exceed the minimum standards expected by the Council. On this basis, the application accords with Policy DP26 with reference to accommodation size.

Outside Amenity Space

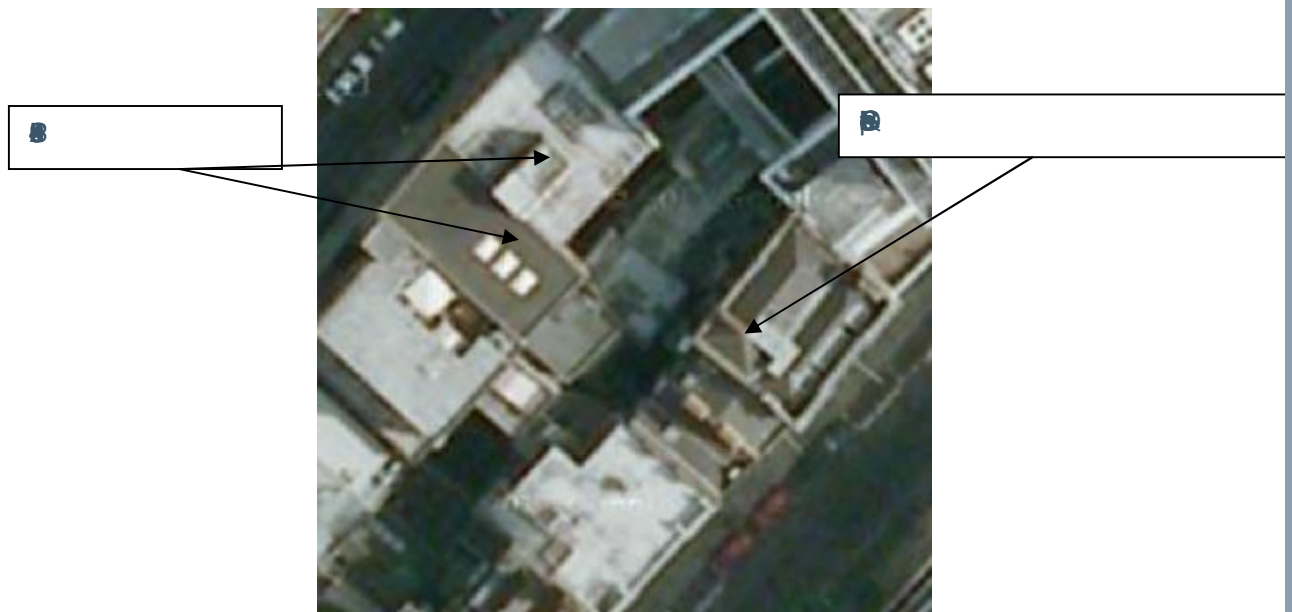
- 5.42. Development Policy DP24 on ‘Securing high quality design’ states that developments should incorporate provision of “appropriate amenity space”.
- 5.43. Given the constrained nature of the site and its central location, it is not considered feasible or indeed appropriate to provide amenity space for each unit. However, three of the six units proposed (on the fourth and fifth floors) will have private terrace areas. It is considered that this level of private amenity space is appropriate given the context of the site and as such the proposed development is considered appropriate in accordance with policy DP24.

Sunlight/Daylight

- 5.44. A daylight/sunlight assessment has been carried out on the proposed development by Rights of Light Consulting, and their report is submitted as part of this planning application. In summary, the report concludes that proposals satisfies all requirements set out in the BRE guide 'Site Layout Planning for Daylight and Sunlight'.

Overlooking

- 5.45. As shown in the image below, the rear of the property is some distance from the rear of the predominantly commercial buildings on Great Queen Street. It is not proposed to extend to the rear, as such it is not considered that there will be an adverse effect on sense of enclosure to the rear of the properties on Great Queen Street.



- 5.46. In terms of overlooking, terraced areas are proposed to the rear of the proposed residential units at fourth and fifth floor levels. However, given the large distance between these properties and the rear of the properties on Great Queen Street, it is not considered that there will be any issues within overlooking.

Sustainability

- 5.47. CPG3 'Sustainability' requires that all new build residential proposals meet Code for Sustainable Homes Level 4. As such, the proposals have been subject to a Code for sustainable Homes pre-assessment which confirms that the proposed unit will meet Level 4, in accordance with the Council's requirements.

In addition, it is proposed that the new storeys will incorporate a green roof. This is in accordance with CPG3 which requires all new developments to incorporate either a brown or green roof.

Transportation and highways

- 5.48. The property is situated within an area which benefits from a Public Transport Accessibility Level (PTAL) of 6b (excellent). As such, it is not considered necessary to provide car parking spaces. This is in accordance with Development Policy DP18, which states that the Council will seek to ensure that developments provide the minimum car parking provision.
- 5.49. Our client is willing to sign a legal agreement confirming that the development will be 'car-free'.
- 5.50. Two covered cycle spaces are proposed for each of the proposed units, in accordance with the Mayor of London's Housing SPD.

Planning Obligations

- 5.51. As requested within the pre-application feedback, our client is willing to sign a legal agreement for the following items:
- Car-free development
 - Preparation of a Construction Management Plan
- 5.52. Our client's solicitor details are as follows:

Francis Katz

franciskatz@chalcots.com, 0207 586 1944

6. Conclusions

- 6.1. The proposed development represents an excellent opportunity to provide 6 residential units within an accessible location. The proposed units will be of a high quality and will help meet the identified need for two bedroom units within the Borough. The units will meet Code for Sustainable Homes Level 4.
- 6.2. The design of the additional two storeys has been revised following pre-application discussions in order to ensure that the additional storeys are not visible from the majority of views along the street. As such, it is not considered that the additional storeys will have any impact on the character or appearance of the Conservation Area.
- 6.3. The proposals result in a minor loss of office floorspace, however studies have shown that there is an identified oversupply and under-demand for offices within the area, and it has been shown that it has been particularly difficult to let the office on the third floor. The pre-application advice confirmed that the proposals accord with Camden policy in terms of loss of offices.
- 6.4. It is considered that the proposed development accords with all relevant planning policies and represents an exciting opportunity to invest in this area of Camden.