

Planning Statement
New Premier House, 150 Southampton Row, London WC1B 5AL

1. Introduction

- 1.1 This Planning Statement is submitted with the planning application for a part change of use to student accommodation at New Premier House, 150 Southampton Row, London WC1B 5AL (the "Property"). This Statement sets out the building's history, the relevant national and local planning policies and the proposed user in order to demonstrate that the proposals comply with the applicable policies.

2. Location and Property

- 2.1 The Property is known as New Premier House and is situated on the eastern side of Southampton Row in the Bloomsbury Conservation Area. Southampton Row is a major thoroughfare extending south to the junction of High Holborn and Kingsway and north to Russell Square.
- 2.2 The Property is arranged over basement, ground and eight upper floors, of which seven are at the Southampton Row street façade, and currently provides approximately 3,170.2 sq m in total of mixed use retail, restaurant and office accommodation.
- 2.3 The existing ground floor is approximately 1,086 sq. m (approximately 33% of the building's total floorspace) divided into four units comprising two restaurants and two shops all with entrances level with the pavement of Southampton Row. The restaurants have external seating, canopies and active trading frontage. The retail shops extend to the pavement for additional sales areas. The ground floor will remain unchanged under the proposals and will not be affected by the change of use.
- 2.4 The existing upper floors consist of floor plates of approximately 2,089 sq. m (approximately 66% of the total building) configured into separate front and rear units which are completely disconnected by a central core.

3. History of the Property

- 3.1 Southampton Row, formerly known as Kingsgate Street, was named after Thomas Wriothesley, 4th Earl of Southampton. The area was and currently remains home to some London's finest academic institutions, cultural institutions, and healthcare providers. The business of the area has traditionally been that of publishing, including many historically famous writers and publishers. The current business activity, mainly to the south of the site, is driven by large scale, global multi-media corporations. Besides academia, Southampton Row now predominantly caters for the tourist trade with several large hotels, serviced apartments, residential flats and many places to eat. Tourist footfall along Southampton row is some of the busiest in London. The adjoining streets between Southampton Row and Grays Inn Row consist of residential mews and Georgian Houses.
- 3.2 The Property was constructed in the early 20th century with an ornate Victorian facade of portland stone. The façade, copper capped roof turrets and chimney pots remain from the original construction, with the rear of the building being substantially rebuilt after the war and modern by comparison.
- 3.3 The Property has a single central core stair and a mesh caged lift that is flanked on either side by internal light wells, the effect of which is to split the building in half. In the 1970's the lift was enclosed for fire protection by a metal panel system, further segmenting the building.
- 3.4 The frontage of the building faces onto Southampton Row, and the rear of the Property has tiered residential external terraces facing Queen Square gardens.
- 3.5 Prior to and post the time of the war the building use was a residential boarding house with many residents using it as a place to live and write.
- 3.6 The Property use stayed substantially the same until the early-to-mid 1980's when it was renovated and changed from residential to use as small offices. The existing fireplaces, plaster ceilings, and ornate mouldings were covered up with gypsum plasterboard, metal

doors, florescent lights and acoustic tile ceilings. In the late 1990's some minor further works were undertaken to try to improve the office use in an attempt to improve the office functions.

- 3.7 The office portion of the Property has remained substantially vacant for more than six years that the current owner has owned the Property.

4. The Applicant

- 4.1 The applicant is an established construction management firm with over three decades of experience creating unique commercial, cultural and residential facilities in Europe and North America.
- 4.2 The applicant has a proven track record of creating quality student accommodation and has completed successful projects in Camden, such as the recent transformation of two (2) Grade II listed Georgian buildings in Guilford Street, Bloomsbury.
- 4.3 The project at Guilford Street saw the rescue of historic buildings which were listed on the Council's 'At Risk' register and converting them into high quality accommodation for students. The renovations included the provision of en-suite living quarters for 100 residents and the provision of various amenities such as building wide WIFI, laundry facilities and luggage storage centres.
- 4.4 The design and restoration project at Guilford Street included refurbishing the original façade which had suffered war damage, updating structural and mechanical infrastructure and recreating the building's period features and finishes. The applicant worked closely with the Council's preservation officer to bring new life into a building which was on the verge of collapse.
- 4.5 The project was successfully completed and is noted under planning application numbers 2010/0885/P; 2010/0910/L.

5. Current Ownership's Acquisition & Marketing Initiatives

- 5.1 Searchgrade Limited (a subsidiary of Pearl & Coutts) acquired the Property in October 2006 with the intention of increasing the Property's value by utilising their extensive expertise in property management and office letting. With an in house team of leasing and management practitioners Pearl & Coutts initiated numerous marketing campaigns to attract quality tenants to the Property as they have done successfully for multiple assets in their portfolio. Pearl & Coutts immediately began advertising for the Property across multiple media including the listing of the Property on company and multiple related agency websites, monthly mass email campaigns to over 10,000 prospective tenants and thousands of print advertising leaflets via multiple "mailshot" campaigns to potential target occupiers. For example, the Property has been consistently advertised on the following high traffic search websites since 2006:
- www.primelocation.com
 - www.estatesgazette.com
 - www.globrix.com
 - www.gumtree.com
 - www.pearl-coutts.co.uk
 - www.richardsusskind.com
 - www.galepriggen.com
 - www.facebook.com
- 5.2 The Pearl & Coutts in-house leasing team failed to generate sufficient interest in attracting long-term, market rate tenants in 2010 and so the current owners contracted the external services of a third party agency, Richard Susskind & Co, a leading local real estate firm specialising in office letting throughout the Bloomsbury and Camden areas. This instruction was intended to boost enquiries and attract quality tenants to the Property but after six months this still failed to generate any new lettings. Similarly, local firm Gale Priggen & Co., who specialise in central London office lettings were contracted to market and lease the Property but failed to produce any new lettings. See attached letters confirming the unsuccessful endeavour.

5.3 Multiple reasons exist as to why both firms were unsuccessful in securing new tenants and these reasons include but are not limited to the following:

- 5.3.1 The building does not lend itself to the typical modern office occupiers due to the fact its floor plates are highly fragmented into front and rear portions and does not allow for office workers to freely communicate or work together.
- 5.3.2 The configuration/layout of the offices is fragmented and cellular due to the structural walls and limitations on the available open space and limits the usable internal areas
- 5.3.3 The ground and first floors are very dark and have always been very difficult to let.
- 5.3.4 The building is not in a core office location and there is no steady demand from business tenants.
- 5.3.5 Competition from superior office space closer to Holborn Underground station makes this property distinctly secondary in terms of location.
- 5.3.6 Access to the office portion of the Property is extremely poor. The office entry is very narrow and dark and does not provide the substantial presence many office tenants look for when compared with competing properties. The lift, while upgraded, is of small size and does not allow tenants or guests to move freely
- 5.3.7 The majority of surrounding properties are either residential, educational or hotels and the demographic of the foot traffic passing the Property is of a tourist and student nature or not considered sufficiently professional or business-like.
- 5.3.8 With the volume of footfall in front of the building entrance, many office tenants complained that the visibility and attractiveness of the access was compromised and unattractive.

6. Rationale for sale

- 6.1 High turnover, constant vacancy and limited interest from new, quality, market rate paying office tenants have been a constant feature since Searchgrade Limited acquired the Property in 2006. The present situation has put the current owner in a financially unviable position as they have been unable to stabilise the Property's financial performance. This was not the expectation when it was acquired in 2006 and the current owner has extensive experience in this sector.
- 6.2 As office tenants have become more sophisticated and demanding; the physical restrictions of the Property means it is not competitive in today's market and as a result, demand for office space within the Property has greatly diminished. The current owners have been forced to provide large incentives in structuring very small, short term deals at well below market rents to tenants with little or no financial covenant. Until last year, no new letting deals had been done since 2007 and in an attempt to avoid bank foreclosure of the Property, two short term deals (less than 12 months) were completed in late 2011 at rates 34% below the current building average (a figure which is already well below market). Even if sufficient demand existed at these below market rates, which is not the case, it would not be financially viable to complete any further transactions at these rates. Additional recent interaction between existing tenants and occupiers is summarised below:

Tenant	Unit location(s)	Floor	Area (m ²)	Start date	End Date	% of Component area	Notes
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Office Component							
Vacant	Various	Various	656	-	-	31%	
Drew Marine Intermediate II BV	Suite A	6	92	19/09/2006	Apr-12	4%	Tenant does not want to renew / was month to month
Thames Education Ltd	Suite A	6	69.7	28/04/2006	Term completed / Month by Month	3%	Tenant does not want to renew, stayed on a month by month lease at substantial reduced below market rate until relocates

The Educational Recording Agency	Suite B	5	149.9	9/5/2007	Lease Break	7%	Tenant has given notice to break lease this year
Premier IT	Basement & Suites A, B, C	Basement, 2 and 4	609.6	24/06/2003	vacating as of June 2012	29%	Largest building tenant has given notice that they will not be re-newing lease that they have already contracted new space to move to. Tenant has requested to leave lease early
Cleveland Travel	Suite B	3	180.7	19/11/2007	vacating as of May 2012	9%	have acquired new accommodation that is client friendly and open plan for staff
EMC – Energy Market Consultants	Suite A	3	168	29/11/2007	Nov-12	8%	Tenant does not want to renew, desires open floor plan
SAM Learning	Suite A	5	163.5	12/5/2011	Dec-12	8%	Below market rate, tenant plans on exercising 12/12 break option, planned coordinated effort with adjoin school that has not worked out
Total Office			2089.4				

Retail Component (Proposed to remain unchanged)							
Pizza Hut (UK) Ltd	Ground Basement	Units A & B	645.1	25/12/1988	2013	59%	Pizza Hut sublets to adjoin retail and renewal planned
City Langoustine Ltd	Ground Basement	Unit C	376.9	6/5/2004	2019	35%	
Clockwork Retail Ltd	Ground	Unit D	64.6	25/12/2004	2019	6%	
Total Retail			1086.6				

- 6.2.1 The largest tenant in the building, Premier IT, representing 29% of the office area have contracted elsewhere and alerted ownership they will be vacating the Property as their leases come to an end. Discussions have already taken place regarding an early exit. A substandard location and the building's layout were the principle reasons given regarding Premier its decision to relocate.
- 6.2.2 With the departure of Premier IT the office area within the building will be more than 60% vacant.
- 6.2.3 Kelly Services vacated their space on the first floor of the Property in 2011 and despite various efforts the current owners have been unable to let the space since.
- 6.2.4 The Secretary of State occupied a small suite on the second floor and vacated last year. Similarly, the owners have been unable to procure a tenant for this space.
- 6.2.5 The Educational Recording Agency served notice to exercise their lease termination break citing a need for 'more modern office space closer to the tube station'.
- 6.2.6 Drew Marine, a tenant on the sixth floor, currently party to a hold over tenancy had been approached for an extension; however they could only be persuaded to renew their lease at a rent below ERV and only on a month-to-month basis.
- 6.2.7 Cleveland Travel will vacate the Property in May 2012 as they have acquired space that is 'client friendly and open plan for staff'.
- 6.2.8 The balance of the tenants have given notice that they have or will be exercising their break clauses under their leases.
- 6.3 The office component has been and continues not to be a viable use. The previous owner (prior to 2006) was unsuccessful in letting the offices. The current owner is an expert in office properties with more than 100 buildings in the UK and has unsuccessfully tried for more than six years to create a viable office use.

- 6.4 For all of these reasons in late September 2011 Searchgrade Limited contracted the services of Allsop, a leading property consultancy firm, to conduct tours and commence an open market bidding process for potential purchasers of the Property. For more information on the sale process please see paragraph 7 below.

7. Sales Process by Allsop and Final Determination

- 7.1 In total, 42 separate parties toured and inspected the Property during the Allsop marketing process. Potential purchasers included real estate organisations from a wide spectrum of expertise including residential developers, hoteliers, office property companies, student housing developers and general real estate funds. Some of the more interested parties had conducted numerous inspections and sent architects, engineers and other specialists to the Property to conduct further analysis utilised in evaluation.
- 7.2 A call for written offers was issued to all 42 parties who inspected the Property and ten written offers were received, none of which proposed continuing the office use. Only one verbal offer came from a party interested in continuing operating the Property as offices. However, the offer's value was minimal in comparison with the other offers received and was subject to finding funding from a lender.
- 7.3 The offering parties included substantial real estate companies experienced in London residential, student housing and hotel development. As demonstrated by the vast majority of these offers the market clearly considers this property is ideally suited for an alternative use. As evidenced by recent activity in the surrounding area the market has increased demand for residential type uses including student housing and hotel operations which are more complimentary to the character of the area.
- 7.4 As the open bid process clearly shows, the Property continues to fail to attract viable office space users or command market rate rents required for office operation and a comprehensive redevelopment of the Property was envisioned by all substantiated bidders.

8. Proposed Intended User

- 8.1 It is intended to change the use of the property from office use to use as student accommodation which will be a sustainable use that meets a recognised need within the borough of Camden.
- 8.2 The applicant seeks permission to regenerate the Property for use as student accommodation with ancillary uses. The applicant wishes to use the Property as accommodation for students attending CATS College London which is part of the Cambridge Education Group (CEG).
- 8.3 CATS College London is located at 43-45 Bloomsbury Square, London WC1A 2RA and has as neighbours some of the world's greatest centres of education, art, fashion and finance. CEG is celebrating 60 years of operations dating back to 1952 and it became the first private provider of university foundation courses in the UK in 1985. It should be noted that CEG and its institutions are not language schools or tutorial colleges but offer further and higher education courses taught by members of faculty. CATS College's academic programmes are intended to prepare students to study at the UK's leading Universities.
- 8.4 CEG's university partners include the University of Cambridge, Lancaster University, the University of York, Coventry University, the University of Sunderland, the University of London (Birkbeck, Goldsmiths, Queen Mary, Royal Holloway and Royal Veterinary), the London School of Economics, the University of the Arts London, Kingston University London and Imperial College. CEG College students receive shared access to services at university facilities, clubs, sports centre, gyms and societies while taking part in the CATS programme.
- 8.5 The aim of CATS Colleges is to provide high quality education and to encourage all students to realise their potential while fostering independence and building maturity.
- 8.6 CEG currently has accommodation in the Camden area; however they share some of this space with older, university age students. CATS has deemed this accommodation to be unacceptable in the long term as CATS students are younger, range from 16 to 19 years of age and a potential for conflicting or competing interests with the older students exists. To ensure safety and appropriate supervision of its students, the CATS programme requires

exclusive accommodation for its students separate from the University level students. CAT's supervision will then be exclusively to their students.

- 8.7 All CAT's Students are required to sign an admission contract as they enter the College containing a promise to maintain the highest standards of behaviour, performance and participation in the programme for both academia as well as accommodation. (Copies are attached)
- 8.8 CEG take great pride in stating that their approach to teaching and learning has been called 'exemplary' by recent government inspectors.

9. Proposed Use

- 9.1 CEG and CATS College London are not only concerned with the excellence of their academic programmes, but they are also committed to providing first class accommodation which is safe, affordable, age appropriate and located near their academic centre.
- 9.2 CAT College London has approximately 250 students per academic year in attendance at its teaching campus in Bloomsbury, Camden. CATS College has agreed to a long-term, multi-year lease of the Property in order to allow it to provide safe and proper housing for its students. The development will provide long-term relief to some of the existing pressure on student housing and shared accommodation used by students in Camden.
- 9.3 The applicant is content for any planning permission/change of use granted for the use as student accommodation to be exclusive to the proposed tenant, CATS College London.
- 9.4 The proposed use would therefore be directly connected with an established higher education institution based in Camden and solely for those students in attendance at the CATS College.

10. Local Economic Employment Benefit

- 10.1 The employment opportunities that will be derived from the development will include a full time building management teams, building facilities teams and housekeeping team. In addition to a competitive wage, subsidised housing will be provided to both the live-in full time buildings manager. The total employment within Southampton area associated with CAT's is 17 full time and part time positions. These new employment opportunities are in addition to the approximately 70 full and part time positions that CATS already provides directly in the academic centre.
- 10.2 The retail units on the ground floor and basement will be unaffected by the development and it is expected that the tenants will remain in situ and continue to provide economic and employment benefits at a minimum of the same level and potentially increased with added demand from the new occupation.
- 10.3 The reconstruction and refurbishment of the Property will also provide a substantial number of local jobs and building materials that will be purchased from local suppliers.

11. Proposed Accommodation Specifics

- 11.1 The proposed accommodation will provide 27 high quality self-contained flats each with kitchens, en-suite bathrooms and common space. The Property will have additional common rooms for student group study. The Property will have state of the art fire suppression (sprinkler) systems and fire alarm systems, multiple means of egress, highly energy efficient heating and lighting systems, solar panels for hot water, on site laundry facilities and IT facilities that link directly to the CEG's academic network.
- 11.2 Provision is also made for bicycle storage, an on-site managed waste and recycling programme and a 24 hour, seven day a week security reception presence. The building will meet BREEAM level 3 standards and exceed the minimum requirements for reduction in on-site carbon production.
- 11.3 The Property will be a completely car free development and students will be informed of this and will not be permitted to keep private motor vehicles at any time. The Property is well served by local transport with several bus routes and six underground stations within 900 metres; the nearest being Russell Square which is approximately 200 metres away.

- 11.4 The applicant notes the existence of the Camden Local Procurement Code and agrees to abide by it wherever possible. The applicant understands the importance of maximising the opportunities available to local businesses in Camden from property development and the applicant is looking forward to working in partnership with the Camden Labour Market and Economy Service to fulfil the objectives of the code.
- 11.5 The applicant has provided with this application the outline of the rules that CEG uses within its student accommodations and the applicant will draw up a Student Management Plan in cooperation with the intended user of the Property, being a plan setting out a package of measures to be adopted in the management of the student accommodation. The plan includes the following:
 - 11.5.1 incorporate elements of the *Code of Practice of the Management of Student Housing: The Universities UK Code of Practice of University Managed Student Accommodation*;
 - 11.5.2 mechanisms to ensure the occupation of the student accommodation is for a period of no less than one semester with provision for evidencing compliance with this requirement to the Council's reasonable satisfaction; and
 - 11.5.3 provision of a designation community contact in order that any issues affecting local residents or businesses can be dealt with in an efficient manner and creating a tangible point of reference if local residents or business wish to raise any issues.

12. Planning Policy Review

- 12.1 The local development plan documents relevant to the area within which the Property is located are reviewed below. They set out the key policies which support the proposed use of the Property as student accommodation.
- 12.2 Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires planning decisions to be made in accordance with the development plan unless material considerations indicate otherwise.

The London Plan 2011 – Spatial Development Strategy for Greater London

- 12.3 Policy 3.8B (*Housing Choice*) states that boroughs should take steps to identify the full range of housing needs likely to arise within their area and policies should seek to ensure that new developments offer a range of housing choices. In particular housing should offer a mix of housing sizes and types, taking account of the housing requirements for different groups, such as students, older people, families with children and people willing to share accommodation.
- 12.4 The Policy also states that the provision of purpose-built student housing should be addressed through the close cooperation with higher and further education stakeholders and the Council without compromising capacity for conventional homes. Furthermore, new provision of student housing may also tend to reduce pressure on other elements of the housing stock currently occupied by students, especially in the private rented sector. This policy clearly supports the requirement for new/further housing for students and the proposal does not compromise conventional housing opportunities.
- 12.5 Paragraph 3.107 (*Higher and Further Education*) notes the importance of higher education for Londoners and the future of the economy. It also states that the Mayor will and boroughs should work with the LDA and the higher education institutions to ensure that the needs of the education sectors are addressed in development plan documents. This will include "supporting the provision of student accommodation" and taking into account how this may contribute to the wider objectives of the London Plan.

Local Development Framework

- 12.6 The Local Development Framework sets out the planning strategy for Camden for managing growth and development from 2010 to 2025 and it replaced the Unitary Development Plan in November 2010. The LDF comprises the Core Strategy and the Development Policies which are considered in turn below.

Core Strategy

- 12.7 Core Strategy policy CS6 indicates that the Council seeks to maximise the supply of homes and minimise their loss, with housing regarded as the priority land-use for Camden. The strategy also states that Camden has the largest proportion of students in London.

- 12.8 Policy CS6 (*Providing Quality Homes*) at paragraph 6.5 states that policy CS6 relates to a number of different forms of housing which are suitable for different individuals and households, including hostels where shared accommodation is managed for a particular group of people (e.g. students) and occupiers that may stay for several months (also outside any planning use class). This policy states that the council will aim to make full use of Camden's capacity for housing by supporting the supply of additional student housing, bedsits and other housing with shared facilities, providing this does not prejudice the supply of additional self-contained homes. The proposals for the redevelopment of the properties are therefore aligned with this policy as the proposal will remove pressure from current housing stock in Camden.
- 12.9 Paragraph 6.10 states that between 2010 and 2025, the Council anticipates that student housing will make up most of Camden's supply of homes that are not self-contained. Again the proposals therefore support this requirement for student provision.
- 12.10 Paragraph 6.26 states that one of the objectives of the Government Strategic Housing Policy is to create mixed and inclusive communities. The Council aims to achieve mixed communities by seeking a range of housing types suitable for households and individuals with different needs, including homes for young adults and students in higher education. The proposals therefore support this requirement for student accommodation.
- 12.11 Paragraphs 6.46 to 6.50 deal with young adults and students in higher education. These paragraphs state that there is a significant number of students in Camden and that most of the projected demand for non-self-contained homes (1500 homes between 2010 and 2025) will be met by developments involving designated student accommodation. These paragraphs state that the projected growth of student numbers would place a severe strain on the stock of private rented housing and that as a result designated student accommodation is required. As the population proposed to use this facility already exist in the Camden rental market, the proposals do not introduce additional students but rather make a significant commitment to dealing with a current housing need. This policy therefore supports the proposal.
- 12.12 Paragraph 6.50 states that Camden's 15-year housing trajectory indicates that there is sufficient housing land to enable Camden to exceed the target for self-contained housing. There is a high demand for student housing and for development sites. However, there is a concern that the provision of student housing and other housing with bedsit rooms and shared facilities could prejudice the availability of sites to meet other housing needs. Nevertheless, the Council are committed to managing the development of sites for these forms of housing to ensure that they do not prevent them from meeting those other housing needs. This proposal accords with this policy in that the site has been used previously as a residential boarding house and the proposed conversion to student accommodation is a return to a similar housing use.

Development Policies

- 12.13 The following policies are of particular relevance to the proposed change of use for the Property:
- 12.14 Policy DP2 (*Making full use of Camden's capacity for housing*) is concerned with protecting existing housing in the borough while ensuring targets for new homes are met. The policy also seeks to secure mixed accommodation with a broad range of sizes and types to meet the needs of different groups and households. Whilst DP2 is not specifically concerned with student housing, it is still relevant and should be considered. For example, DP3 (Contributing to the supply of affordable housing) does not apply to student housing but it states at 3.3 that "proposals for student housing will be assessed having regard to policies DP2 and DP9".
- 12.15 Policy DP9 (*Student Housing, Bedsits and Other Housing with Shared Facilities*).
Paragraph 9.5 states the growth Camden anticipates in student numbers could place severe strain on the stock of private rented housing and so the Council supports the development of student housing in some circumstances. The development of new student housing will only be permitted where it does not prevent development to meet Camden's other housing needs.
- 12.16 The policy states that the Council will support development of housing with shared facilities and student housing provided that the development:
- Will not involve the loss of permanent self-contained homes;

- Will not prejudice the supply of land for self-contained homes, or the Council's ability to meet the annual target of 437 additional self-contained homes per year;
- Does not involve the loss of sites or parts of sites considered suitable for affordable housing or housing for older people or for vulnerable people, particularly sites identified for such provision in our Camden site allocations local development framework document;
- Complies with any relevant standards for houses in multiple occupation;
- Will be accessible to public transport, workplaces, shops, services and community facilities; and
- Contributes to creating a mixed and inclusive community".

12.17 It also provides that student housing development should:

- Serve higher education institutions based in Camden or adjoining boroughs;
- Be located where it is accessible to the institutions it will serve; and
- Include a range of accommodation layouts including accommodation with shared facilities.

12.18 This application therefore is supported by policy for the provision of student housing and the proposals comply with the detail of this policy.

12.18.1 CAT's is a well established higher education based in Camden.

12.18.2 CAT's academic centre is within walking distance of 150 Southampton Row

12.18.3 The proposed accommodation is a range of options that are safe, comply with HMO and fits well within the building.

12.19 Paragraph 9.7 states that, in accordance with the Housing Act 2004, the Council has agreed minimum standards for houses in multiple occupation which apply to student accommodation and any development which does not meet these standards will be resisted. The proposal meets and exceeds these minimum standards for HMO.

12.20 Policy DP13 (Employment premises and site) is concerned with maintaining and developing Camden's economy by ensuring there is a sufficient range of sites and premises in the borough to suit the needs of businesses. DP13 states that the Council is therefore keen to retain land and buildings suitable for business use and will resist change unless:

12.20.1 It can be demonstrated to the Council's satisfaction that a site or building is no longer suitable for its existing business use; and

12.20.2 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 or more than 6 years.

12.21 Furthermore, where a change of use is permitted, the Council will seek to retain an element of business use on site. The Council will consider redevelopment proposals for mixed use schemes provided that:

12.21.1 the level of employment floor space is maintained or increased;

12.21.2 they include other priority uses, such as housing and affordable housing;

12.21.3 premises suitable for new, small or medium enterprises are provided;

12.21.4 floor space suitable for either light industrial, industry or warehousing uses is re-provided where the site has been used for these uses or for offices in premises that are suitable for other business uses;

12.21.5 the proposed non-employment uses will not prejudice continued industrial use in the surrounding area.

12.22 Finally in relation to DP13 paragraph 13.5 states:

"In addition to the considerations above, where a change of use to a non-business use is proposed, the applicant must demonstrate to the Council's satisfaction that there is no realistic prospect of demand to use the site for an employment use. The applicant must submit evidence of a thorough marketing exercise, sustained over at least two years. The property should be marketed at realistic prices, include a consideration of alternative business uses and layouts and marketing strategies, including management of the space by specialist third party providers."

12.23 For the reasons given above (and at paragraphs 6, 7 and 8) which outline the failure to attract office tenants to the Property it is clear that the continued use of the building as

offices is not sustainable. The current owner has attempted to find tenants since purchasing the property in 2006 to no avail and over a third of the Property stands empty currently and more than 60% will be vacant within the next 30 to 60 days. Furthermore, existing tenants have either indicated their intention to leave, not to renew their lease or they are already on a month-to-month lease. There would therefore seem to be no appetite in the market for the continued use of the Property as offices. The building will retain the retail/restaurant businesses and employment at ground level as an active street scape and positive impact on the economy. The new use will continue economic activity by a substantial employment in the accommodation space as well as supporting a well established Camden employer with a substantial employment at the academic centre.

- 12.24 The application of this policy to the Property therefore supports the provision of student housing and the proposals comply with the detail of this policy.
- 12.25 Policy DP16 (*The Transport Implications of a Development*) the Council wish to seek to ensure that any development is properly integrated with the public transport network and is supported by adequate walking, cycling and public transport links. The proposals accord with this policy because there is no car parking to be provided nor required, and the Property is located in an area with adequate walking, cycling and public transport links already in existence. Students will walk to and from the academic building and use public transport for any other need.
- 12.26 Policy DP31 (*Provision of, and improvements to, open space and outdoor sport and recreation facilities*) at paragraph 31.6 states that all developments that increase demand for public open space facilities will be expected to make an appropriate contribution to meeting additional demand. Schemes considered to increase the demand for public open space include student housing creating ten or more units/rooms or occupiers. Whilst the proposal exceeds this, the demand is an actual existing demand as these students already reside in the Camden community currently.
- 12.27 The applicant will, if requested by Council, provide financial support for improvements to planned outdoor sport and recreational facilities through a Section 106 agreement.

National Policy Guidance

- 12.28 In addition to the local development plan, there is also national planning policy in place which requires to be considered.
- 12.29 Planning Policy Statement 3 – Housing
- 12.30 PPS 3 states that a strategic housing market assessment should consider the future demographic trend and identify the accommodation requirements for specific groups such as students.
- 12.31 The strategic housing market assessment relevant to the Camden area, the *Housing Needs Survey Update 2008*, found that there is a significant requirement for student accommodation and that the future holds further growth for the number of students in the area. A more recent report on student housing in Camden, the *Student Housing Report 2009*, found continued growth in higher education students enrolled at Camden based HEIs between 2004 and 2009 (16% year on year), with a more sustained increase observed if considering full time higher education students alone (20%). Any growth in student rolls is likely to add to the demand for student housing.
- 12.32 Whilst the recent increases to tuition fees charged by British universities may lead to a short term decrease in the number of applicants to university, the full impact of the change on demand for student housing is most likely going to be unchanged. The HEIs survey offered some qualitative insight on the perceived adequacy of the current availability of purpose built accommodation to Camden's students. Several schools, including the School of Pharmacy and the Central School of Speech and Drama suggest that student accommodation available at each university is grossly inadequate to meet the demand and hinders their ability to provide quality education. .
- 12.33 The proposal to convert the Property from office accommodation in decline to purpose-built student accommodation is therefore in accordance with PPS 3.
- 12.34 There is a policy presumption for the retention of the building for continued employment use unless there are cogent reasons to depart from the policy. While the applicant firmly believes the proposed change of use to student accommodation complies with the

applicable planning policies, should the council disagree, the applicant suggests the following reasons in favour of such a departure:

- 12.34.1 Unsuitability of the building for continued employment use;
- 12.34.2 Availability of alternative office accommodation elsewhere; and
- 12.34.3 Planning benefits that the provision of student accommodation would bring.

13. Conclusion

- 13.1 The proposed development accords with the applicable planning policies identified above. There are many benefits to the change of use and refurbishment of the Property and those extend to the student population and the local community. The scheme will also assist the Council's housing targets and the sustainable development of Camden.
- 13.2 **The applicant wishes to express its willingness to enter into a section 106 Agreement in order to mitigate any perceived impacts of this development.**