Planning Statement, supporting a planning application made by

Allgood Holdings Ltd

allgood

18 December 2013

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# 1 INTRODUCTION

- 1.1 This planning statement has been prepared on behalf of Allgood Holdings Ltd (Allgood), in respect of a planning application to part change the use of 297 Euston Road (site plan attached at Appendix 1). Allgood is a leading British supplier of door sets, architectural ironmongery and security systems, supplying projects in the UK and all over the world.
- 1.2 Allgood have occupied the site for many years as their head offices, however in recent times large parts of the building have become surplus to requirements. This statement explores the main planning issues relevant to the refurbishment of the building to accommodate both office and residential floorspace, thereby ensuring that the premises are put back to full and beneficial use.
- 1.3 This statement has been informed through previous pre-application packages submitted in October 2012 and May 2013 and October 2013, which formed the topic of discussions at subsequent meetings held with a planning officer at the London Borough of Camden in November 2012, June 2013 and November 2013.
- 1.4 In these terms, the report provides the following:
  - An assessment of the site and its surroundings;
  - Details of the proposal and its design;
  - A review of the property's planning history;
  - A review of planning policy at national, London-wide and local level;
  - A review of feedback from the local authority received to date, and
  - A review of the principal planning issues arising, with reference to the proposed uses and, where appropriate, feedback secured from the local authority.
- 1.5 The report and its appendices have been prepared following detailed discussions with planning officers at the London Borough of Camden, where the principle of the change of use, internal layout of the building and the proposed appearance of the building on the Warren Street elevation have been agreed.

## 2 SITE AND SURROUNDINGS

SITE

- 2.1 297 Euston Road is a property on the south side of Euston Road. It consists of five storeys above a ground floor and basement (site plan attached to **Appendix 1**), covering the entire site. The northern side of the building faces Euston Road, the southern side faces Warren Street and the eastern and western boundaries are shared with adjoining buildings. The fifth floor of the building is recessed from the east and west boundaries of the site, and is topped by a pitched roof, gabled on the northern and southern frontages.
- 2.2 The site has been occupied by Allgood for more than fifty years, but the building is currently only in partial use. The ground floor has until recently been used as a showroom for the display and sale of Allgood products, but is now largely unused. The basement has historically been used for storage to support the operations above. The first and second floors are currently in office use and, the third floor formerly in part-occupation is now unused. The fourth and fifth floors are also currently unused.
- 2.3 In conclusion, the use of the site has historically been used as Allgood's head offices, but over time the building has grown progressively surplus to requirements, and is now substantially under-used.

#### SURROUNDINGS

- 2.4 As previously detailed, the site is part of a terrace of buildings on the south side of Euston Road, the terrace being characterised by buildings diverse in size, age and design.
- 2.5 The building to the east of the site appears to be pre-War, part brick and part stone with elements of art deco in its design. In common with the site, it consists of five storeys over a ground floor, and it accommodates a mix of uses. At ground floor level, at the furthest point from the site on Tottenham Court Road, is Warren Street underground station. Closer to the site at ground floor level is a Coral bookmakers and, adjacent to the site, a Londis convenience store. On upper floors, it is understood that the building is divided between offices and flats.
- 2.6 The building to the west is three storeys over a ground floor. On Euston Road this building is modernist in design, but the design of the frontage to Warren Street is split between a modernist element to the west (away from the site) and a more traditional element adjacent to the site. The building also accommodates a number of uses, including residential and offices on upper floors and, on the ground floor, a travel agent facing Euston Road and a relationship advice centre facing Warren Street.
- 2.7 A row of trees is situated on the pavement to the north of the site, which borders the slip road from Euston Road's junction with Tottenham Court Road. The Euston underpass lies beyond this. Opposite the site, on the other side of Euston Road, is the Euston Tower, a prominent landmark office building. The Euston Tower is surrounded to the north and west by Regents Place, a substantial development including large scale office, residential, retail and other service floorspace (much already built, but some under construction).

- 2.8 Development to the south of the site, opposite Warren Street, is traditional terrace of buildings of three storeys above ground. The buildings accommodate a mix of commercial uses at ground level (including retail), and office and residential uses above.
- 2.9 In these terms, the site and surroundings accommodate a diverse range of uses including offices, residential, retail and other service uses, fully reflecting the site's Central London location.

# 3 PROPOSAL

- 3.1 As detailed previously in this report, Allgood have historically occupied the site as their head offices. As a result, it has been an important stakeholder in the area for many years, and are also one of the longest established employers in the area. For this reason, and for the purposes of ensuring continuity within the business, it is important for Allgood to retain their head office function on the site. In these terms, and in accord with the spirit of the NPPF, the support of Allgood in their aspirations to remain on site, and the economic benefits this would bring, is a legitimate planning issue and a material consideration.
- 3.2 However, due to changes in the industry and business, a large part of the site is currently unused, and planned rationalisation has, recently increased the level of vacancy further. As a consequence, Allgood feels it should refurbish the site in order to bring the building back into full, beneficial use.
- 3.3 The uses proposed, by floor, are retention of office use across the basement to first floor level, and the introduction of residential use across the second to fifth floors.
- 3.4 As part of the development it is proposed to redesign the Euston Road frontage, in addition to minor external alterations to the Warren Street elevation to incorporate the new uses (please refer to the Design & Access Statement for more detail). However, notwithstanding this, it is considered that the main planning issues that will arise as part of the development will relate to the principle of the uses sought.
- 3.5 In addition, as part of this application, Allgood have prepared a detailed layout scheme which is illustrated in the attached Design and Access Statement. In addition, commentary in respect of these matters, including planning issues arising, are included within this statement.

# 4 PLANNING HISTORY

- 4.1 The site's planning records have been investigated. It is understood that the Council is not in possession of more historic records. However, a summary of available planning history is attached at **Appendix 2**.
- 4.2 The Council's records show that planning permission was granted in August 1988 for the erection of an additional fourth and fifth floor to the property, replacing a roof-top car-park, to provide extra warehouse space on the fourth floor, and ancillary office and staff room facilities on the fifth floor. The planning application also included alterations to the Euston Road elevation, providing the north elevation of the building with its current appearance. Notwithstanding the description of development, this permission included a condition which confirmed that that the fourth and fifth floors should only be used for warehouse purposes (Class B8), or for purposes ancillary to such a use, and for no other purpose. However, notwithstanding this, these upper floors have always been used as a contiguous part of Allgood's overall operation, and therefore these floors have an authorised use, by dint of passage of time since 1988, for Class B1 (a).
- 4.3 Subsequently, in 1999, two planning applications were granted by the local authority in respect of the refurbished showroom/display area at ground floor level. The first decision, issued in August, granted planning permission for a new glazed shop front and showroom entrance to the rear elevation on Warren Street. The second decision was issued in November, and granted planning permission for a new glass roof to the internal lightwell at ground floor level to form new meeting room in connection with the product showroom.
- 4.4 Since 1999 there have been two further planning permissions granted in respect of the site. In 2007 permission was granted for replacement plant at roof level, and in 2011 permission was granted for replacement windows to the Warren Street elevation. In terms of the latter decision, the description of the proposal refers to Euston Road as an office building, notwithstanding the ground floor's historic (and recognised, through the 1999 permissions) use as a product display showroom, and the conditions attached to the 1988 permission.

# 5 PLANNING POLICY

- 5.1 The Development Plan for the site is the London Plan (adopted April 2011) and the London Borough of Camden Local Development Framework. The adopted documents of the Camden LDF are the Core Strategy and the Development Policies Document, both adopted in November 2010. Policy LU1 of the 2006 Camden Unitary Development Plan is also still part of the Development Plan, however as this policy merely provides a schedule of land use proposals on designated sites (and as 297 Euston Road is not identified in the schedule) this policy is not relevant to the principle of alternative uses at the site.
- 5.2 In addition, to the Development Plan, a number of other documents are relevant in respect to the proposal, namely:
  - The National Planning Policy Framework, March 2012;
  - Camden Planning Guidance 1 Design, September 2013;
  - Camden Planning Guidance 2 Housing, September 2013;
  - Camden Planning Guidance 3 Sustainability, September 2013;
  - Camden Planning Guidance 5 Town Centres, Retail and Employment, September 2011;
  - Camden Planning Guidance 6 Amenity, September 2011;
  - Camden Planning Guidance 7 Transport, September 2011;
  - Camden Revised Planning Guidance for Central London, October 2007, and
  - Camden Business Space Study, 2011.
- 5.3 The Development Plan and the other identified documents are reviewed below.

NATIONAL PLANNING POLICY FRAMEWORK

- 5.4 The National Planning Policy Framework sets out the Government's planning policies for England, and how they are expected to be applied. The NPPF confirms that the purpose of the planning system is to contribute to the achievement of sustainable development, for which three dimensions are identified. These are:
  - An economic role;
  - A social role, and
  - An environmental role.
- 5.5 The NPPF confirms that a presumption in favour of sustainable development should be seen as a "golden thread" running through both plan-making and decision-taking. Developments which comply with the Development Plan should be granted planning permission without delay.
- 5.6 Paragraph 20 confirms that local planning authorities should plan proactively to meet the development needs of business, and paragraph 21 confirms that investment in business should not be over-burdened by the combined requirements of planning policy expectations.

- 5.7 Paragraph 22 confirms that planning policies should avoid the long-term protection of sites allocated for employment use, where there is no reasonable prospect of the site being used for that purpose. In these terms, it is confirmed that where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits, having regard to market signals and the relative need for different land uses to support sustainable local communities.
- 5.8 Paragraph 49 of the NPPF confirms that housing applications should be considered in the context of the presumption in favour of sustainable development. Further, paragraph 51 confirms that local planning authority should normally approve planning applications for change of use 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.

LONDON PLAN – JULY 2011

- 5.9 The London Plan is the overall strategic plan for London, setting out an integrated economic, environmental, transport and social framework for the development of London over the next 20-25 years.
- 5.10 Policy 2.10 confirms that the Mayor will, and boroughs should, inter alia, support and improve the retail offer of the Central Activities Zone (CAZ), and support the distinct offer of the CAZ based on a rich mix of local, as well as strategic, uses.
- 5.11 Paragraph 3.3 indicates that the Mayor recognises the pressing need for more homes in London in order to promote opportunity and provide choice for all Londoners. In these terms, it confirms that the Mayor will seek to ensure the provision of at least an annual average of 32,210 net additional homes across London. Further, the policy confirms that boroughs should seek to achieve, and exceed, the relevant minimum borough housing targets set out within the London Plan (a minimum of 665 units per year for the London Borough of Camden), and the potential of mixed use development, especially of surplus commercial capacity and surplus public land, is particularly recognised.

CAMDEN LOCAL DEVELOPMENT FRAMEWORK

5.12 Within the Camden Local Development Framework, the site is located within the Central Activities Zone (CAZ). In addition, the site is adjacent to the Fitzroy Square Conservation Area, which lies to the south.

CORE STRATEGY - NOVEMBER 2010

- 5.13 The Core Strategy provides the overall policy framework at local level, and confirms the following themes.
- 5.14 The Council will promote appropriate development at highly accessible locations, including Central London, and there is an expectation that additional homes in the order of 12,250 will be provided in Camden up to 2024/25. Further, the Council will promote the most efficient use of land and buildings by seeking development that makes full use of its site, resisting development

that makes inefficient use of land and expecting the provision of a mix of uses in suitable schemes, in particularly the most accessible parts of the borough, including an element of housing where possible (Policy CS1).

- 5.15 The Council will also promote appropriate development in the highly accessible areas of Central London outside identified growth areas, and that these areas are considered to be suitable locations for the provision of homes, shops, food, drink and entertainment uses, offices and community facilities (Policy CS3).
- 5.16 Full use will be made of Camden's capacity for housing by maximising the supply of additional provision to meet or exceed targets, and housing is confirmed as the priority land-use in the Borough (Policy CS6).
- 5.17 The Council will safeguard existing employment sites and premises in the borough that meet the needs of modern industry and employers, and recognises the importance of other uses, including retail, as employment generating (Policy CS8).
- 5.18 Central London will be supported and promoted as a focus for Camden's future growth in homes, offices, hotels, shops and other uses, and contribute to London's economic, social and cultural role. The Council will also seek to secure additional housing and affordable homes, including as part of appropriate mixed use development, in Central London (Policy CS9).
- 5.19 In conclusion, the Core Strategy confirms that, within the Central Activities Zone, mixed-use development which maximises the use of the site is strongly encouraged and, in particular, residential development is identified as a priority.

CAMDEN DEVELOPMENT POLICIES - NOVEMBER 2010

- 5.20 This document provides planning policies at a local level in a more detailed manner than that set out in the Core Strategy, and confirms the following themes.
- 5.21 A mix of uses will be required in development, where appropriate, in all parts of the borough, including a contribution towards the supply of housing (Policy DP1).
- 5.22 The supply of additional homes in the borough will be maximised through the expectation of the maximum appropriate contribution to the supply of housing on sites that are underused or vacant (Policy DP2).
- 5.23 All residential developments with the capacity for 10 or more additional dwellings should make a contribution towards the supply of affordable housing. Where a contribution is required, the Council will negotiate the maximum reasonable amount of affordable housing on a sliding scale, with larger developments providing a larger proportion of affordable housing (Policy DP9).
- 5.24 The Council will encourage the provision of small shop premises suitable for small and independent businesses and will seek to protect shops outside centres (Policy DP10). That said, as confirmed through pre-application discussions to date the basement and ground floors are classed as sui generis and not the A1 use the Council seek to protect. Nonetheless, there is

considerable alternative shop provision available within the locality and the occupation of the currently vacant floors would positively contribute to the local character.

- 5.25 The Council will retain land and buildings that are suitable for continued business use, and will resist a change to non-business uses unless:
  - It can be demonstrated to the Council's satisfaction that a site or building is no longer suitable for its existing business use, and
  - There is evidence that the possibility of retaining, reusing or redeveloping the site or building for similar or alternative business use has been fully explored over an appropriate period of time. Further, it confirms that the Council will seek to maintain some business use on the site and, where it can be demonstrated that a site is not suitable for business use, the Council may allow a change to permanent residential use, or community use (Policy DP13).
- 5.26 Paragraphs subsequent to Policy DP13 provide more detail in respect of the issues that the Council will take into consideration when assessing applications involving the loss of employment floorspace including, inter alia, the suitability of the site and its surroundings for employment use and access and servicing issues. Further, where a change of use to a non-business use is proposed, this should be supported by marketing evidence.
- 5.27 The Council will seek to ensure that developments provide the minimum necessary car parking provision. In these terms, the Council will expect development to be car free in the Central London Area (Policy DP18).
- 5.28 In-line with Development Policy DP22 the Council will expect Code Level 4 for Sustainable Homes for new build housing, and will encourage developments to achieve "excellent" in EcoHomes Assessments.
- 5.29 It is recognised that many development sites will be too small to provide open space on-site (Paragraph 31.9), and Policy DP31 confirms that the Council will only grant planning permission for development that is likely to lead to increased use of public open space where an appropriate contribution to the supply of open space is made.

CAMDEN PLANNING GUIDANCE 1 – DESIGN, SEPTEMBER 2013

- 5.30 This document details the required standards of design which must be adhered to in the new developments. The key points to be considered are that:
  - Buildings do not significantly overshadow existing/proposed outdoor spaces, amenity areas or existing facilities;
  - Minimise the extent to which developments may overlook the windows or private garden area of another dwelling, and
  - Contribute to the character of the borough.

#### CAMDEN PLANNING GUIDANCE 2 – HOUSING, SEPTEMBER 2013

5.31 Details of the minimum room size standards are provided within this document. The proposed floorspace figures for the development are provided within the accompanying Design & Access Statement, which meet and exceed the required standards.

CAMDEN PLANNING GUIDANCE 3 – SUSTAINABILITY, SEPTEMBER 2013

- 5.32 This guidance details the Councils commitment to reducing carbon emissions through the encouragement of more sustainable developments. As such, development involving a change of use or a conversion of 5 or more dwellings or 500sq m of any floorspace, will be expected to achieve 60% of the un-weighted credits in the Energy category in their EcoHomes or BREEAM assessment, whichever is applicable.
- 5.33 It should be noted that, since 2012, Ecohomes for residential refurbishment no longer applies, and that BREEAM is now the appropriate sustainability yardstick. Details pertaining to the score achieved within the BREEAM pre-assessments is provided within the accompanying Design and Access Statement.

CAMDEN PLANNING GUIDANCE 5 – TOWN CENTRES, RETAIL AND EMPLOYMENT, SEPTEMBER 2011

- 5.34 This document provides supplementary guidance in respect of retail development outside the Central Activity Zone, and employment development throughout the Borough. In terms of employment sites and business premises, the key messages are that:
  - Camden has a very restricted supply of sites and premises for light industrial, storage and distribution uses;
  - The sites should be categorised according to their characteristics to determine which sites and premises should be retained, and
  - In incidences where the principle of redevelopment and employment site is accepted, the priority will be to secure permanent housing and/or community uses.
- 5.35 In these terms, the guidance confirms that the Council will protect existing employment sites and premises that meet the needs of business and employers. However, the guidance indicates that the Council expects the supply of offices to meet projected demand over the plan period and, as a result, may allow the change of use of offices to other uses, including those in older office premises (with a priority for alternative uses as permanent housing or community uses). In addition to the criteria listed in paragraph 13.3 of Policy DP13 of the Camden Development Policies, the guidance indicates that the Council will consider:
  - The age of premises (recognising that some older premises may be more suitable for conversion);
  - Whether the premises include features required by tenants seeking modern office accommodation;
    - The quality of the premises and whether it is purpose-built accommodation;

- Whether there are existing tenants to the building, and
- The location of the premises and evidence of demand for office space in the location.
- 5.36 If it is difficult to make an assessment using the above criteria, the Council may also ask for additional evidence in the form of marketing (which, for most employment uses, would be for two years, albeit for office uses it is confirmed that a shorter period will be considered)

CAMDEN PLANNING GUIDANCE 6 – AMENITY, SEPTEMBER 2011

- 5.37 This guidance provides information on all types of amenity issues within the borough. Due consideration has been given to the relevant amenity issues (as detailed within the Design & Access Statement) in relation to the proposals including:
  - Noise and Vibration
  - Daylight and sunlight
  - Overlooking, privacy and outlook

#### CAMDEN PLANNING GUIDANCE 7 – TRANSPORT, SEPTEMBER 2011

5.38 Within this guidance, information on the various types of detailed transport issues within the borough is provided, including advice pertaining to cycle parking, which has been taken into consideration through the evolution of this proposal.

REVISED PLANNING GUIDANCE FOR CENTRAL LONDON, OCTOBER 2007

- 5.39 This planning guidance document gives advice on how the Council's planning policies will be applied in relation to planning applications for food, drink and entertainment uses as well as retail and specialist uses in the Central London Area of the London Borough of Camden. Whilst the policies referred to in the document are those within the now superseded UDP, it is understood that this document is still used for development control purposes.
- 5.40 Within this document, the site is located within the "Fitzrovia" area. It confirms that, as within the LDF, housing is the priority land use. It is also recognised that non-residential uses also make a significant contribution to the character, attraction vibrancy of Central London. It recognises that having a diverse mixture of land uses contributes to the character and vitality of the Central London area. In the Fitzrovia area, diversity of land use is strongly recognised, and should be maintained. New development is encouraged to incorporate a mix of uses including a contribution to housing.

#### CAMDEN BUSINESS SPACE STUDY 2011

- 5.41 The purpose of this study is to explore the features of employment sites and buildings that should be provided in the Borough, to support a flourishing and diverse local economy. The study's findings are intended to feed into a future supplementary planning document to support the borough's employment land policies.
- 5.42 The recommendations of this document supports the policy position that, where an employment site is no longer suitable for any business use other than B1a offices, the Council may release it

for other uses. Further, it finds that there is no planning argument for requiring developers to provide office space as part of the residential-led mixed-use schemes. This is based, in large part, on the lack of shortage of offices in the Borough generally. In these terms, it advises that there appears to be no shortage of office space or office development opportunities in Camden, either now or in the long term.

#### CONCLUSIONS

- 5.43 The overall thread of planning policy is the encouragement of new housing provision (not least, through mixed-use development) as a priority use. Although policies at local level seek to restrict the loss of employment land and floorspace, such proposals can be accepted if suitable supporting evidence can be provided. In addition, office floorspace is encouraged in the Central Activities Zone, and is recognised as employment generating.
- 5.44 In addition, the Council's research on the matter confirms that there is no shortage of office space within the London Borough of Camden, either at present or in the foreseeable future.

# 6 FEEDBACK FROM LOCAL AUTHORITY

- 6.1 In October 2012 a pre-application package was submitted to the London Borough of Camden, and a subsequent meeting was held with a planning officer. This package was submitted as a basis for discussing the principle of the change of use of the site to a mix of uses.
- 6.2 Following the meeting, Rapleys prepared a note of discussions (attached at **Appendix 3**) and a letter from the planning officer was issued (attached at **Appendix 4**). At this meeting it was confirmed by officers that residential uses would be supported, in principle, on the second, third, fourth and fifth floors, if it could be demonstrated that the issues raised by the loss of employment floorspace within part of the building could be satisfactorily addressed.
- 6.3 In terms of the latter, it was recommended by the officer that commentary be provided in respect of :
  - The suitability of the site for both large and smaller businesses;
  - Why marketing the site would not be appropriate, and;
  - That there would be no shortage of office supply in the area as a result of the proposal.
- 6.4 These matters were explored in further detail within a later pre-application submission in May 2013. A subsequent meeting was held with a planning officer in June 2013 following which Rapleys prepared a note of discussions (attached at **Appendix 5**). Additional information was requested and can be summarised as follows:
  - Additional supporting information to explore the possibility of accommodating office space for small start-up businesses and a "break down" of the estimated cost;
  - More detail relating to mix of uses that characterised the surrounding area, the range of office unit sizes that the building could physically accommodate and why it was viable for Allgood to retain its offices;
  - The merging of the main points of the market report into the planning report.
- 6.5 A third and final pre-application submission in October 2013 provided further detail on the above points in addition to draft drawings and a design and access statement. A subsequent meeting was held with a planning officer in November 2013, subsequent to which Rapleys circulated a note of discussions (attached at **Appendix 6**). At this meeting officers confirmed their support for the principle of the retention of office use at basement, ground and first floor levels and residential on the second floor and above. Support was also expressed in respect of the proposed layout, albeit, the following comments on other matters were made:
  - Further information was requested in respect of proposed noise reduction measures to the Euston Road façade, though it was agreed that a noise assessment was not required to support the application, and that appropriate noise mitigation measures if required could be secured by condition;
  - Amendments were requested to the proposed double height glazing, also on the Euston Road façade;

- A more traditional approach to the appearance of the ground floor of the Warren Street elevation was sought, and
- Further information was requested in respect of the layout of cycle parking.
- 6.6 Following this meeting it was confirmed that, in sustainability terms, the Council would seek confirmation of compliance to BREEAM standards for domestic refurbishment and that an "Excellent" standard would be supported. Further, it was confirmed that the office element as retained use would not need to provide cycle parking.
- 6.7 In addition, on 3 December 2013 revised elevations for both Euston Road and Warren Street were forwarded to the Council for comment. It was subsequently confirmed by the Council's design officer on 6 December that the amendments to the Warren Street elevations were supported, but that further amendments would be sought in respect of the Euston Road elevation. As a result of this feedback, a horizontal element has been introduced between the ground and first floors.
- 6.8 Further detail in respect of the planning issues raised by the pre-application discussions is included as in section 7 of the planning report.

# 7 PLANNING CONSIDERATIONS

- 7.1 This section provides commentary in respect of the principal planning issues raised by the proposal. It is considered that the following issues are particularly relevant:
  - The principle of non "B" class uses at the site;
  - Residential use on upper floors;
  - Office use at basement to first floor level;
  - Impact on the adjacent Conservation Area, and
  - Other development control considerations.

### PRINCIPLE OF NON "B" CLASS USES

- 7.2 The building is currently largely in "B" class use, and one that is mixed in character, split between unoccupied warehouse floorspace, semi-occupied office floorspace and an established, but now discontinued, retail function at ground floor level. In terms of the fourth and fifth floors, even if they were accepted to have an authorised use of Class B8, in the context of CPG5 they would fall into Category C, and therefore suitable for conversion. Commentary in respect of the suitability for office use on these floors is therefore included below.
- 7.3 Introduction of non "B" class uses to the building is considered to be in compliance with policy on the following grounds:
  - The site is not allocated, or otherwise identified, for employment use within the Development Plan;
  - Development that is mixed use in character is particularly encouraged, in principle, in the Central Activities Zone;
  - Further the marketing report confirms that proposal would have an insignificant impact on the real supply of office space in the locality;
  - The Council's own evidence on the matter confirms that there is no shortage of office supply in the Borough, and therefore the reduction in floorspace will not create any "harm" (particularly given the quantum of floorspace involved) that would constitute a strong economic reason for resisting the proposal;
  - Office floorspace will be retained on the basement, ground and first floor, and as such "B" class floorspace will not be entirely lost;
  - The majority of the floors for which residential use is sought are currently either unused, or underused, and the proposal will bring this floorspace into beneficial use;
  - The benefits of changing the use of redundant employment floorspace to residential is recognised by Central Government, both in the NPPF and in the Government's proposals to ease such changes of use, and
  - The proposal will ensure that the best use is made of this highly sustainable and accessible site.

- 7.4 In this context, it was considered that the proposal should be supported by the Council without the need for the site to be put on the market. This was agreed with the Council during the 2<sup>nd</sup> round of pre-application discussions in May 2013.
- 7.5 In addition, it would not be appropriate for the Council to require the site to be marketed in support of the change of use of the upper floors for reasons relating to practicality and viability. The attached office market report confirms that, in order to accommodate modern flexible office space that would be suitable for either small or larger businesses, significant works would be required to the existing building.
- 7.6 From an assessment of the financial returns of the finished product, the office market report is clear that it would be difficult to justify funding for these works. This would be true either if the site was marketed in its current state (and it is unlikely that the site would attract potential customers in this scenario in any event), or if the works were carried out in advance of marketing (which, for obvious reasons, would carry significantly more risk, given the experience of similar properties currently or recently on the market in the surrounding area).
- 7.7 Further, Allgood are longstanding stakeholders in the area, not property developers, and the building in its current state is a significant financial liability for the company. Delaying their ability to improve and regenerate the site whilst it was marketed would continue this liability, and in all likelihood increase it, in favour of a proposal which is financially unviable this would clearly be perverse.
- 7.8 At officer request, the criteria of paragraph 13.3 of the Camden Development Management Policies document are analysed as follows:
  - The site is not located within the Industry Area, or other locations suitable for large scale general industry and warehousing, and therefore this would tell in favour of the part change of use to residential;
  - The site is in a location suitable for a mix of uses, but not for light industry or local distribution, given character of the surrounding area, and – again – this would tell in favour of the part change of use;
  - The site is easily accessible to the TfL London Road network, but lacks dedicated access and parking spaces and therefore this criteria is of limited relevance to the site's suitability for ongoing employment use;
  - The site is highly accessible by means other than the private car, but this would tell equally in favour of residential development as it would employment development;
  - The site has no on-site vehicle space for servicing, and therefore this would tell in favour of the change of use of the upper floors of the building to residential;
  - As previously detailed, the local area is very mixed in character, and office and residential development (or a mix of them, as proposed) would relate well to the surroundings;
  - The site is not in a reasonable condition to allow the current use of the site to continue, as confirmed within the office market report detailing the works that would be required in order to attract third party interest;

- The site is not close to other industry or warehousing, and therefore the change of use of the site to residential would not have a detrimental impact on the ability of surrounding sites to operate, and
- The site would be able to accommodate a range of unit sizes, but as set out in the office market report – the cost of doing could not be justified, in financial terms. A detailed breakdown of costs has been provided within the accompanying Market Report.
- 7.9 Finally, and again at officer request, the criteria of paragraph 6.4 of CPG5 are analysed as follows:
  - The criteria of paragraph 13.3 of the Camden Development Management Policies document are analysed above;
  - The age of the premises results in significant work being required to the building to enable its occupation for office use by third parties – the attached office market report indicates that the return that would be generated as a result of the site's continued use for office space would make the cost of the necessary works difficult to justify;
  - As confirmed in the attached office market report, the premises do not currently include features required by tenants seeking office accommodation;
  - The attached office market report confirms that the site is not up to modern standards, and would require significant investment that is difficult to justify in viability terms as a result the building is suitable for conversion;
  - As previously noted, the existing occupiers of the building wish to remain on the site, and as such an element of office space will be retained on the site;
  - The attached office market report details the demand for office space in the area, in particular providing commentary in respect of other properties in the area which have recently been on the market, and
  - The premises cannot currently accommodate multiple occupiers, and the attached office market report confirms that the works required in order to remedy this are difficult to justify in the context of the return that would be generated.
- 7.10 In these terms, the proposal is in accord with both paragraph 13.3 of the Camden Development Management Policies document, and 6.4 of CPG5.

### MARKET REPORT

- 7.11 At officer request, the salient points of the Market Report (attached at **Appendix 7**) have been summarised as follows:
  - Having regard to the scale, current/prospective specification and mixed use orientation of the floorspace potentially lost to office/employment supply at the subject property, we are of the opinion that this would have a minimal effect on the balance of the office market in Euston for Grade B at this point or in the foreseeable future (para 7.9).
  - The office space that would be lost to supply is not currently contributing to the employment supply because it is not being utilised and is not capable of third

party occupation without significant alterations. Accordingly, on this basis also, the loss of the floor space to residential would have an insignificant impact in the real supply of the office space in the locality (para 7.2).

- The space in the building as it is currently configured/specified is not likely to achieve any significant letting in the current and foreseeable market (para 7.11).
- The accommodation would require significant expenditure on works of reconfiguration and upgrading to create Grade B standard space that might be lettable in the market given the building is not currently configured for multiple occupation (para 8.4).
- It is very difficult to envisage how any owner/developer of this building could reasonably view expenditure that is required as carrying an acceptable balance of risk/reward and indeed, in our opinion, if such an owner/developer was not self financing, we have difficulty in envisaging any prospect of debt funding being secured for such a project in the current and foreseeable financial climate (para 8.5).
- Start up businesses often take space in serviced offices and whilst the same viability points above apply to serviced offices in this context, there is the issue that the floor plates in the subject building would be too small to provide this type of accommodation. Any services provided, such as a concierge, would push up the cost of rent considerably compounded by the expense of subdivision and the reduction of lettable floor space (para 8.9).
- We are of the view that the market outlook will be relatively steady at current levels of activity and we therefore believe that this analysis will stand good for a minimum of 2-3 years, perhaps longer in the absence of any significant economic upturn.
- 7.12 In this context, the Marketing Report confirms that the building would require significant alteration to accommodate modern, stand alone office space on the upper floors, and that the returns for this work would not be justified by the returns. In addition, it confirms that there is significant levels of office space in the area, and as such the conversion of the upper floors of 297 Euston Road should be supported.

### **RESIDENTIAL USE**

- 7.13 Beyond the issues rehearsed above, the site is eminently suitable for residential development in its own terms and this has been recognised by the local authority. Housing is recognised throughout planning policy as a priority land-use, and is particularly encouraged, as part of mixed use development, in the Central Activities Zone.
- 7.14 The development will contribute to housing supply, of which it is recognised there is a shortage, and for which all relevant targets are minimum. Further, Policy CS8 indicates that older offices and, by extension, other employment floorspace may be acceptable for the change of use to permanent housing.
- 7.15 The capacity of the upper floors for housing is a maximum of 7 units, and thus would be below the threshold for the provision of affordable housing.

### OFFICE FLOORSPACE

7.16 As detailed previously in the report, until recently the ground floor of the site served as a display area and showroom to sell Allgood's products. Further, the basement has historically been used for storage, in association with the use of the rest of the building. In order to maximise the available useable space it is proposed to utilise the basement to first floors for office use. This will help retain as much of the existing office use from the other floors on site as possible.

#### LAYOUT AND DESIGN

- 7.17 The layout and design of the proposals have been carefully considered, with the residential accommodation proposed providing suitable unit sizes in line with the residential design guide SPD. Further details can be found within the accompanying Design & Access Statement.
- 7.18 In respect of design, the scheme respects the existing character of the building, its presence on both Euston Road and Warren Street, along with design steers and a materials pallet that is in keeping with the character and appearance of the neighbouring Conservation Area. In addition, the 5<sup>th</sup> floor design reflects that of the established building line of the neighbouring properties. In these terms, and taking into account the visual impact of the existing development, it is considered that the proposals will considerably enhance the character and appearance of the building.
- 7.19 Through detailed design, accessibility and sustainability issues have been taken into consideration, with regard to relevant planning policies and guidance (please refer to design and access statement). It is recognised that planning obligations may need to be entered into, again having regard to policy and guidance.

#### IMPACT ON ADJACENT CONSERVATION AREA

7.20 As previously detailed, alterations will be made to the exterior of the building on both elevations, to incorporate the new proposed uses. It is considered, the refurbishment of the building will result in an improved appearance, and in these terms the proposal will complement and enhance the setting of the adjacent Conservation Area, and as such should be supported in these terms.

#### OTHER PLANNING CONSIDERATIONS

- 7.21 The site is evidently suitable for residential use, given the lack of "bad neighbour" uses surrounding the site, and on the basis that residential development is long established in the area. Although the proposal does not include amenity space, this is to be expected of developments in this location and, in any event, high quality public amenity space (including Fitzroy Square and Regents Park) lies nearby.
- 7.22 As the proposal does not include the creation of new buildings, or the extension of existing ones, the proposal will not have any impact on existing residents of surrounding properties.
- 7.23 In terms of parking, the development will be car free, which is recognised in policy as being entirely appropriate within the Central Activity Zone. Off street cycle parking will be provided for residents on the ground floor. The proposed space devoted to cycle parking has been considered

in-line with Camden Councils Planning Guidance. As the office space is existing, no cycle parking is required for this use.

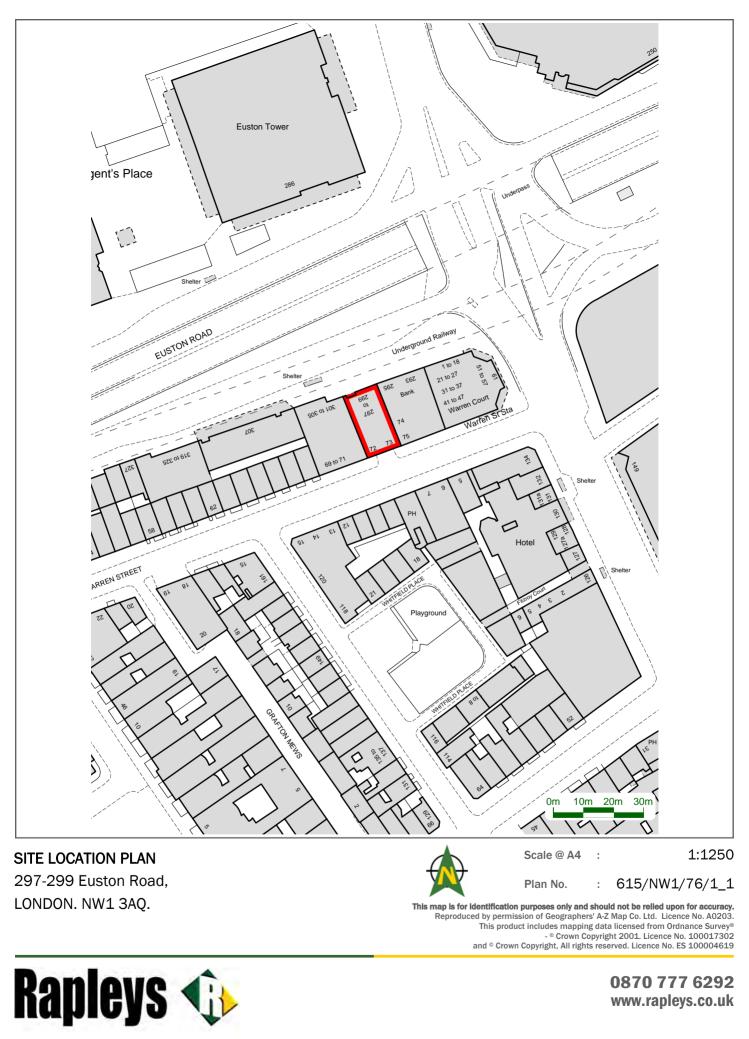
COMMUNITY INFRASTRUCTURE LEVY

- 7.24 The CIL Regulations confirm that the following types of development are liable for the Levy:
  - Development comprising 100 sq.m or more of new floor space;
  - Development of less than 100 sq.m of new build floor space that results in the creation of one or more dwellings, and
  - The conversion of a building that is not in lawful use.
- 7.25 However, where planning permission is granted for new development that involves the extension or demolition of a building in lawful use, the level of CIL that is payable is calculated on the net increase in floor space (and, as such, the floor space of the original or existing building is discounted in any calculation). As this proposal is for the change of use of an existing building, and on the basis that the Design and Access Statement confirms that the gross internal floorspace of the building will reduce as a result of the proposals, CIL is not applicable.

# 8 CONCLUSION

- 8.1 The site, which lies in a highly accessible and sustainable location, is currently substantially underused, and the current occupier is considering further rationalisation.
- 8.2 Planning policy encourages mixed-use development, and places a particular priority on the inclusion of residential floorspace. Further, the inclusion of office floorspace across the basement, ground and first floor levels will retain much of the existing use on site, and increase the useable employment floorspace as much as possible, compared to the previous scheme.
- 8.3 The introduction of an alternative mix of uses including offices and residential would bring forward a number of benefits (not least, bringing the site back in to full, beneficial use), would not cause any harm in terms of the supply of office space in the Borough, and would represent the best and most sustainable use of the site. In addition:
  - The premises require considerable work in order to make the upper floors suitable for continued use for office use, either for small or larger businesses;
  - Even at a relatively modest level, these works would be difficult to justify in the context of the returns that the works would bring;
  - Given this viability background, it would not be appropriate for the Council to require the site to be marketed;
  - Due to supply, there is unlikely to any shortage of office space in the area in the foreseeable future, and
  - The proposal is in compliance with paragraph 13.3 of the Development Management Policies document and 6.4 of CPG5 and the relevant Design Standards.
- 8.4 The proposal would preserve and enhance the neighbouring Conservation Area, would not have any impact on the amenity of neighbouring residents and would be acceptable without parking or private amenity space provision.
- 8.5 In these terms, and given the extensive pre-application discussions to date, the principle of the proposal is supported by the Local Authority. This support should form the basis for a decision to grant approval for the scheme.

Appendix 1 Site Location Plan



LONDON

BRISTOL

EDINBURGH

HUNTINGDON

Appendix 2 Schedule of Available Planning History



# Table of Applications - 297 Euston Road

Application Number	Application Decision	Date of Decision	Application Description
2011/5699/P	Refusal	23/12/11	Installation of 1 x electronic communications apparatus (public payphone) outside of 297 Euston Road.
2011/5392/P	Granted	21/12/11	The replacement if existing single glazed wooden windows to double glazed UPVC windows on the Warren Street Elevation of 297 Euston Road Office Building (Class B1).
2007/4973/P	Granted	20/12/07	The replacement of existing 5 air to water chillers with 3 new chillers to roof of offices.
PS9905009	Granted	23/11/99	New glass roof to internal lightwell at ground floor to form new meeting room in connection with use as a showroom, as shown by drawing number P (2 - ) 03.
PS9904659	Granted	24/08/99	New glazed shopfront and showroom entrance



			to rear elevation on Warren Street.
9000035	Granted	21/03/90	Approval of details pursuant to condition of planning permission (Reg No: PL/8800211)
PL/8800211	Granted	24/08/88	The erection of an additional fourth and fifth floor to provide extra warehouse space on the fourth floor and ancillary office and staffroom facilities

Appendix 3 Note of Meeting with Officers on 22 November 2012



### NOTE OF MEETING

### LONDON, NW1 - 297 EUSTON ROAD

### 22 NOVEMBER 2012 AT 14:00 - LONDON BOROUGH OF CAMDEN OFFICES

#### Attendees:

Seonaid Carr (SC)	-	London Borough of Camden	
Anthony Carter-Clout (AC-C)	) -	Allgood	
Graham Shirville (GS)	-	Allgood	
Jason Lowes (JL)	-	Rapleys LLP	

#### 1. INTRODUCTION

- 1.1 By way of background, AC-C and GS advised that the site had been in longstanding occupation, for some 50 years, as the headquarters of Allgood, with the ground floor used as a showroom for the display and sale of their products (although this had recently ceased), with upper floors used as offices. They also stated that Allgood were committed to remaining on the site but, due to changes in the business structure, a large part of the building was now surplus to requirements.
- 1.2 In these terms, Allgood wish to consolidate their offices onto the first floor of the building, retain the retail element on the ground floor (albeit independently of Allgood), and to convert the second to fifth floors to residential use.

#### 2. PRINCIPLE OF USES PROPOSED

- 2.1 SC agreed that the principle of mixed-use development, and the uses proposed, were promoted within the Central Activities Zone (CAZ), and would be consistent the surrounding area (which is characterised by a similar mix of uses).
- 2.2 SC confirmed that the continued use of the first floor for offices would not constitute a change of use. In terms of the ground floor and basement, it was agreed that their historic use was consistent with Class A1 and would not require planning permission. To support this position, SC recommended that any planning submission be supported by photographs of the ground floor and, as far as is appropriate, copies of plans pertaining to previous planning decisions.
- 2.3 SC recognised that residential use was a priority land use within policy, and



would be suitable on the site subject to any proposal satisfying Policy DP13 within the Camden Development Policies Document 2010. SC advised that the bullet points within explanatory paragraph 13.3 would need to be addressed, and it was agreed that they would be reviewed at the meeting. From this review, SC indicated that, apart from the bullet point confirming whether "the site was in a reasonable condition to allow the use to continue" or not, all of the other bullet points were either not applicable, or could be met without need for further information. Further, SC advised that the bullet points within paragraph 6.4 of Camden Policy Guidance 5 would also need to be considered, and it was agreed that the current condition of the building, and the requirement for significant changes to the building in light of this, would be most relevant.

- 2.4 JL felt that marketing the site, in advance of a planning application, would not be appropriate in this case as:
  - There is currently enough office capacity in the surrounding area, at present, to meet demand;
  - If the site was marketed in its current state, given the time period required to reconfigure the building to render it suitable for multiple occupancy and bring it to modern standards, it would be relatively unattractive to potential occupiers when compared to office space available immediately;
  - Conversely, it would be difficult to justify carrying out the works speculatively in the current market, with no guarantee of finding a suitable occupier once the works were complete, and
  - As a general point, the underuse of the building is, at present, consuming significant resources for Allgood, and leaving the building in its current state whilst it was being marketed would extend this problem, again with no certainty that an occupier might be found.
- 2.5 In this regard, SC confirmed that a marketing campaign in respect of the site would not be necessary, provided further supporting information was provided in respect of :
  - The works required to the building in order to render it suitable for new office floorspace on the second to fifth floors, and
  - Current office space on the market in the surrounding area, to confirm that vacancies already exist.
- 2.6 In terms of residential standards (and beyond policy DP13), SC indicated that the Council would – in general terms – prefer to see two bedroom or larger units on the site (albeit she also confirmed that the unit mix would be considered on its own merits). In terms of affordable housing, SC advised that, if the floor space to be converted from office to residential was less 1,000 sq.m,



no provision in respect of affordable housing would be sought. SC confirmed that a zero provision of car parking was likely to be considered acceptable, subject to a s.106 agreement preventing future residents from securing residential parking permits.

2.7 In addition, any proposal would need to provide cycle parking, and appropriate waste storage facilities. If the constraints of the site prevented it, SC confirmed that a proposal with no private amenity space would be acceptable, albeit it was also agreed that opportunities for introducing roof terraces would be explored. SC also indicated that all units would need to conform to Lifetime Home standards, and other relevant residential standards set out in the London Plan and local policy.

#### 3. <u>SUPPORTING INFORMATION</u>

3.1 It was agreed that, in addition to the information detailed above, planning application forms, relevant certificates, the planning application fee and details of waste and servicing would be required to support a planning application. It was also agreed that a Design and Access Statement would not be required, if no external works were proposed. Although SC expressed an initial view that no other information would be required, she would confirm the Council's requirements in her pre-application response letter.

#### 4. PRE-APPLICATION DISCUSSIONS WITH THE LOCAL AUTHORITY

4.1 It was confirmed that JL would collate the further information requested by SC in respect of land use, and Allgood would instruct an architect to provide floor layout plans. SC agreed that this information could be forwarded to her for comment, prior to the submission of a planning application. SC would then either provide comments in writing, or – if necessary – call another meeting to discuss the proposal.

#### 5. <u>THIRD PARTY CONSULTATION</u>

5.1 SC confirmed that formal public pre-application engagement was not required. However, SC recommended that a letter be sent to neighbouring properties to inform them of the proposal, and to provide them with an opportunity to comment, in advance of submission.

#### 6. <u>PLANNING OBLIGATIONS/CIL</u>

6.1 SC advised that she felt that the change of use of the upper floors to residential would attract the Crossrail CIL. JL felt that, on the basis of the application did not create new floor space, CIL would not be applicable. JL agreed to investigate the matter further, and liaise with SC as appropriate.

Appendix 4 Letter from LB Camden dated 3 January 2013



#### Development Control Planning Services

London Borough of Camden Town Hall Argyle Street London WC1H 8ND

Tel 020 7974 4444 Fax 020 7974 1975 env.devcon@camden.gov.uk www.camden.gov.uk/planning

Our Ref: ENQ/08273 Contact: Seonaid Carr Direct Line: 020 7974 2766 Email: seonaid.carr@camden.gov.uk

Date: 3 January 2013

Dear Mr Lowes,

Mr Jason Lowes

51 Great Malborough Street

Rapleys LLP

London W1F 7JT

Re: Proposed change of use of the building from a mixed use of ancillary storage to the basement and show room to the ground floor (Use Class Sui Generis), office to first, second and third floors (Use Class B1) and storage and distribution to the fourth and fifth floors (Use Class B8) to another mixed use of retail to the basement and ground floors, office to the first floor (Use Class B1) and residential to the second to fifth floors.

I refer to our meeting of 22<sup>nd</sup> November 2012 regarding the above mentioned proposal at No. 297 Euston Road, London, NW1 3AQ.

The purpose of the meeting was to discuss your pre-application enquiry relating to the aforementioned proposal. Your enquiry related to the principle of the proposed change of use as outlined within the Planning Report, Euston Office Market Overview together with a supporting cover letter (all documents received 10 October).

During the meeting we discussed the various planning considerations that would be taken into account during the assessment of such an application. The comments below are based on the information provided prior to our meeting on 22<sup>nd</sup> November 2012 together with discussions we had during the meeting.

### Policy:

The policy context for the proposal is provided by the following policies:

Local Development Framework Core Strategy

- CS1 (Distribution of growth);
- CS3 (Other highly accessible area);
- CS5 (Managing the impact of growth and development);
- CS6 (Providing quality homes);
- CS7 (Promoting Camden's centres and shops);
- CS8 (Promoting a successful and inclusive Camden economy;
- CS9 (Achieving a successful Central London);
- CS11 (Promoting sustainable and efficient travel);

• CS14 (Promoting high quality places and conserving our heritage);

Local Development Framework Development Policies

- DP2 (Making full use of Camden's capacity for housing);
- DP5 (Homes of different sizes);
- DP6 (Lifetime homes and wheelchair housing);
- DP13 (employment sites and premises);
- DP16 (The transport implications of development);
- DP17 (Walking, cycling and public transport);
- DP18 (Parking standards and limiting the availability of car parking);
- DP22 (Promoting sustainable design and construction);
- DP24 (Securing high quality design);
- DP26 (Managing the impact of development on occupiers and neighbours);
- DP29 (Improving access)

Camden Planning Guidance(CPG):

- CPG1 (Design);
- CPG2 (Housing);
- CPG6 (Amenity);
- CPG7 (Transport);
- CPG8 (Planning obligations).

Revised Planning Guidance for Central London (2007) Fitzrovia Area Action Plan (Draft 2012)

On a regional and national level the London Plan (2011) policies and the National Planning Policy Framework (2012) would also be relevant.

Having regard to the scheme illustrated and the matters discussed during the meeting, the main issues are:

- Land Use
- Design
- Standard of residential accommodation
- Impact on neighbouring amenity
- Accessibility
- Transport
- Waste
- Sustainability
- Affordable Housing
- S106 obligations
- Community Infrastructure Levy
- The Planning Application

#### Land Use:

As the property exists the basement area is used for ancillary storage in association with the upper levels, the ground floor has until recently been in ancillary use as a showroom for the display and sale of goods for the business use in the upper levels(Use Class Sui Generis), the first, second and third floors are in office use (Use Class B1) but are currently only part occupied and the lawful use of the fourth and fifth floors is that of storage and distribution (Use Class B8) but are currently vacant.

The application is seeking to use the basement and ground levels as retail (Use Class A1), retain the office floorspace to the first floor and change the use of the remaining levels to residential (Use Class C3). As such the development would

propose to change the use of the basement, ground, second, third, fourth and fifth floors amounting to a change of use of 1140sq m, constituting a major application.

With regard to the proposed change of use to the basement and ground floors, given this area has been used as a showroom and storage area in connection with the associated offices to the upper elevations and due to the location of the application site, it is likely that the proposed A1 use would be acceptable.

It has been stated within the pre-application submission that the ground floor has been used as a retail unit for some time and this was reiterated during our meeting. Please note from the information provided within the pre-application submission and the discussions during our meeting, the use of the ground floor as a show room would fall within Use Class Sui Generis, as oppose to Use Class A1. If the ground floor has been used as a show room for more than ten years this would be its lawful use, through the passage of time. It may be worthwhile submitting some evidence within your application to demonstrate that this has been the case. This would support the use of the ground floor as retail given the similarities in these two uses.

Given there would be no change of use to the first floor, this level would not form part of the application.

In respect of the loss of the B1 floorspace to the second and third floors and B8 to the fourth and fifth floors, such development would be assessed against Policy DP13 (Employment premises and sites) together with CPG5 Town Centres, retail and employment.

In respect of the loss of the B8 floorspace, it is important to note the *Light industrial, industrial, storage and distribution* section of CPG5 to identify which category the B8 use would fall into. From the information provided it is not clear if it would fall within category 2 or 3. If you were to submit an application you are advised to address which category you consider the B8 floorspace would fall within and why. I would note that should the premises be category 2 without marketing evidence we would unlikely support the loss of the B8 floorspace. In respect of category 3 premises, while these may not be suitable for continued industrial use they may be suitable for office B1(a).

As per Policy DP13, the Council will retain buildings that are suitable for continued business use (including B1 and B8) and will resist a change to non-business use unless it can be demonstrated that a site or building is no longer suitable for its existing business use and there is evidence that the possibility of retaining, reusing or redeveloping the building for similar or alternative business use has been fully explored over an appropriate time period.

Within the pre-application submission it has been stated that the building has grown progressively surplus to the occupier's requirements. This may well be the case as businesses change over time. However the Council would require further justification as to why the office accommodation would not be suitable for continued use by another business. I would recommend you submit a planning statement outlining why you consider the building no longer suitable for business use. You are advised to consider the points of paragraph 13.3 of the Camden Development Policies which outlines what to take into account when determining whether there is the potential for the business use to continue. You are also advised to take into account the contents of paragraph 6.4 of CPG5 which details considerations that the Council takes into account when assessing applications for the change of use from business to a non-business use. It may be possible for the space to be modified to accommodate smaller businesses, which is what the Council would likely prefer rather than loose the Class B floorspace. I would therefore advise you address why this would not be appropriate on this occasion.

The case for the loss of the B1 and B8 floorspace would be strengthen by the provision of marketing evidence to show that attempts have been made to occupy the Class B space. Paragraph 13.5 of Policy DP13 outlines that in addition to the points of 13.3, where the change to a non-business use is proposed the applicant must demonstrate there is no realistic prospect of demand to use the site for an employment use. A thorough marketing exercise, sustained over at least two years should be undertaken with the premises marketed at realistic prices, include a consideration of alternative business uses and layouts. During our meeting you outlined why this would be difficult, however I would advise that a marketing exercise is undertaken to support the application. If you can't undertake a marketing exercise you should justify why this would not be possible. This would then form a consideration by the Council to the acceptability of the proposed change of use.

I would advise in addition to the points of paragraph 13.3 and the information within CPG5 you compile information in respect of current vacant office space within the area which would cater for Class B uses including both large and small business, similar to those that could occupy the space within this development. Such an exercise would demonstrate that if businesses were looking for premises within the area there would not be shortage of units for them to occupy.

If you can justify to the Council's satisfaction the loss of the Class B floorspace, as per Policy DP13 and CPG5 the preferred use of land would be residential or community facility. With regards to new housing provision policy CS6 seeks to maximise the supply of additional homes within the borough. The conversion of the host building for residential use would be compliant to CS6 subject to the standard of accommodation provided.

#### Design:

At present the proposal does not include any external alterations to the existing building, however please note that should any alterations or extensions be required you are advised to consider Policies CS5 (Managing the impact of growth and development), CS14 (Promoting high quality places and conserving our heritage), DP24 (Securing high quality design) and DP25 (Conserving Camden's heritage) which aim to secure high quality design that safeguards the heritage of the Borough. CPG1 (Design) also provides detailed advice on acceptable forms of development.

#### Standard of residential accommodation:

Although no internal floorplans have been provided as part of this submission given the development is proposing to provide residential accommodation it is considered necessary to outline what the Council would expect with regard to the standard of accommodation being proposed.

As per Policy DP26 (Managing the impact of development on occupiers and neighbours), the Council seeks to ensure development provides acceptable standards of accommodation with regard to internal arrangements, dwelling and room sizes and amenity space.

With regards to the size standards, according to the Camden Planning Guidance on Housing (CPG2 Housing), a 1-bedroom 2-person unit should be a minimum of 48sq.m (gross internal floor area), 2-bedroom 4 person unit should be a minimum of 75sq.m and 4-bedroom 8 person unit should be a minimum of 113sq.m. Each double bedroom is expected to be 11sq.m and single bedrooms 6.5sq.m.

As per CPG2 the only sensible assessment of occupancy is therefore the designed level, I would therefore advise that it is clear in your submission the proposed level of occupancy for each unit, to ensure that the units meet the minimum standards.

With regard to daylight, sunlight, outlook and privacy you are advised to ensure that all residential units afford a good level of amenity in these respects. Given no floorplans have been provided I am unable to comment in detail on this issue. However given these would be sited to upper elevations it is likely the units would have the opportunity to provide a good standard of accommodation in this regard, although this would depend on the proposed internal layout. For further information in regard to acceptable standards of accommodation I would advise you refer to CPG2.

#### Impact on neighbouring amenity:

Given the proposed development would not result in any alterations or extensions to the host building it is unlikely that there would be an impact on neighbouring residential units. If there were to be any extensions proposed we would consider the impact on neighbouring properties, daylight, sunlight, outlook and sense of enclosure and expect the proposed to not result in harm to their amenity.

#### Accessibility:

Policy DP6 states that all new homes should comply with Lifetime Homes criteria as far as possible, 10% of homes developed should meet wheelchair housing standards or be easily adapted to meet them. As part of the application you will be required to submit a Lifetime Homes assessment which addresses how the proposal would meet each of the 16 criteria, however it is acknowledged that as the building is existing it may not be possible to meet all 16 criteria but the development should seek to meet the standards as far as possible and demonstrate why it is not possible to meet particular criteria.

#### Transport:

The application site is located within an area with a PTAL score of 6b(excellent) and is located within Controlled Parking Zone CAE. Within the pre-application submission it has been stated within paragraph 6.12 of the Planning Report that it is envisaged the development will be car free, which is recognised in policy as being entirely appropriate within the Central Activity Zone. I would agree that the development is car free would be supported by the Councils policies, in particular DP18. It is likely that this would be secured via a Section 106 agreement.

In respect of cycle parking, the Council would expect the provision of cycle parking. The number of spaces would depend on the size of the units being proposed. You are advised to consider the London Plan standards to identify the number of spaces to be provided. Cycle parking should be located off-street, within the boundary of the site and needs to be accessible and secure. You are advised to consider the advice of Chapter 6 of the London Plan to appreciate the expectations for cycle provision. I would recommend annotating the proposed cycle provision on the plans for a planning application.

#### Waste:

The Council will seek to ensure development includes facilities for storage and collection of waste and recycling, in accordance with Policies CS18 and DP26. You are advised to refer to section 10 of CPG1 (Design), in particular 10.8 and 10.9, in respect of the Council's requirements for refuse provision. You would be required to provide space for both mixed recyclables and non-recyclable waste.

#### Sustainability:

The Council would require development to incorporate sustainable design and construction measures. You are advised to submit a statement demonstrating how

relevant measures have been incorporated into the design and proposed implementation as per Policy DP22.

#### Affordable Housing:

The Council will expect development that has the capacity for 10 or more dwellings to make a contribution to the supply of affordable housing. Further details of this can be found within section 2 of CPG2. At this stage it is not clear how many dwellings would be provided however I think it is important to draw your attention to this point.

#### Section 106 Obligations:

CPG8(Planning obligations) provides full details of planning obligations which would be likely as a result of development, to mitigate its impact. As no information has been provided as to the number of units which will be proposed, it is not possible to identify how much of an obligation would be sought. You are therefore advised to refer to CPG8.

There will also be a processing and monitoring charge of £515, details of this are found in paragraphs 2.33-2.39 of GPG8.

#### Community Infrastructure Levy (CIL):

During our meeting it was questioned whether the proposal would be CIL liable. I can confirm that given the development would result in a net increase in residential units the development would be liable towards the Mayoral CIL, based on the floorspace of the residential space. Within Camden the CIL contribution is calculated at £50 per m2.

#### The Planning Application:

Please ensure that you submit all the required information in accordance with the validation checklist. More details can be obtained from our website by logging on to <u>http://camden.gov.uk/ccm/navigation/environment/planning-and-built-environment/planning-applications/making-an-application</u>.

During our meeting we discussed if the application would constitute a major development. A major is considered to be the provision of more than 10 dwellings or a change of use over 1000sq m. Therefore based on the information above the proposed development would propose a change of use of 1046.8sq m and as such constitute a major development.

It is also noteworthy that under the Council's scheme of delegation when an application is proposed five or more residential units from either a new build or conversion of existing building the applications is required to be heard before the Development Control Committee.

#### Conclusion:

In light of the above advice, I consider that with the provision of sufficient information to justify the loss of the B use floorspace it is likely that the proposed development would be acceptable on land use grounds. It is not possible to give full comments on design, standard of accommodation and other planning considerations mentioned above as no plans were received as part of the pre-application submission.

This document represents an initial informal officer view of your proposals based on the information available to us at this stage and would not be binding upon the Council, nor prejudice any future planning application decisions made by the Council.

If you have any queries about the above letter or the attached document please do not hesitate to contact **Seonaid Carr** on **020 7974 2766**.

Thank you for using Camden's pre-application advice service.

Yours sincerely

Soonaid Our

Seonaid Carr Planning Officer West Area Team

Appendix 5 Note of Meeting with Officers on 18 June 2013

## DRAFT Note of Meeting

## London NW1, 297 Euston Road

## 18th June 2013 at 15:00 - London Borough of Camden Offices

### Attendees:

Seonaid Carr (SC)	-	London Borough of Camden
Anthony Carter-Clout (AC-C)	-	Allgood
Graham Shirville (GS)	-	Allgood
Jason Lowes (JL)	-	Rapleys

### 1 **REVIEW OF PREVIOUS FEEDBACK**

1.1 JL thanked SC for the helpful letter which she wrote following the previous meeting in November. In these terms, JL thought it would be useful to review the outstanding points relative to the principle of the loss of office space, in the context of the letter. The scope of these issues was agreed, and then discussed in turn, with reference to the preapplication package of May 2013.

### 2 CURRENT CONDITION OF THE OFFICES

- 2.1 A letter by Mark Coles (attached as Appendix 4 within the office market review circulated prior to the meeting) was reviewed. SC confirmed that the scope and the content of the letter demonstrated satisfactorily, at Officer level, why the current office accommodation is not currently suitable for continued use by other businesses. However, SC also recommended that the office market report be clear that the work suggested is the minimum that would be required.
- 2.2 In addition, SC recommended that the supporting information explore the possibility for accommodating office space for small start-up businesses, who might be satisfied with shared facilities. In addition, she indicated that it might be useful to "break-down" the estimated costs of these works.

# 3 CAMDEN DEVELOPMENT POLICIES – PARAGRAPH 13.3

3.1 JL confirmed that the revised planning report (at paragraph 7.8) had provided commentary in respect of all of the bullet-points of paragraph 13.3, which SC noted and confirmed was broadly satisfactory. However, SC recommended inclusion of some more details pertaining to:

- the mix of uses that characterised the surrounding area, indicated if possible on a plan;
- the range of office unit sizes that the building would be physically able to accommodate, and
- why it was viable for Allgood to retain its offices on the first floor.
- 3.2 As a general point, SC indicated that it would be useful if the office market report could be merged into the planning report. JL confirmed he would consider the options for doing this.

## 4 CAMDEN SPG5 – PARAGRAPH 6.4

- 4.1 JL referred again to the planning report, which provided commentary (at paragraph 7.9) in respect of the relevant bullet points. Again, SC confirmed that she was broadly satisfied with the information provided, but recommended the inclusion of:
  - confirmation of the approximate age of the building. AC-C and GS confirmed that the majority of the building was pre-war, and SC undertook to speak to her Conservation Officer to ascertain whether they had any further information, and
  - further details of available office space in the area, potentially in the form of a table.

## 5 ACCOMMODATION FOR SMALL BUSINESSES

5.1 SC had no comment beyond those already made in respect of the Mark Coles letter.

### 6 UNSUITABILITY OF MARKETING

6.1 SC confirmed that given the detailed analysis of the proposed change of use against the requirements of Policy DP13 and CPG5, the Council would likely take a flexible approach on requesting the property is marketed for a period of time prior to a submission of planning permission. With the provision of a detailed report justifying the proposal against DP13 and CPG5 SC considered a marketing report would not be required on this occasion.

### 7 ALTERNATIVE OFFICE PROVISON

7.1 SC underlined her previous comments recommending that further detail be provided in respect of available office space in the area.

## 8 NEXT STEPS AND ANY OTHER BUSINESS

8.1 SC advised that no further information was required, beyond that previously identified in discussions, to justify either the loss of existing office space or the principle of the uses proposed in general. Further, it was felt around the table that the information

recommended by SC could be readily provided. With that comfort, AC-C and GS confirmed that they would liaise with an architect to prepare floor plans in the interests of submitting a full planning application. It was agreed that, once detailed drawings had been prepared, they could be submitted to the Council for review as part of a further pre-application submission.

8.2 The meeting closed at 16:30, and everyone thanked each other for their time. SC indicated that she was not intending to produce a note of the meeting, but JL confirmed that he was happy to provide a draft note for SC's agreement.

Appendix 6 Note of Meeting with Officers on 15 November 2013

## NOTE OF MEETING

## LONDON NW1, 297 EUSTON ROAD

### 15 NOVEMBER 2013 AT 14:30 - LONDON BOROUGH OF CAMDEN OFFICES

Attendees: Seonaid Carr (SC)	– London Borough of Camden
Hannah Walker (HW)	– London Borough of Camden
Graham Shirville (GS)	– Allgood
Niamh Mulligan (NM)	– Quantic
Jason Lowes (JL)	– Rapleys

#### 1 INTRODUCTION

- 1.1 It was noted that previous discussions had revolved around the principle of the change of use of the building, without the input of an architect to inform scheme layout. However, NM had been instructed since the last meeting, and had prepared floor plans and elevations for review at the meeting.
- 1.2 As an aside, JL confirmed that it had become apparent during the design process that it would be difficult to accommodate a stand-alone retail unit at ground floor level that would be attractive to potential occupants. In response to this, it is now proposed that the ground floor and basement be retained in office use for Allgood. This was noted by SC and HW.

#### 2 DESIGN MATTERS

- 2.1 NM walked SC and HW through the scheme. SC confirmed that she was broadly satisfied with the layout and appointment of the units, although she made the following comments:
  - 2.1.1 A little further information was requested in respect of proposed noise reduction measures to the Euston Road façade. In addition, it was agreed that a condition could be attached to any consent requiring further details of plant in advance of the commencement of development.
  - 2.1.2 Some additional information was requested in respect of the levels of daylight to bedroom 2 of the lower flats facing Euston Road.
  - 2.1.3 A sustainability statement was requested, with SC to clarify the level of sustainability that the Council will seek.

- 2.2 In addition, HW confirmed that she was broadly satisfied with the design, subject to the following:
  - 2.2.1 **Euston Road Elevation** HW had reservations about the double height glazing to the Euston Road elevation, and it was agreed that further contextual information would be provided and if necessary this element reconsidered.
  - 2.2.2 **Warren Street Elevation** HW requested a more "old-fashioned" treatment to the balustrade, and as far as possible the retention of long-standing features at ground floor level. It was agreed that this would be considered and appropriate amendments made.
  - 2.2.3 HW also requested that the Juliet balconies on the Warren Street elevations be reconsidered, particularly in the manner in which they projected on to Warren Street. It was agreed that this would be reconsidered also.
  - 2.2.4 NM also agreed to provide further information in respect of balustrading to the Warren Street elevation roof terraces.

## 3 TRANSPORT MATTERS

- 3.1 SC recognised that the development would be car free, and that this was acceptable. SC raised the issue of cycle parking for the office space. JL underlined that the office space was existing and as such cycle parking should not be required. SC agreed to review this with the Transport Officer and revert.
- 3.2 SC requested further information in respect of the layout of cycle parking, in particular the manner in which bikes would be stored.

# 4 PRINCIPLE OF THE CHANGE OF USE

4.1 SC confirmed that the information provided in the pre-application package circulated before the meeting was sufficient for Officers to support the principle of the change of use of the building from a sole office use to a mix of office and residential.

## 5 ANY OTHER BUSINESS

5.1 JL confirmed that the earliest possible planning submission was sought – SC and HW noted this and had no objections. It was also agreed that HW could review amendments to the drawings, in light of her comments, informally in advance of submission.

Appendix 7

Market Report

Report on behalf of

ALLGOOD HOLDINGS LTD

allgood

EUSTON OFFICE MARKET OVERVIEW

September 2013

Our Ref: CRS/pjm/615NW1/76/2



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# 1 INTRODUCTION

- 1.1 We have been instructed by Allgood Holdings Ltd to provide a report on prospects of letting the office accommodation in its current or prospective condition taking into account the supply available in the market and the nature of demand at the present time.
- 1.2 We understand that the background to this instruction involves a proposal by the client to seek planning consent for a change in use of 297 Euston Road, London NW1 3AQ (the subject property) from the current showroom/retail on ground and basement floors, office use on 1<sup>st</sup> to 3<sup>rd</sup> floors and warehouse/ancillary use on 4<sup>th</sup> and 5<sup>th</sup> floors. We understand that the proposed development involves the continued occupation by Allgood for office use on basement, ground and first floor with the 2<sup>nd</sup> to 5<sup>th</sup> floors being converted to residential.
- 1.3 The report seeks to place the upper floor accommodation in context of the supply available in the market, how demand is likely to affect the opportunity of Allgood obtaining a letting and what may need to be done to the accommodation to achieve this.
- 1.4 This report was prepared by Colin Steele BSc MRICS, Partner in Business Space Agency at Rapleys in conjunction with James Saxby, Agency Surveyor BSc (Hons) MSc.
- 1.5 In light of the limited scale of this proposal it has not been feasible to conduct primary research, but we have utilised various resources in the form of third party research reports, industry databases and websites, together with our own knowledge of the market and contact with other property professionals active in this sector. Sources are referenced at **Appendix 3**.

# 2 THE SUBJECT PROPERTY

- 2.1 The subject property comprises a mid terraced Victorian building, constructed with 6 floor levels, providing a total net internal area of 12,799 sq ft (1,189 sq m) of accommodation. The original building appears to have been extended in the late 1980's, with the addition of the 4<sup>th</sup> and 5<sup>th</sup> floors to include a reworking of the north elevation and subsequently works were undertaken in the late 90's to reconfigure the ground floor showroom with shop fronts/entrances from both Euston Road and the secondary frontage to Warren Street.
- 2.2 We understand that the current owner has occupied this building throughout this period and the purpose of these various works was to customise the building for its specific business needs which involve basement storage, reception and product showroom/display in the ground floor showroom, administration/ sales offices on 1<sup>st</sup> to 3<sup>rd</sup> floors inclusive and warehouse/storage space incorporating staff welfare accommodation on 4<sup>th</sup> and 5<sup>th</sup> floors.

2.3 The approximate breakdown of the net internal floor areas of each level is as follows:

Basement	-	2,453 sq ft	227.96m²
Ground	-	1,813 sq ft	168.51m²
1 <sup>st</sup> Floor	-	1,794 sq ft	166.73m <sup>2</sup>
2 <sup>nd</sup> Floor	-	1,794 sq ft	166.73m <sup>2</sup>
3 <sup>rd</sup> Floor	-	1,820 sq ft	169.17m²
4 <sup>th</sup> Floor	-	1,839 sq ft	170.88m <sup>2</sup>
5 <sup>th</sup> Floor	-	<u>1,286 sq ft</u>	<u>119.52m<sup>2</sup></u>
TOTAL	-	12,799 sq ft	1,189.34m <sup>2</sup>

- 2.4 The basement storage is "dark" and suitable only for basic storage in support of the upper floors and the ground floor showroom is well appointed and presents well with prominent display to both road frontages. The 1<sup>st</sup> to 5<sup>th</sup> floors are fitted out to provide a mixture of open plan and cellular offices, with meeting/training room facilities and back-up storage and staff accommodation.
- 2.5 As a result of the historic alterations/refurbishment in the 80's and 90's, the building presents a reasonably modern image externally and internally is well fitted. The 2<sup>nd</sup> to 5<sup>th</sup> floors are configured for occupation by Allgood's operation with an unbalanced mix of cellular offices and larger open plan areas which do include comfort cooling, suspended ceilings with recessed lighting and carpeting throughout. In terms of IT servicing, there is no raised floor capability, with the majority of IT and power cabling being provided via perimeter trunking.
- 2.6 There are kitchen facilities on the first and fourth floors and the WC's are split male and female on alternate floors. The lift has been converted from a former car lift servicing the now extinct car parking on the roof and as such is slow, rather tired looking, only runs to the 4<sup>th</sup> floor and is not positioned well for third party access at the ground floor entrance.
- 2.7 The entrance via either Warren Street or Euston Road leads to the reception with a further service door to Warren Street leading to a goods/packaging area behind the main lift. This leads through to the reception area but is not for general public or common use.
- 2.8 The space has clearly been configured for Allgood's single occupation and would not be suitable for multiple occupancy at present particularly in the light of the lack of kitchen/wc facilities on individual floors, the entrance arrangements at ground floor level which would not allow for separate occupier entry and the inadequate lift service. The space could however be modified for multiple occupancy through the execution of significant works.
- 2.9 In terms of the categorising the quality of the office accommodation provided within the building, we are of the view that the space does not qualify as "Grade A" space. Given its lack of raised floor access, the floorplates provided and the overall standard of finish, all in the context of a mixed use building, the space in our opinion represents mid range Grade B office space being reasonably modern and well fitted out to include comfort cooling and lift access to upper levels.

- 2.10 Photographs providing various views of the exterior and interior of the building are attached at **Appendix 1** highlighting the presentation of the building and standard of accommodation.
- 2.11 The subject property's location in the Euston area, being a short distance from Warren Street Underground Station and the Euston, Kings Cross/St Pancras main line transport hubs, means that it is excellently located from a transport perspective, with there also being good local amenities in the immediate area and being within a short distance/travel time from the central West End, represented by Oxford Street/Regent Street, Mid Town represented by Holborn and the financial centre of the City of London.

# 3 MARKET OVERVIEW

- 3.1 The Euston/Kings Cross area has traditionally provided a competitively priced office location for small to medium sized organisations occupying floor areas generally in the range from 5,000 sq ft and below. These occupiers have generally been migrating northwards from the more expensive areas of the West End, Mid Town and the City, or have come inbound from outer London and beyond, both with a view to maintaining a London office presence at reasonable cost, with ease of connection to central London generally and outwards to the regions.
- 3.2 In the last decade in particular, the area has evolved with the provision of large floorplate Grade A office buildings, which have been taken by larger corporate and institutional occupiers who traditionally may have chosen more central locations. This trend, added to the significant presence of University College London and University College Hospital, added to more traditional office stock, provides a healthy cross section of occupiers and buildings representing a mix which is not nearly as marked in other core office areas of central London.
- 3.3 The general trend towards regeneration and upgrading of the office stock in the area has led to increased popularity overall with occupiers and, as a consequence, occupation costs represented principally by rents have risen significantly relative to other areas.
- 3.4 This upwards movement in the market in the Euston area has led to a refinement in the minimum requirements for a typical occupier and therefore in addition to having a first class location in terms of transport and local amenities, they will generally also be looking for better quality Grade A accommodation incorporating higher specification in terms of finish, raised floor IT/comms access, full air conditioning and generally more energy efficient buildings.
- 3.5 In the face of this trend, smaller unrefurbished accommodation will become less popular and therefore less relevant in fulfilling the requirements of modern office occupiers going forward.
- 3.6 In particular, mixed use unrefurbished buildings of the nature of the subject property are less popular because, in general, office occupiers prefer to locate in dedicated office buildings and would rather avoid being located in accommodation above showroom accommodation and below storage accommodation.

# 4 **OFFICE AVAILABILITY**

- 4.1 The tables below highlight the pattern of office availability in the wider West End over the last 3 years as at the end of Q2 annually.
- 4.2 This data has been extracted from Colliers Central London Office Report (Reference 1) and we regard the movements in the West End generally as being indicative of those prevailing in the area of the subject property.

West End Grade A availability – Colliers central London offices Q2 report.	
Year	Availability (sq ft)
Q2 2010	2,200,000
Q2 2011	800,000
Q2 2012	1,000,000

West End Grade B availability – Colliers central London offices Q2 report.	
Year	Availability (sq ft)
Q2 2010	2,100,000
Q2 2011	1,800,000
Q2 2012	1,800,000

- 4.3 The figures above show a significant decline in the available stock overall in the last three years, and we believe this reduction is substantially attributable to the lack of new office development coming to fruition, as a consequence of the markedly deteriorating economic circumstances from 2008 onwards which led developers to defer commencement of new office schemes. Accordingly take up has continued, albeit at a lower level than was hitherto the case, and this has resulted in a reduction in available stock.
- 4.4 However, it is important to note that, consistent with the comments above, the most significant reduction in stock has been seen in the Grade A category, as new buildings are taken up on completion without new schemes coming through the development pipeline.
- 4.5 It is worth noting that the Grade B category, into which the subject property would undoubtedly fall, has seen a much smaller fall in availability and we believe this, in part at least, is attributable to businesses trading down from more expensive space in the face of on-going economic difficulties.
- 4.6 Referring to the June 2008 Employment Land Review commissioned by Camden Council, (Reference 2) there is a clear conclusion at 7.42 to 7.46 inclusive that "the committed supply of office space is more than enough to meet the forecast demand to 2016. Based on the long term forecast demand of some 31,000 sqm per year, the net gain of 468,000 sqm provided by

outstanding permissions, (including offices under construction), provides around a 15 year supply".

- 4.7 At 7.43 the report states "in strictly quantitative terms, this is a generous supply by any standards. The Central London benchmark set in 2001 by research for the GLA, and monitored through success of London Office Policy Reviews, (LOPR), is that schemes in the planning and development pipeline should provide 3.25 year supply of new space. The 2007 LOPR estimated that for Central London as a whole, space permitted and under construction provided 8.2 years supply. Camden's current year's supply figure, at 15 years, is around 4 times higher than the benchmark and 1.5 times the 2006 central London figure".
- 4.8 The Business Premises Study dated March 2011, prepared for London Borough of Camden (Reference 3) makes specific note at Clause 3.5 in dealing with offices that "the 2008 Employment Land Review considered the balance of demand and the supply for offices. As we mentioned earlier in quoting the Core Strategy, it concluded that in the long term there was enough office development capacity to meet the forecast demand for offices and in the short term there were no indications that the market was under supplied. We see no reason to alter this conclusion".
- 4.9 It should be noted that the above figures for availability include existing floorspace and developments committed to construction, but do not include sites consented for development and not yet commenced. Accordingly, the figures represent the real current supply and discount additional capacity that may be provided by new developments.
- 4.10 To supplement the figures above the Council requested in the meeting of 18<sup>th</sup> June 2013 minuted point 4.1: **Appendix 7** the current availability of space in the Euston area with a breakdown per property. This is provided in **Appendix 6** and has been derived from the Co-Star Focus database on office availability within the same area defined as "Euston" by the Colliers research reports referred to elsewhere in this report and is current up to the date of this report 20<sup>th</sup> September 2013.
- 4.11 The table in **Appendix 6** highlights the wide range of offices available on the market at present from a few hundred square feet up to 40,000 sq ft plus. This wide range of space provides evidence that there is plenty of choice available to potential occupants when looking for office space in the Euston area including offices of a similar size range which the subject property can accommodate.

# 5 OFFICE DEMAND/TAKE-UP ACTIVITY

5.1 We set out below data extracted from Colliers Central London Offices Report for Q2 2012.

West End Grade A take up – Colliers central London offices Q2 report.	
Year	Take up (sq ft)
Q2 2010	300,000
Q2 2011	400,000
Q2 2012	180,000

West End Grade B take up – Colliers central London offices Q2 report.	
Year	Take up (sq ft)
Q2 2010	300,000
Q2 2011	400,000
Q2 2012	200,000

- 5.2 It should be noted that the above figures include commitments by occupiers to take existing space, but also pre-let commitments on floorspace under construction.
- 5.3 The above figures illustrate a consistency in take-up of space across both Grade A and B stock over the last 3 years, albeit dropping off more markedly in the Grade A stock.

# 6 ANALYSIS OF DATA

- 6.1 The availability of floorspace and take-up show fluctuations as one would anticipate over the period, but as at the end of the second quarter in each of the years shown, Grade A space has had a maximum number of years supply at in excess of 7 in 2010 and a minimum of 2 years supply in 2011. The Q2 2012 supply figure stands at 5.5 years.
- 6.2 For Grade B space, the minimum years supply was in Q2 2011 at 4.5 years and as at Q2 2012 the data indicates 9 years supply of stock relative to take-up.
- 6.3 Accordingly, having regard to the Camden Employment Land Review June 2008 Report (reference 2) and the statement made at 7.43 that a minimum of 3.25 years supply should be maintained, these figures suggest that the level of supply, particularly for Grade B space, is considerably in excess of what is necessary to sustain a balanced office market for the foreseeable period. This is particularly the case because these figures do not count any consented office developments that have not yet been committed to construction.
- 6.4 Having regard specifically to the floor space at the subject property that would be lost to supply if alternative use was granted, then a total of 3,614 sq ft, (335.90 sq m) would be lost if this is restricted to the office floors on 2<sup>nd</sup> and 3<sup>rd</sup> levels, rising to a total of 6,739 sq ft, (626.30 sq m) if

one included in the total the warehouse/storage and ancillary accommodation on the  $4^{th}$  and  $5^{th}$  floors.

- 6.5 Having regard to available office space (Grade A and B), in the Euston area of 315,000 sq ft, then the range of loss would be from 1.15% to 2.14% of current supply which we regard as insignificant in terms of having any effect on the market.
- 6.6 For the sake of consistency, we have adopted Q2 figures from the previous 3 years to analyse the significance of the potential loss from office supply that would result from a change in use in the subject accommodation. Having regard to the passage of time since the original analysis, the reality that the Q2 2013 figures will not be available for at least 2 months and the desire to present an analysis that is as current as possible, we set out below the figures for each of the most recent four available quarters, up to and including Q1 2013.

Euston quarterly availability – Colliers central London offices Q2 2012 to Q1 2013 report	
Year	Availability (sq Ft)
Q2 2012	315,000
Q3 2012	375,000
Q4 2012	367,000
Q1 2013	367,000

6.7 This illustrates a rise in available space that we believe is likely to be similarly reflected in the Q2 2013 figures and therefore utilising the Q1 2013 figure for available office space (Grade A and B) in the Euston area of 367,000 sq ft, then the range of loss would be reduced to between 0.98% and 1.84% of current supply which clearly we would regard as being even less significant in terms of having any effect on the ability of occupiers to secure accommodation in the area.

Using the Co-Star data (**Appendix 6**) as the live current availability in the area defined as Euston by the Colliers Report, available space totals 437,000sq ft. This is consistent with the Colliers Report highlighting that availability within the Euston area is not diminishing (see above table).

6.8 Utilising 437,000 sq ft as the current availability means that the range of loss would be reduced to between 0.83% and 1.54% of current supply. This further underlines our opinion that the loss to supply of the subject floorspace would not be significant in determining occupiers' ability to secure accommodation in the Euston area.

# 7 OFFICE MARKET COMPARISONS

7.1 In the wider Euston office market there are numerous offices available which offer good quality Grade A space located mainly on Euston Road itself but there is a particular cluster in the triangle

of Goodge Street, Warren Street and Great Portland Street tube stations which are all within close proximity to the subject property.

- 7.2 Recent lettings in the area provide an indication of the factors on the demand side of the market relative to the current space available. Occupiers are keen to secure Grade A specification offices and the current supply of space provides significant choice. In other words it is an occupier's market.
- 7.3 Over the past three to four years the vacancy rate and general economic conditions have put downward pressure on rent but more particularly led to longer marketing periods and more generous tenant incentives such as rent free periods being conceded by landlords.
- 7.4 An illustration of current market conditions is the recent letting of 307 Euston Road which is a good comparable with the subject property given its close proximity albeit has larger floor plate sizes.
- 7.5 307 Euston Road has recently been fully let after a lengthy marketing period and following a high specification refurbishment (completed in November 2011) to include new air conditioning, two new 10 person lifts, shower room, raised floors and LG7 lighting.
- 7.6 Marketing began in November 2011 and it was under offer in May & June 2012 however the letting fell through. The agent marketing the scheme informed us that a letting of the whole building completed in February 2013 and therefore it took 16 months to let a property that is considered to be in a high quality refurbished state. The property was available as a whole or could be let on a floor by floor basis therefore providing flexibility to potential occupiers. The Allgood property would not be able to offer such flexibility as only the 2<sup>nd</sup> to 5<sup>th</sup> floors would be available to let and therefore could not offer exclusivity of occupation to a single tenant
- 7.7 The completed letting was for a 5 year term with 9 months rent free. The entire building was let for £610,000pa, with the upper floors at £42.50psf, ground floor £25psf and lower ground £15psf. The quoting rent was £49.50psf however after a lack of interest in the property the quoting rent was dropped to £45psf in September 2012.
- 7.8 This letting provides an example of how even with reasonable demand in the market it can take a substantial period of time to achieve a letting of a high quality product due to the competitive supply of Grade A offices at present.
- 7.9 There is currently a number of Grade A and upper Grade B buildings available in the Euston area which would offer floor plates of similar size to the total available at the subject property. Although these properties might be considered to represent the better quality space available, occupiers are nevertheless seeking such high quality space on very competitive terms and this will continue in the foreseeable future given the continued supply of stock in the surrounding area.
- 7.10 One such property on the market is 222 Euston Road which offers refurbished office space (considered to be of Grade B standard) of between 1,653 sq. ft. to 14,943 sq. ft. available either as a self contained unit or on a floor by floor basis. The refurbishment includes a 8 person lift, air

conditioning, LG7 compliant lighting, perimeter trunking, manned reception and 8 dedicated parking spaces.

7.11 The individual floors are of similar size to what is offered at the subject property and 222 Euston Road represents the minimum specification that would be acceptable to a corporate occupier taking space in this location. The quoting rent is £29.50psf and we would expect the minimum incentive of 2 months rent free for each year of term certain representing, say 9 to 12 months rent free on a 5 year lease. In our view, refurbishment of floor space in the subject property as described below and in **Appendix 4** would produce accommodation of similar standard to this building.

# 8 **PROSPECTS FOR OCCUPATION**

- 8.1 Physically the building could offer 6,739sq ft on the 2<sup>nd</sup> to 5<sup>th</sup> floors. The second floor can provide 1,794 sq ft, third floor 1,820 sq ft, fourth floor 1,839sq ft and the fifth floor 1,286sq ft. In terms of the minimum size of office space this depends on the layout and access arrangements from the stair wells and therefore could be configured in a variety of ways but we think it unlikely that more than two occupations per floor would be both practical and efficient.
- 8.2 The subject property in its current state in our opinion would not attract a third party occupier particularly relative to availability at 222 Euston Road which represents the specification and presentation required in the current market. Consequently our opinion is that the property would require a comprehensive upgrade and reconfiguration as detailed in Mark Coles's letter dated 22<sup>nd</sup> February 2013, and provided in **Appendix 4**, to enhance the prospect of attracting occupier interest.
- 8.3 This work would include:
  - Upgrading the heating/cooling system on the 2<sup>nd</sup> to 5th floors will be necessary in order to provide a suitably cooled internal environment.
  - Upgrading the mechanical system on the 2<sup>nd</sup> and 3<sup>rd</sup> floors.
  - Electrical infrastructure rewiring including a new trunking system and switchgear and distribution boards with individual metering of power supply to each floor introduced.
  - To accommodate the multi-tenant letting a suitable entrance will need to be former providing access to a common staircase and a lift.
  - Replace the lift and possible extension to provide lift access to the 5<sup>th</sup> floor.
  - Common areas will require alteration to provide secure lobby areas from the staircase. The toilet accommodation will need to be upgraded to provide facilities on each floor along with accessible WC's provided in strategic locations to comply with Building Regulations and DDA regulations.
  - External redecoration and incidental repairs to ensure the property is presented in its best condition for letting.

- 8.4 As requested by the Council at the 18<sup>th</sup> June 2013 meeting minute reference 2.2: **Appendix 7**, **Appendix 5** provides a more detailed breakdown of the above work required to provide suitable office accommodation on the 2<sup>nd</sup> to 5<sup>th</sup> floors, plus work to the common areas throughout the building to allow for multiple occupation. These costs are viewed as the basic specification and minimum which would be needed at the subject property.
- 8.5 The budget for this refurbishment ranges from £600,000 to £750,000 in order to bring the accommodation up to a lettable standard for a multiple occupancy building (not considered Grade A) taking say 6 months to complete.
- 8.6 Once completed a typical marketing period would be between 9 to 12 months therefore the owners would incur considerable costs (including empty rates) before seeing the prospect of a return on their investment, following the expiry of a typical rent free period of 9 to 12 months. We believe an achievable rent for the refurbished space would be in the order of £25 psf pa.
- 8.7 The Council requested at meeting 18<sup>th</sup> June 2013 minuted 3.1: **Appendix 7**, why it is possible for Allgood to remain in occupation of the first floor offices. The first floor is occupied in conjunction with the ground floor and basement space and this works well operationally from their business perspective. Allgood have historically invested significant capital on communication/IT infrastructure, M&E services and on alterations to the layout of the property internally, particularly on the access from ground to first floor, all of which allow Allgood to operate their business efficiently in this building.
- 8.8 Clearly the cost of moving to alternative premises and creating an environment suitable for Allgood's operation would be significant and would not derive any material advantage for the business, indeed to the contrary, moving away from its established location of many years holds considerable risk, particularly in any transitional period.
- 8.9 The Council requested a comment on whether the space could be suitable for start up companies at meeting 18<sup>th</sup> June 2013 minuted 2.2: **Appendix 7**. Start up companies usually have weak covenant strength and require short lease terms which add considerable risk when letting to these types of occupier. This risk profile is therefore inconsistent with the considerable expenditure required to provide the smaller units of occupation that such occupiers require. This risk profile is heightened as a consequence of the reality that such occupiers are not aligned to pre-let situations and therefore the refurbishment and alteration work would almost certainly have to be done at risk, in advance of any letting commitments being secured.
- 8.10 Associated to point 8.9, start up businesses often take space in serviced offices and whilst the same viability points above apply to serviced offices in this context, there is the issue that the floor plates in the subject building would be too small to provide this type of accommodation. Any services provided, such as a concierge, would push up the cost of rent considerably compounded by the expense of subdivision and the reduction of lettable floor space.

# 9 CONCLUSIONS

- 9.1 Having regard to the scale, current/prospective specification and mixed use orientation of the floorspace potentially lost to office/employment supply at the subject property, we are of the opinion that this would have a minimal effect on the balance of the office market in Euston for Grade B at this point or in the foreseeable future.
- 9.2 This conclusion would be more marked if set in the context of overall categories of available stock throughout the West End.
- 9.3 In reality, the office space that would be lost to supply is not currently contributing to the employment supply because it is not being utilised and is not capable of third party occupation without significant alterations. Accordingly, on this basis also, the loss of the floor space to residential would have an insignificant impact in the real supply of the office space in the locality.
- 9.4 We do not believe that the space in the building as it is currently configured/specified is likely to achieve any significant letting in the current and foreseeable market.
- 9.5 We are of the view that the market outlook will be relatively steady at current levels of activity and we therefore believe that this analysis will stand good for a minimum of 2-3 years, perhaps longer in the absence of any significant economic upturn.
- 9.6 In our opinion, the accommodation would require significant expenditure on works of reconfiguration and upgrading to create Grade B standard space that might be lettable in the market given the building is not currently configured for multiple occupation.
- 9.7 We have given the example of the letting of 307 Euston Road which is a fundamentally more attractive Grade A building and configured to allow multiple occupation but nevertheless took a combined marketing and rent free void of 25 months to achieve a letting.
- 9.8 The subject building, even in an improved state, would be at a disadvantage to buildings such as 222 Euston Road in the market and as such, would carry a significant risk of the upgraded space suffering a longer letting void than is outlined above.
- 9.9 In the light of this, it is very difficult to envisage how any owner/developer of this building could reasonably view expenditure that we believe is required as carrying an acceptable balance of risk/reward and indeed, in our opinion, if such an owner/developer was not self financing, we have difficulty in envisaging any prospect of debt funding being secured for such a project in the current and foreseeable financial climate.
- 9.10 Allgood does not have any property development expertise and quite rightly its focus is on fostering its operational business in this longstanding trading location. Changes in the mode of operation and the impact of technology have meant that their business has a significant scale of unutilised floor space in the building which carries with it a high additional cost burden for the business. The Directors are charged with mitigating Allgood's exposure to this cost and it is not difficult to appreciate that solutions that involve either, marketing the space as it is for perhaps 2 years with little prospect of attracting tenant interest or, spending a significant capital sum and

hoping that lettings are secured in a reasonable timeframe, could possibly represent a strategy that carries a risk profile that could be acceptable for the business to take on.

Appendix 1

Photographs

# Warren Street Entrance (Rear)



Euston Road Frontage



# Basement Storage



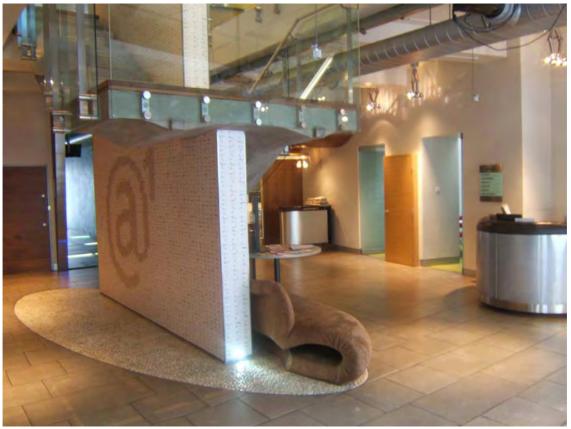
# Basement Storage



**Basement Storage** 



Ground Floor Reception / Showroom



# **Reception Space**



# First Floor Space



# Second Floor Space



Occupied Second Floor Space





# Typical Empty Space on Upper Floors

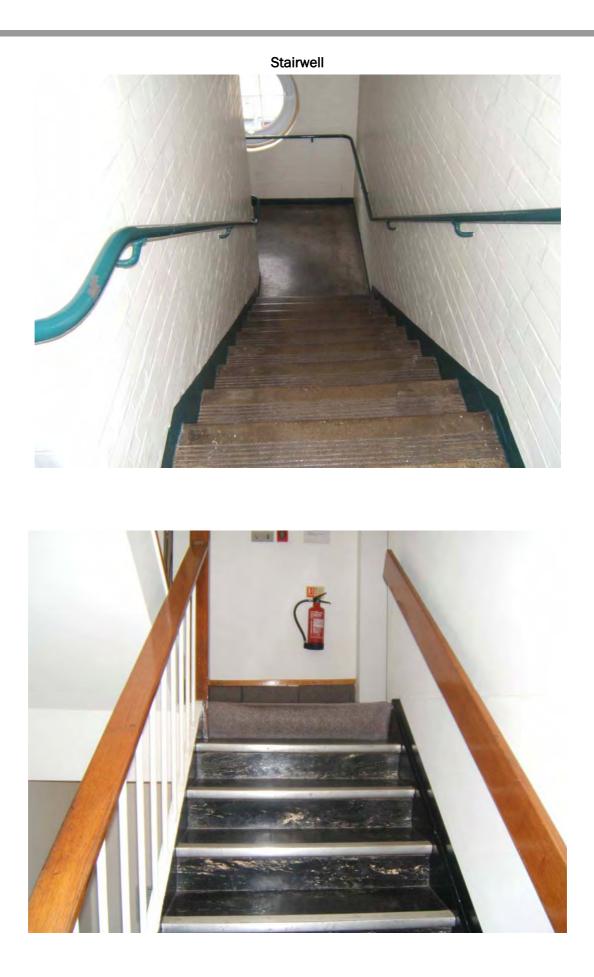
Third Floor Storage





Lift

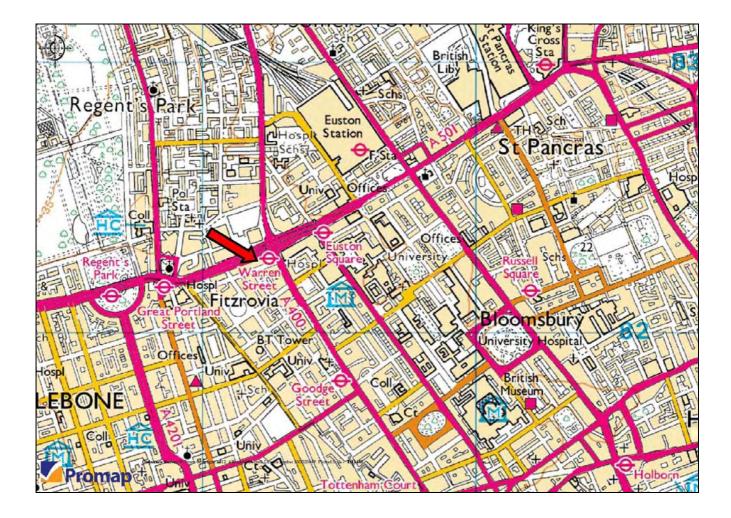




Appendix 2

Location Plan

# Location Plan



Appendix 3 References

# References

Reference 1: Colliers Central London Office Report Summer 2012, 2011 & 2010

Reference 2: Camden Council, Camden Employment Land Review, Final Report, June 2008

Reference 3: London Borough of Camden, Business Premises Study, Final Report, March 2011

M. Coles, Rapleys LLP letter dated 22nd February 2013 in relation to refurbishment works.



Commercial Property & Planning Consultants Building Surveying Consultancy

MAC/he/615NW1/76/3

22 February 2013

Mr A Carter-Clout Allgood Plc 297 Euston Road London NW1 3AQ

Dear Anthony

# RE: 297 EUSTON ROAD, LONDON

Further to my brief inspection of the above property during January I write to confirm my initial appraisal of the works that would be necessary to allow the property to be marketed and let on a floor by floor basis. I have also considered works that are necessary to allow the occupation of the 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> floor whilst maintaining Allgood's use of the basement, ground and 1st floors. I set out my thoughts in bullet points below.

- The accommodation is well maintained by Allgood, however, it is clearly fitted out to suit your historic occupational needs and not necessarily for general office use. As such the floorplates will need to be opened up to provide clear space for use or fitting out by new tenants to suit their occupational needs.
- In order to present the space to the open market and to offer a product that will attract a tenant, the floor plates will need to be upgraded in terms of décor, carpeting, ceilings, lighting, power and potential for data distribution.
- The mechanical systems within the property vary from the second to the fifth floors. On the fourth and fifth floors perimeter fan coils units supply heating/cooling to the floor plates. It is evident that these are old and nearing life expiry; you have also confirmed that these are unreliable. We consider that upgrading the heating/cooling system on these floors will be necessary in order to provide the floorplates with a suitably controlled internal environment. We understand that the external chillers and boilers serving this system have been replaced recently so we assume this can be utilised to feed new fan coils in the area.

- The mechanical system within the second and third floors relies on a combination of LTHW radiators and comfort cooling cassettes. This type of arrangement is a crude form of air conditioning and we consider that the system will require upgrading to provide and maintain a suitable internal environment.
- The electrical infrastructure on the floor plates has been installed to suit your individual needs. At this stage we must assume that the floors will require rewiring to provide a baseline electrical infrastructure for a new tenant ensuring that suitable electrical supplies are provided to each floor. The electrical infrastructure is predominantly distributed around the floors by aged skirting trunking. A new trunking system will need to be provided to support data installations by a future tenant. The electrical switchgear and distribution boards contained within the basement are very old and we suspect does not comply with current standards. Upgrading replacement of this installation will be necessary to provide a safe and stable supply of power to the floors. In addition individual metering of the power used by each floor should also be introduced.
- To facilitate multi-tenant letting, a suitable entrance will need to be formed giving access to a common staircase and a lift. Given the position of the lift we suggest this entrance would need to be on the Warren Street elevation. Alterations to the Warren Street façade and loading area will needed to create an attractive but modest entrance to the offices.
- The lift currently provided to the premises running from ground to fourth floor is a goods lift grade installation. You have confirmed that this is troublesome and, due to its age, component replacement is difficult and many parts are now discontinued. We consider that the lift will need to be replaced with a modest but functional passenger lift with further consideration given to extending it to provide lift access to the fifth floor.
- The common parts will require alteration to provide secure lobby areas from the staircase. The toilet accommodation will need to be upgraded to provide adequate facilities on each floor. In addition, accessible WC's will need to be provided at strategic locations to comply with Building Regulations and DDA regulations.
- The common areas will require access control on internal doors together with the video entrance facility on the main entrance door.
- Externally, although the property has been maintained, we would recommend allowance is made for a redecoration cycle and incidental repairs to ensure the property is presented in its best condition for letting.

With regard to cost of works to provide the works briefly laid out above we would estimate expenditure in the order of  $\pounds 600,000 - \pounds 750,000$  inclusive of fees but exclusive of VAT to complete the works to a good standard. This does not include any substantial works to the basement, ground or first floor other than works to the infrastructure items described above.

We trust this provides a good initial indication of the costs involved in bringing the property to the market. If you require further information please do not hesitate to contact me.

Kind regards.

Yours sincerely

Mark Coles MRICS Partner - Rapleys LLP mac@rapleys.co.uk DDI: 0207 255 8081

cc. J Lowes Esq, Rapleys LLP C Steele Esq, Rapleys LLP J Saxby Esq, Rapleys LLP

Breakdown of works costs provided by Mark Coles

## Initial Approx Budget Plan Allgood -297 Euston Road

Item	Qty	Rate	Cost
External			
Scaffolding			£10,000
Allowance for redec and repair works Alterations to form new entrance from Warren Street			£70,000
Alterations to form new entrance from warren Street			£30,000
Internal			
General refurb of 2nd, 3rd 4th and 5th Floor			<u> </u>
Stripout 5th Floor			£5,000
Strip out 4th Floor			£10,000
Strip out 3rd Floor			£5,000
Strip out 2nd Floor			£5,000
Re- modelling allowance all floor	4	10000	£40,000
Upgrade/Additional Toilet Facilities	5	6000	£30,000
Replace carpets all 4 floors	660	30	£19,800
Décor all 4 floors	4	5000	£20,000
Alteration to secure common parts	6	2000	£12,000
Upgrade refurbish Common staircase	1	6000	£6,000
	-	0000	20,000
Services			
Upgrade aged electrical distribution system and metering	1	10000	£10,000
Replacement Lift complete	1	80000	£80,000
E/0 to extend lift to 5th Floor	1	20000	£20,000
Replace FCU's on 4 & 5th Floors	2	10000	£20,000
Upgrade a/c on 2nd and 3rd Floors	2	7500	£15,000
Rewire power on all floor new perimeter trunking	4	2500	£10,000
New LG3 Lighting solution	4	3000	£12,000
New Access control system to all floors & Video entrance	1	10000	£10,000
Upgrade Fire Alarm system	1	7500	£7,500
			£447,300
Cost of Measured Work			£447,300
Contractor Preliminaries @ 12%			£53,676
sub total			£500,976
			2000,010
Fees etc.			
Fees to design specify and administer the works @10%			£50,098
CDM Co-ordination fee			£6,262
Structural Engineer			£6,500
Services Engineer Fee			£10,000
Building Control Fees			£3,500
Planning Application fee and Consultants costs			£3,000
Sub total other costs			£79,360
TOTAL			£580,336
			1000,330

Co Star report on current office availability as a breakdown per property.

Building	Street No	Street Name	Postcode	Total Sq	Contact Details
Name				Ft	
	180	Albany	NW1 4AW	10,863	Contact: Mr Richard Scott
		Street			(MELLERSH & HARDING)
	122 - 128	Arlington	NW1 7HP	1,850	Contact: Mr Peter Cooper
		Road			(BEAUMONT & CO)
	122 - 128	Arlington	NW1 7HP	2,000	Contact: Mr Peter Cooper
		Road			(BEAUMONT & CO)
	7b	Bayham	NW1 OEY	631	Contact: Mr Alex Reuben
		Street			(OCCUPA LTD)
	93	Bayham	NW1 OAG	2,710	Contact: Mr Tony Gerver
		Street			(HOFFMAN PARTNERS)/Mr
					Andrew Knights (THE LORENZ
					CONSULTANCY)/Mr Anthony
					Epenetos (THE LORENZ
0	05 07			070	CONSULTANCY)
Oasis	85 - 87	Bayham	NW1 OAG	278	Contact: Mr Laurence Bruce
Services		Street			(BRUCE COMMERCIAL ESTATE
Offices		<b>D</b>		4 75 4	AGENT)
		Bolsover	NW1 3AU	1,754	Contact: Mr Derek Reddin-Clancy
		Street			(REDDIN-CLANCY & CO)
	21	Bonny	NW1 9PE	600	Contact: Mr Jamie Levy (FIDENS
		Street			LLP)/Mr Jamie Mackenzie
	01	Davara		4.005	(GOODSIR COMMERCIAL LTD)
	21	Bonny	NW1 9PE	1,295	Contact: Mr Jamie Levy (FIDENS
		Street			LLP)/Mr Jamie Mackenzie
Degentle	20	Drook Ctroot	NW1 2PX	20,406	(GOODSIR COMMERCIAL LTD)
Regent's	30	Brock Street	NW1 2PX	20,496	Contact: Mr Richard Smart (CBRE
Place					LTD)/Mr Philip Hobley (KNIGHT
North East	10	Brock Street	NW1 3JL	138,651	FRANK LLP)
Quadrant	10	Brock Street	INNAT 21	130,031	Contact: Mr Richard Smart (CBRE LTD)/Mr Philip Hobley (KNIGHT
Quaurant					FRANK LLP)
	96 - 98	Camden	NW1 OLT	1,352	Contact: Mr Mike Sheridan (IAN
	30-38	High Street		1,552	SCOTT INTERNATIONAL)/Mr Nick
		ngn Street			Scott (IAN SCOTT
					INTERNATIONAL)
	190	Camden	NW1 8QP	2,550	Contact: Mr Mert Seyhan
		High Street		2,000	(CHRISTO & CO)/Mr Tony Gerver
					(HOFFMAN PARTNERS)
Savant	63 - 65	Camden	NW1 7JL	208	Contact: Mr Mert Seyhan
House		High Street			(CHRISTO & CO)
East Yard	Camden	Camden	NW1 7JE	453	Contact: Mr Laurence Bruce
	Lock	Lock Place			(BRUCE COMMERCIAL ESTATE
	2001	Look Haoc			

					AGENT)
Utopia	7	Chalcot	NW1 8LH	1,647	Contact: Mr Alex Reuben
Village		Road			(OCCUPA LTD)
Utopia	7	Chalcot	NW1 8LH	1,788	Contact: Mr Alex Reuben
Village		Road			(OCCUPA LTD)
Camden	215	Chalk Farm	NW1 8AB	1,160	Contact: Mr Laurence Bruce
Lock		Road			(BRUCE COMMERCIAL ESTATE
					AGENT)
Camden	206	Chalk Farm	NW1 8AB	792	Contact: Mr Laurence Bruce
Lock		Road			(BRUCE COMMERCIAL ESTATE
					AGENT)
Gilgamesh		Chalk Farm	NW1 8AH	7,911	Contact: Mr Christopher Shaw
Building		Road			(SHAW CORPORATION)/Mr Tony
Stables					Miller (STABLES MARKET)
Market					
Capital	25	Chapel	NW1 5DH	3,985	Contact: Ms Emily Hutton (H2SO
House		Street			LLP)
West End	37	Chapel	NW1 5DP	1,200	Contact: Mr Fraser Williams
House		Street			(BARCLAY FOX)
Capital	25	Chapel	NW1 5DH	3,986	Contact: Mr Charles Henriques
House		Street			(REM ROBERTS)
	184 - 192	Drummond	NW1 3HP	6,775	Contact: Mr Paul Gold (BDG
		Street			SPARKES PORTER)/Mr Andrew
					Okin (EDWARD CHARLES &
					PARTNERS LLP)
Primrose	1-2	Dumpton	NW1 7BQ	3,828	Contact: Mr Adam Cole
Hill		Place			(CLARIDGES COMMERCIAL)
Clifton	83 - 117	Euston Road	NW1 2RA	16,674	Contact: Mr Adam Cosgrove
House					(JONES LANG LASALLE)
Fitzroy	355	Euston Road	W1T 6DX	42,290	Contact: Mr Adam Cosgrove
House					(JONES LANG LASALLE)/Mr Jason
					Hanley (MONMOUTH DEAN LLP)
	338	Euston Road	NW1 3RG	7,273	Contact: Mr Craig Satchwell
					(COLLIERS INTERNATIONAL)/Mr
					Willem Janssen (COLLIERS
					INTERNATIONAL)
Regents	350	Euston Road	NW1 3AX	16,000	Contact: Mr Andrew Tyler
Place					(CUSHMAN & WAKEFIELD
					LLP)/Mr Cathal Diamond
					(DELOITTE REAL ESTATE)
	1	Euston	NW1 2SA	18,704	Contact: Mr Jamie Shuttle
		Square			(EDWARD CHARLES & PARTNERS
					LLP)/Mr Alex Kim (LAMBERT
					SMITH HAMPTON LTD)/Mr David
					Earle (LAMBERT SMITH

					HAMPTON LTD)/Mr Toby Chapman (LAMBERT SMITH HAMPTON LTD)
Chalcot Yard	8	Fitzroy Road	NW1 8TX	6,585	Contact: Mr Trevor Granger (LEAVER CHARLES GRANGER LTD)
	1	Harewood Row	NW1 6SE	1,195	Contact: Mr Jamie Levy (FIDENS LLP)/Mr Richard Sayer (KINLEIGH FOLKARD & HAYWARD)
Mansion Lock House	13	Hawley Crescent	NW1 8NP	12,632	Contact: Mr Nicholas Silver (ROBERT IRVING BURNS)/Mr Christopher Shaw (SHAW CORPORATION)
	141 - 145	Kentish Town Road	NW1 8PB	2,600	Contact: Mr Jonathan Cowan (DRIVERS & NORRIS)
Camden Island	106 - 110	Kentish Town Road	NW1 9PX	1,250	Contact: Mr Gregory Meller (METRUS PROPERTY ADVISORS LTD)/Mr Joshua Milan (METRUS PROPERTY ADVISORS LTD)
Grand Union House	20	Kentish Town Road	NW1 9NX	6,347	Contact: Mr Jamie Shuttle (EDWARD CHARLES & PARTNERS LLP)/Mr Will Foster (EDWARD CHARLES & PARTNERS LLP)
14 Lawfords Wharf		Lyme Street	NW1 OSF	969	Contact: Mr Darren Best (SAVOY STEWART)/Mr David Mirelman (SAVOY STEWART)
The Lodge	25	Mandela Street	NW1 ODU	798	Contact: Mr Edward Watkins (EDWARD CHARLES & PARTNERS LLP)/Mr Matthew Vickers (EDWARD CHARLES & PARTNERS LLP)
The Grove	248	Marylebone Road	NW1 6JZ	2,278	Contact: Mr Alex Kemp (DTZ)/Mr Richard Howard (DTZ)/Mr Andrew Okin (EDWARD CHARLES & PARTNERS LLP)
Marylebone Central	206	Marylebone Road	NW1 6LY	42,325	Contact: Mr Matthew Chicken (CBRE LTD)/Ms Lana Johnson (CBRE LTD)
Sentinel House	193 - 197	Old Marylebone Road	NW1 5QP	15,098	Contact: Mr Edward Watkins (EDWARD CHARLES & PARTNERS LLP)/Mr Tony Parrack (EDWARD CHARLES & PARTNERS LLP)
Sentinel House	193 - 197	Old Marylebone Road	NW1 5QP	5,337	Contact: Mr Tony Parrack (EDWARD CHARLES & PARTNERS LLP)

Winchester	259 - 269	Old	NW1 5RA	1,667	Contact: Ssg Sales Support
House		Marylebone			Group (MWB BUSINESS
		Road			EXCHANGE CENTRES LTD)
Winchester	259 - 269	Old	NW1 5RA	1,667	Contact: Ssg Sales Support
House		Marylebone			Group (MWB BUSINESS
		Road			EXCHANGE CENTRES LTD)
	3 - 4	Prince Albert	NW1 7SN	4,145	Contact: Mr Edward Watkins
		Road			(EDWARD CHARLES & PARTNERS
					LLP)/Mr Jamie Shuttle (EDWARD
					CHARLES & PARTNERS LLP)
Bruges		Randolph	NW1 OTL	5,597	Contact: Mr David Shapiro
Place		Street			(FRESSON & TEE LTD)/Mr
					George Mccullough (FRESSON &
					TEE LTD)/Mr Marcus Kinsella
					(FRESSON & TEE LTD)/Mr
					Graeme Roberts (REM ROBERTS)
St Pauls	Unit 8 St	St Pauls	NW1 9TN	772	Contact: Mr Jon Morell (CURRELL
Interchange	Pauls	Crescent			COMMERCIAL)/Ms Beverley
	Interchange				Hedge (CURRELL COMMERCIAL)
	1	Triton	NW1 3DX	6,448	Contact: Mr Mark Gilbart-Smith
		Square			(SAVILLS (UK) LIMITED)/Mr Nick
					Pearce (SAVILLS (UK) LIMITED)

Minutes of meeting between London Borough of Camden and Allgood/Rapleys on  $18^{th}$  June 2013.

# London NW1, 297 Euston Road

### 18<sup>th</sup> June 2013 at 15:00 – London Borough of Camden Offices

#### Attendees:

Seonaid Carr (SC)	-	London Borough of Camden
Anthony Carter-Clout (AC-C)	-	Allgood
Graham Shirville (GS)	-	Allgood
Jason Lowes (JL)	-	Rapleys

#### 1 **REVIEW OF PREVIOUS FEEDBACK**

1.1 JL thanked SC for the helpful letter which she wrote following the previous meeting in November. In these terms, JL thought it would be useful to review the outstanding points relative to the principle of the loss of office space, in the context of the letter. The scope of these issues was agreed, and then discussed in turn, with reference to the pre-application package of May 2013.

#### 2 CURRENT CONDITION OF THE OFFICES

- 2.1 A letter by Mark Coles (attached as Appendix 4 within the office market review circulated prior to the meeting) was reviewed. SC confirmed that the scope and the content of the letter demonstrated satisfactorily, at Officer level, why the current office accommodation is not currently suitable for continued use by other businesses. However, SC also recommended that the office market report be clear that the work suggested is the minimum that would be required.
- 2.2 In addition, SC recommended that the supporting information explore the possibility for accommodating office space for small start-up businesses, who might be satisfied with shared facilities. In addition, she indicated that it might be useful to "break-down" the estimated costs of these works.

### 3 CAMDEN DEVELOPMENT POLICIES – PARAGRAPH 13.3

- 3.1 JL confirmed that the revised planning report (at paragraph 7.8) had provided commentary in respect of all of the bullet-points of paragraph 13.3, which SC noted and confirmed was broadly satisfactory. However, SC recommended inclusion of some more details pertaining to:
  - the mix of uses that characterised the surrounding area, indicated if possible on a plan;
  - the range of office unit sizes that the building would be physically able to accommodate, and
  - why it was viable for Allgood to retain its offices on the first floor.

3.2 As a general point, SC indicated that it would be useful if the office market report could be merged into the planning report. JL confirmed he would consider the options for doing this.

# 4 CAMDEN SPG5 – PARAGRAPH 6.4

- 4.1 JL referred again to the planning report, which provided commentary (at paragraph 7.9) in respect of the relevant bullet points. Again, SC confirmed that she was broadly satisfied with the information provided, but recommended the inclusion of:
  - confirmation of the approximate age of the building. AC-C and GS confirmed that the majority of the building was pre-war, and SC undertook to speak to her Conservation Officer to ascertain whether they had any further information, and
  - further details of available office space in the area, potentially in the form of a table.

### 5 ACCOMMODATION FOR SMALL BUSINESSES

5.1 SC had no comment beyond those already made in respect of the Mark Coles letter.

# 6 UNSUITABILITY OF MARKETING

6.1 SC confirmed that given the detailed analysis of the proposed change of use against the requirements of Policy DP13 and CPG5, the Council would likely take a flexible approach on requesting the property is marketed for a period of time prior to a submission of planning permission. With the provision of a detailed report justifying the proposal against DP13 and CPG5 SC considered a marketing report would not be required on this occasion.

### 7 ALTERNATIVE OFFICE PROVISON

7.1 SC underlined her previous comments recommending that further detail be provided in respect of available office space in the area.

### 8 NEXT STEPS AND ANY OTHER BUSINESS

- 8.1 SC advised that no further information was required, beyond that previously identified in discussions, to justify either the loss of existing office space or the principle of the uses proposed in general. Further, it was felt around the table that the information recommended by SC could be readily provided. With that comfort, AC-C and GS confirmed that they would liaise with an architect to prepare floor plans in the interests of submitting a full planning application. It was agreed that, once detailed drawings had been prepared, they could be submitted to the Council for review as part of a further pre-application submission.
- 8.2 The meeting closed at 16:30, and everyone thanked each other for their time. SC indicated that she was not intending to produce a note of the meeting, but JL confirmed that he was happy to provide a draft note for SC's agreement.