

CONSOLIDATED DEVELOPMENT LTD

71 ENDELL STREET

PLANNING STATEMENT

DECEMBER 2012

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1. Introduction

- 1.1 This statement has been prepared on behalf of Consolidated Developments Ltd (hereafter referred to as 'the Applicant') in support of a planning application for the change of use of 692 sqm GIA of existing B1 office space at 71 Endell Street to provide 7 affordable residential units (2 x 1 bed flats, 3 x 2 bed flats and 2 x 3 bed flats) and associated external alterations.
- 1.2 The proposed change of use is being progressed in order to provide affordable rent accommodation in association with wider development proposals for St Giles Circus, which lies in the same ward as 71 Endell Street.
- 1.3 The development at St Giles Circus is submitted under a separate Planning and Conservation Area Consent application which seeks permission for the following:

Erection of three buildings (5 storey and 7 storey facing Centre Point Tower and 4 storey to Denmark Place), following demolition of 1-6 Denmark Place, 18-21 Denmark Place and demolition of York and Clifton Mansions behind a retained façade, to provide 2955 sqm GIA of basement Event Gallery space to be used for community events, exhibitions, product launches, live music, awards ceremonies, conference and fashion shows (sui generis); a 723 sqm GIA urban gallery with 1912 sqm of internal LED screens, to be used for circulation space, retail, advertising, exhibitions, brand and product launches, corporate events, screenings, exhibitions and events (sui generis); 420 sqm GIA of flexible A1/A3 floorspace; 2995 sqm GIA A3 floorspace; 1066 sqm GIA of A4 floorspace; and a 28 bedroom hotel between Denmark Place and Andrew Borde Street. Refurbishment and change of use of no's 4, 6, 7, 9, 10 and no's 20 to 28 Denmark Street, 4 Flitcroft Street and 1 Book Mews to provide 1551 sqm of office floor space; 2553 sqm GIA of private residential floor space; 242 sqm GIA of affordable residential floor space; and 2023 sqm GIA of retail floor space. Provision of a new pedestrian route from Andrew Borde Street to Denmark Street at ground floor level.

- 1.4 Further associated applications are as follows:
- Advertisement consent is sought for 1912 sqm of digital installations to the internal walls, ceiling and floor of the proposed Urban Gallery bordered by Denmark Place, Charing Cross Road and Andrew Borde Street;

- Listed Building Consent for works of repair and refurbishment to 6, 7, 9, 10, 20, 26, 27 Denmark Street and 59 St Giles High Street

1.5 It is proposed that, upon obtaining planning permission for the proposed works, the delivery of affordable housing at 71 Endell Street will be tied to the wider proposals by means of a s106 agreement.

Public Consultation and Pre-Application Advice

1.6 A significant amount of pre-application consultation has been undertaken with both the Local Planning Authority (LPA) and local stakeholders to guide the evolution of the proposals and wider public consultation activity has been on-going throughout the development of the scheme. Public Consultation activity and feedback responses are comprehensively set out in the Statement of Community Involvement, which accompanies the main application.

The Submission

1.7 This Planning Statement provides a general description of the proposed development and assessment of the proposals against relevant national, regional and local planning policy guidance. This statement should be read and considered in conjunction with the following supporting documents:

- Planning Application Form;
- Design and Access Statement – prepared by ORMS Architects;
- Affordable Housing Statement – prepared by GL Hearn
- Office Demand report – prepared by Monmouth Dean

1.8 The following additional technical reports and documents submitted in support of the wider planning application for St Giles Circus make reference to 71 Endell Street where appropriate:

- Environmental Statement Volume 1: Main Report – prepared by Buro Happold
- Environmental Statement Non-Technical Summary – prepared by Buro Happold
- Transport Assessment – prepared by Buro Happold
- Heritage Statement – prepared by Turley Associates

- Statement of Community Involvement – prepared by Four Communications
- Energy Statement – prepared by Buro Happold
- Sustainability Statement – prepared by Buro Happold

2. Site and Surroundings

Site and Surroundings

- 2.1 Endell Street is located at the north end of Covent Garden, approximately 250 m from the main site at St Giles Circus. The area is characterised by numerous creative businesses, boutique shops, cafes and restaurants, although there is a noticeable shortage of affordable housing in the area.
- 2.2 Originally a tenement slum in the 1700 and 1800s known as Belton Street, Endell Street was founded in its current form in 1845 when Sir James Pennethorne (architect and town planner) decided to clear a street to cater for the needs of the most underprivileged Londoners.
- 2.3 71 Endell Street lies within the Seven Dials Conservation Area and is identified by the Local Planning Authority (LPA) as a 'Positive Contributor'.

Relevant Planning History

- 2.4 Planning permission and associated Conservation Area Consent were granted in May 1989 for the conversion of the front buildings to provide 3 residential flats, and the erection of a roof extension to the rear building to provide B1 floorspace (LPA Ref: 8900244 and 8970083).

3. Key Planning Considerations

- 3.1 This section of the Statement provides a detailed assessment of the application proposals against relevant policy objectives together with other relevant material considerations.

Planning Policy Context

- 3.2 In accordance with Section 38(6) of the Planning and Compulsory Purchase Act 2004, applications are to be determined in accordance with the development plan unless other material considerations indicate otherwise. At national and regional level the development plan comprises the National Planning Policy Framework (adopted March 2012) and the London Plan (adopted 2011). At the local level the development plan is comprised of Camden's Core Strategy and Development Plan Policy document (both adopted November 2010), which form the central element of the Local Development Framework (LDF). Camden Planning Guidance (adopted 2011) is also of relevance.

Principle Planning Issues

- 3.3 In the context of current planning policy the principle planning issues are identified as follows:
- Loss of office floorspace;
 - Principle of residential:
 - Affordable housing;
 - Internal living conditions;
 - Lifetime Homes and Wheelchair Housing
 - Architectural Approach
 - Traffic and Transport
 - Energy and Sustainability

Loss of Office Floorspace

- 3.4 Whilst 1551 sqm (GIA) of new business floorspace will be provided as part of the wider redevelopment proposals, there will be a loss of 692 sqm (GIA) of existing

B1 space at 71 Endell Street to facilitate the proposed change of use for affordable housing. The principle of the loss of office floorspace must therefore be established in order to progress successfully with the wider proposals.

- 3.5 Under paragraph 51 of the NPPF local planning authorities should normally approve planning applications for change of use to residential from 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 should not be appropriate.
- 3.6 At the local level Core Strategy Policy CS8 is relevant in that it seeks to secure a strong economy in Camden through the promotion of office floorspace within Kings Cross, Euston and Central London and the protection of existing employment sites and premises that meet the needs of employers.
- 3.7 Within the reasoned justification for policy CS8 paragraph 8.8 notes that the future supply of offices in the borough should meet projected demand and consequently proposals for other uses of older office premises if they provide permanent housing (**in particular affordable housing**) will be considered.
- 3.8 Policy DP13 adds further detail to Camden's approach to employment premises stating that the Council will retain land and buildings that are suitable for continued business use and will resist change to non-business unless:
 - a) It can be demonstrated to the Council's satisfaction that a site or building is no longer suitable for its existing business use; and
 - b) 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.
- 3.9 The policy goes on to note that, when it can be demonstrated that a site is not suitable for any business use *other than B1(a) offices*, the Council may allow a change to permanent residential uses or community uses. When assessing proposals that involve the loss of a business use the LPA will consider whether there is potential for that use to continue, giving consideration to a number of factors as outlined below.
- 3.10 Camden Planning Guidance (CPG5) clarifies the circumstances where a change of use from offices may be acceptable. Of particular relevance it states that new office accommodation coming on stream during the plan period will meet projected demand. The guidance at paragraph 6.4 goes on to list various criteria to be taken into account when assessing applications for a change of use from B1 to a non-

business use. These include factors such as the age and condition of premises; whether the premises include features required by tenants seeking modern office accommodation; the quality of the premises and whether it is purpose built accommodation; and whether there is evidence of demand.

3.11 With regard to policy DP13 and CPG5 criteria, a summary is provided below:

DP13

Located in or adjacent to the Industry Area, or other locations suitable for large scale general industry and warehousing

- *The site is not located in or adjacent to the Industry Area and as the premises are located within a busy area of Central London they are not suitable for large scale general industry and warehousing.*

Is in a location suitable for a mix of uses including light industry and local distribution warehousing

- *The premises are located in an area which is suitable for a mix of Central London uses but the area is not suitable for light industry and local distribution warehousing due to space restrictions, pressure on the local highway and existing residential amenity.*

Is easily accessible to the Transport for London Road Network and/or London Distributor Roads

- *The premises are easily accessible from the Transport for London Road Network but the roads in this area of London are predominantly occupied by buses, taxis and cars.*

Is, or will be, accessible by means other than the car and has the potential to be serviced by rail or water

- *The premises are accessible by Underground, bus, taxi and cycle. There is no potential for the premises to be serviced by rail or water.*

Has adequate on-site vehicle space for servicing

- *There is limited space for a small vehicle at 71 Endell Street.*

Is well related to nearby land uses

- *The site is located within the Central Activities Zone and is in an area characterised by a mix of retail, restaurant, bar, office, residential and night time uses. A range of uses is therefore appropriate for this area.*

Is in a reasonable condition to allow the use to continue

- *The existing office floorspace is of a poor quality, being located in an old building which was not purpose built for office use. Further details relating to the condition of the buildings are provided later in this section and within the Agent's report which is submitted alongside this document.*

Is near to other industry and warehousing, noise/vibration generating uses, pollution and hazards

- *The premises are not located close to other industry and warehousing uses and noise/vibration generating uses, pollution or hazards.*

Provides a range of unit sizes, particularly those suitable for small businesses (under 100 sqm)

- *The size of premises is suitable for small businesses however, as noted in the accompanying Agent's Report, smaller occupiers tend to require shorter leases with heavy discounts making them high risk in terms of revenue generation and making the property more susceptible to voids. At present three of the 7 available units within 71 Endell Street are vacant.*

CPG5

The age of the premises (some older premises may be more suitable to conversion)

- *The premises were constructed in the 19th century and as such it is extremely difficult to undertake appropriate interventions to bring the floorspace up to modern day office standards.*

Whether the premises include features required by tenants seeking modern office accommodation

- *As noted above the existing office floorspace is accommodated within an historic building. As such the premises do not include features required by tenants seeking modern office accommodation and the ability to upgrade the floorspace to meet such requirements is severely restricted by the fabric of the building.*

The quality of the premises and whether it is purpose built accommodation (poor quality premises that require significant investment to bring up to modern standards may be suitable for conversion)

- *The existing floorspace was not purpose built for office use, having originally been constructed for warehousing purposes. The existing office floorspace is clearly outdated by modern office standards, being located in small pockets across the development site which offers minimal opportunity for alterations to upgrade the floorspace. As noted within this Planning Statement and the accompany Agent's report a significant amount of investment would be required to improve the floorspace, and even then the inherent restrictions of the buildings would prevent the floorspace from meeting modern standards.*

Whether there are existing tenants in the building and whether these tenants intend to relocate

- *There are existing tenants within the buildings but these are on short leases. The Applicant has committed to offering existing tenants first refusal on the new office floorspace being provided as part of the wider redevelopment.*

The location of the premises and evidence of demand for office space in this location

- *The accompanying Agent's report notes that in 2011 the take up of office space in the west end was 3.3 million sq ft, a decrease on 2010. In q1 of 2012 take up fell to just under 1 million sq ft, the lowest level since 2009. This is circa 16% below the long term average. Second hand stock was worst hit. Pre letting activity in the West End has been almost nonexistent in 2012 and, whilst supply of new Grade A office space is slightly below the long term average, demand is very limited. There are a number of notable schemes in close proximity to the premises which have/will provide significant office floorspace, including 1 Oxford Street which will deliver 14,708 sqm GEA of office accommodation and the completed Central St Giles scheme which has provided 52,970 sqm GEA of office accommodation.*

Whether the premises currently provide accommodation for small and medium businesses

- *Existing tenants predominantly occupy accommodation suitable for small businesses. The accompanying Agent's Report notes that smaller occupiers tend to require shorted leases with heavy discounts making them high risk in terms of revenue generation, and making the property more susceptible to voids. At present three of the 7 available units within 71 Endell Street are vacant.*

3.12 The existing office floorspace is clearly outdated by modern office standards, being located in small pockets within 71 Endell Street with minimal opportunities to upgrade the floorspace. The poor quality of the floorspace impacts significantly on the quality of potential tenants and lease length, with leases having early break periods, substantial rent free periods and caps on service charge. These factors, coupled with the restrictions of the historic building and the capital expenditure required to bring it up to modern standards, means that continued office use would not support the long term future of these buildings. A change of use to provide housing, and in particular affordable housing, should therefore be considered an acceptable solution to securing the life of these buildings moving forward.

3.13 In this context it is considered that the proposed conversion of office space to provide affordable housing meets the requirements of Policies CS8, CS9, DP13, and the provisions of CPG5, as well as NPPF and London Plan requirements.

Principle of Residential

3.14 Policy DP2 identifies housing as the priority land use of the LDF and notes that the Council will make housing its top priority when considering the future of unused and underused land and buildings. This is supported by Camden Planning Guidance 2: Housing (CPG) which states that the LDF will seek to make full use of Camden's capacity for housing to establish a plentiful supply and broad range of homes.

3.15 Of relevance to the wider planning application for St Giles Circus it is noted that policy DP1 requires a mix of uses in development, including a contribution towards the supply of housing. In the Central London Area, where more than 200 sqm (gross) additional floorspace is provided, 50% of the proposed increase in commercial floorspace should be provided as residential.

3.16 The proposed development at St Giles Circus will provide a total of 16,914 sqm GEA of commercial floorspace (including 1889 sqm of plant space), equating to an increase of 1853 sqm GEA. In order to comply with policy DP1 the development is required to provide an equivalent amount of residential floorspace. Accordingly

2016 sqm GEA of additional residential floorspace is provided, 1059 sqm GEA (53%) of which is provided as affordable. Of the 1059 sqm of affordable housing it is proposed to provide 814 sqm of affordable rent floorspace at 71 Endell Street.

- 3.17 Within this policy context it is considered that the principle of increased residential floorspace across Denmark Street and Endell Street is fully supportable, subject to the case for the loss of the office floorspace being accepted.

Affordable Housing

- 3.18 Policy 3.12 of the London Plan states that the maximum reasonable amount of affordable housing should be sought when negotiating on individual private residential and mixed use schemes and notes that negotiations in respect of affordable housing should take account of their individual circumstances, including development viability.
- 3.19 Core Strategy policy CS6 expects all developments with a capacity to provide 10 units or more (or 1000 sqm or more) to make a contribution to affordable housing. Policy DP3 states that the Council will negotiate the development of individual sites to seek the maximum reasonable amount of affordable housing on the basis of an affordable housing target of 50% of the total addition to housing floorspace. The Council will expect the affordable housing contribution to be made on site, but where it cannot practically be achieved on site, policy DP3 acknowledges that off-site affordable housing may be accepted.
- 3.20 The wider development proposals for St Giles Circus provide an increase of 2016 sqm GEA of residential floorspace. Of this floorspace it is proposed to provide 1059 sqm GEA as affordable, equating to 53%. This figure is calculated across both the main development site and 71 Endell Street (which in itself does not generate a requirement for affordable housing) and is thus in excess of that required by planning policy.
- 3.21 As noted above it is proposed to provide seven affordable housing units (814 sqm GEA) at 71 Endell Street, which lies in close proximity to the St Giles Circus site and within the same ward of the borough. As noted above the Council will normally expect on-site contributions to affordable housing, however paragraph 3.13 of Policy DP3 does accept that off-site solutions will be necessary where it is not practical to include affordable housing within a market housing development, for example where the development is relatively small (up to 3,500 sqm gross). It is also accepted that a mix of on-site and off-site contributions may sometimes be

appropriate, for example if it is practical to include intermediate affordable housing or social rent housing within the development, but not to include both.

3.22 It is noted that the proposed development at St Giles Circus provides an additional 1202 sqm GEA of residential floorspace, which is considered relatively small in the context of the supporting text of policy DP3 outlined above. Of this 1202 sqm GEA, 245 sqm is provided to accommodate 4 shared ownership units within 10 Denmark Street. As a result the ability to provide an additional tenure within the floorspace – which is distributed across a number historic buildings, eight of which are Grade II listed – is severely limited. In particular the practicalities of affordable rented units sharing the same stair access as market housing is an issue, with the resulting higher costs and maintenance requirements, and the legal provisions that prevent a different service charge between market housing and affordable housing, being of key concern.

3.23 71 Endell Street is already within the applicant’s ownership and lies within the same ward as the main development site at St Giles Circus, being about 250m apart. As the property is already in the ownership of the applicant delivery can be guaranteed and it is proposed that the delivery of this element of the affordable housing will be tied to the development of the main site.

3.24 The mix of units provided at 71 Endell Street is proposed as follows:

Unit Type	sqm (per unit)	No. of Type	% of units	No. of Hab Rms	% of Hab Rms
1 bed, 2 person flats	50-54	2	28.6%	4	19.0%
2 bed, 3 person flats	65-66	2	42.9%	6	42.9%
2 bed, 4 person flats	85	1		3	
3 bed, 4/5 person flat	94	1	28.6%	4	38.1%
3 bed, 6 person flat	121	1		4	
Total		7	100%	21	100%

3.25 In order to assess the acceptability of the units provided at 71 Endell Street GL Hearn have been appointed to advice on the proposals and speak with various local Registered Providers (RPs) who develop in Camden including Viridian Housing, Peabody, Network Housing Group, A2Dominion Housing Group and One Housing Group. Network have confirmed that the scheme is too small for them to consider at the current time, however the other RPs contacted have confirmed their interest in advancing discussions with the Applicant.

3.26 In particular the ability to have a separate rented building on Endell Street is seen as a benefit by the RPs, enabling them to manage the property efficiently, especially with regard to service charges. Service charges on the main site are likely to be high given the nature of the buildings with numerous shared cores, insurance costs and the aspirations of private buyers in this location.

Internal Living Conditions

3.27 GVA have been appointed to assess the development at 71 Endell Street in order to ensure the internal living conditions of the proposed residential units is acceptable in terms of receiving an adequate level of natural daylight.

3.28 Whilst the impact on existing neighbouring dwellings is measured using the BRE Guidelines, daylight adequacy for 'New Build' dwellings should be measured using the design Guidance contained in the British Standard Code of Practice for Daylighting, BS8206 Part 2, together with the recommendations in Appendix C of the BRE Guidelines. That is new dwellings are measured using Average Daylight Factors (ADF) rather than the use of Vertical Sky Components (VSC). The ADF is used for new build dwellings as it is possible to make alterations to the design in order to achieve the minimum internal daylighting standards when designing new dwellings, an option which is not available when assessing existing neighbouring premises.

3.29 The ADF is also seen as a more accurate and representative measure of internal daylighting conditions as it is derived from a greater number of design and input variables, such as:

- The size of the room served by the window(s);
- The size of the window(s) serving the room;
- The loss of transmittance through the glazing;
- A maintenance factor to allow for soiling on the surface of the glass;
- The average reflectance value of the internal finishes within the room;
and
- The use of the room in question.

3.30 From a review of the room layouts in relation to the elevations and window sizes it has been confirmed by GVA that all the proposed new habitable rooms will achieve

ADF values above the recommended design guidance of 1.5% *df* for living rooms and 1% *df* for bedrooms.

Lifetime Homes and Wheelchair Housing

- 3.31 The proposed residential units comply with the requirements of Lifetime Homes wherever the existing built fabric allows, with one unit being designed as fully wheelchair accessible.

Architectural Approach

- 3.32 As noted earlier in this Statement 71 Endell Street is considered to be a 'positive contributor' to the Seven Dials Conservation Area. As such minimal works to repair and refurbish the building are being undertaken as part of the development proposals.

- 3.33 Full details of the proposals are contained within the accompanying Design and Access Statement produced by ORMS Architects and include:

- New lighting and signage to courtyard;
- Removal of metal guardrail and deck and replacement with a new metal fire escape;
- Replacement and repair of roof tiles;
- Refurbishment, repair and replacement of windows where required;
- Unsympathetic brickwork replaced with London stock brick;
- Careful cleaning of brickwork;
- Restoration of cill heights.

Traffic and Transport

- 3.34 In accordance with LDF policy and CPG7, the development will be car free, although provision for one disabled car parking space has been made for use in association with the wheelchair accessible unit.

- 3.35 14 secured cycle spaces will be provided for use by residents and visitors, 4 spaces in excess of policy requirements.

Energy and Sustainability

- 3.36 The NPPF sets out the Government's overarching planning policies on the delivery of sustainable development through the planning system. Section 10 of the NPPF identifies the role that planning plays in helping shape places to secure radical reductions in greenhouse emissions, minimising vulnerability and providing resilience to the impacts of climate change, and supporting the delivery of renewable and low carbon energy and associated infrastructure.
- 3.37 The vision of the London Plan is to ensure London becomes an exemplary sustainable world city whilst allowing London to grow in a responsible and considered socio-economic manner.
- 3.38 Camden Core Strategy policy CS13 advises that the Council will require all developments to take measures to minimise the effects of and adapt to climate change, and this is supported at the more detailed level by policy DP22 which requires sustainable design and construction measures as part of new development.
- 3.39 In order to address this policy position both an Energy Statement and a Sustainability Statement have been prepared by Buro Happold and submitted in support of the main planning application.
- 3.40 All buildings have demonstrated compliance with building regulations or refurbishment targets through the adoption of a Lean, Clean, Green hierarchical energy strategy.

4. Conclusions

- 4.1 This statement has been prepared on behalf of Consolidated Developments Ltd in support of a planning application for the change of use of 692 sqm GIA of existing B1 office space at 71 Endell Street to provide 7 affordable residential units (2 x 1 bed flats, 3 x 2 bed flats and 2 x 3 bed flats) and associated external alterations.
- 4.2 The proposed change of use is being progressed in order to provide affordable rent accommodation in association with wider development proposals for St Giles Circus, which lies in the same ward as 71 Endell Street.
- 4.3 It is proposed to provide seven affordable housing units (814 sqm GEA) at 71 Endell Street, which lies in close proximity to the St Giles Circus site and within the same ward of the borough. As the property is already in the ownership of the applicant delivery can be guaranteed and it is proposed that the delivery of this element of the affordable housing will be tied to the development of the main site via section 106 agreement.
- 4.4 In order to assess the acceptability of the units provided at 71 Endell Street GL Hearn have been appointed to advise on the proposals and speak with various local Registered Providers (RPs) who develop in Camden including Viridian Housing, Peabody, Network Housing Group, A2Dominion Housing Group and One Housing Group. Network have confirmed that the scheme is too small for them to consider at the current time, however the other RPs contacted have confirmed their interest in advancing discussions with the Applicant.
- 4.5 In particular the ability to have a separate rented building on Endell Street is seen as a benefit by the RPs, enabling them to manage the property efficiently, especially with regard to service charges. Service charges on the main site are likely to be high given the nature of the buildings with numerous shared cores, insurance costs and the aspirations of private buyers in this location.
- 4.6 The existing office floorspace at 71 Endell Street is outdated by modern office standards, being located in small pockets with minimal opportunities to upgrade the floorspace. The poor quality of the space impacts significantly on the quality of potential tenants and lease length, with leases having early break periods, substantial rent free periods and caps on service charge. These factors, coupled with the restrictions of the historic building and the capital expenditure required to bring it up to modern standards, means that continued office use would not support the long term future of these buildings. A change of use to provide housing, and in particular affordable housing, should therefore be considered an acceptable solution to securing the life of these buildings moving forward.

4.7 Within this context that the principle of affordable residential floorspace at 71 and Endell Street is considered to be fully supportable.

