

PLANNING STATEMENT

IN RESPECT OF

CHANGE OF USE OF GROUND FLOOR RETAIL UNIT TO BETTING SHOP

AT

64 KILBURN HIGH ROAD, LONDON, NW6 4HJ

MARCH 2015

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1.0 INTRODUCTION

- 1.1 This statement is submitted in support of a planning application for the change of use of the ground floor A1 retail unit at 64 Kilburn High Road to a betting shop.
- 1.2 The unit, became vacant in November 2013 following the closure of Barratts, the shoe shop, on the 27 December 2013. The unit has been actively marketed for a permanent A1 retailer since January 2014, however, during that time there has been little interest and no firm offers from A1 retailers wishing to permanently occupy the premises. A temporary retailer has been operating from the unit since approximately autumn 2014, but is not paying any rent and there is no formal contract in place. The temporary operator is essentially a squatter. The landlord is keen to secure a permanent occupier as soon as possible and given that there has been no firm interest from A1 operators, they are now considering other operators.
- 1.3 Paddy Power is an international betting and gaming group which was founded in Ireland in 1998 with the aim of making betting an entertaining, fun and fair experience. Paddy Power is one of the newest bookmakers in the UK and has a small number of shops compared to other bookmakers. They are therefore keen to increase their market share and invest in Kilburn at this specific location on a permanent basis.
- 1.4 Paddy Power aims to be a responsible operator in all the areas it operates in, and is committed to investing time to train staff and work closely with neighbours and community representatives.
- 1.5 This statement provides a site description and brief overview of planning history; outlines the proposals; and assesses the proposals against the relevant planning policy context and other material considerations.

2.0 SITE DESCRIPTION AND PLANNING HISTORY

Site Description

- 2.1 The application site comprises the ground floor A1 retail unit of a four storey building at No. 64 Kilburn High Road. The last permanent operator was Barratts Shoes who moved out of the premises in 27 December 2013. Since approximately autumn 2014, the unit has been occupied by a temporary A1 operator, who is not paying any rent. The upper floors are ancillary to the ground floor retail space.
- 2.2 The site is located on the eastern side of Kilburn High Road, on the Camden side of Kilburn Town Centre and is within Camden's designated Core Frontage. Surrounding units are predominantly in A1 use, and the unit sits between Boots Pharmacy (A1 use) and M&S Simply Food (A1 use).
- 2.3 The building itself is neither statutorily listed nor locally listed, and is not within a conservation area.
- 2.4 A service area is located to the rear of the unit, accessed via Kilburn Place to the east.

Relevant Planning History

- 2.5 Application reference **23186** for 'the change of use of the ground floor to offices for a building society' was refused on 10 August 1976. The reasons for refusal were "1. It is considered that the introduction of a non-retail use in this location would have an adverse effect on the quality and character of the shopping parade" and "2. the proposed use for building society office purposes does not conform with the provisions of the Initial Development Plan in which the area is zoned for shopping purposes".

3.0 PLANNING POLICY CONTEXT AND PLANNING ASSESSMENT

3.1 The application proposals are required to be assessed against London Borough of Camden Council's adopted Core Strategy (2010) and Development Management Policies (2010). These documents are supported by the Camden Policy Guidance (CPG) documents, of which there are 8 covering various subjects. The proposals are also required to be assessed against the London Plan (March 2015) and National Planning Policy Framework (2012). The Council's emerging plan is in the very early stages of preparation and can therefore cannot be given any weight in the consideration of the application. A summary of the relevant policies are contained at **Appendix 1**.

Town Centre Uses

3.2 Policy CS7 (Promoting Camden's centres and shops) of the Core Strategy encourages a range of shops and services, food, drink and entertainment and other suitable uses to provide variety, vibrancy and choice. The policy also states that new development should be of an appropriate scale and character within its context.

3.3 The betting shop is considered to be entirely compatible with the role and function of the centre and will clearly help to contribute to the objective of Policy CS7 in that it will create diversity, choice and competition within this part of the town centre.

3.4 This policy is supported by Policy DP12 of the Development Management Policies. The policy aims to ensure that town centre uses do not 'cause harm to the character, function, vitality and viability of a centre, the local area or the amenity of neighbours'. The Council will consider proposals against the following criteria:

- a) the effect of non-retail development on shopping provision and the character of the centre in which it is located;
- b) the cumulative impact of food, drink and entertainment uses taking into account the number and distribution of existing uses and non-implemented planning permissions, and any record of harm caused by such uses;
- c) the impact of the development on nearby residential uses and amenity, and any prejudice to future residential development;
- d) parking, stopping and servicing and the effect of the development on ease of movement on the footpath;

- e) noise and vibration generated either inside or outside of the site;
 - f) fumes likely to be generated and the potential for effective and unobtrusive ventilation;
 - g) the potential for crime and anti-social behaviour, including littering.
- 3.5 The overriding objective of the policy is to ensure that town centre uses do not harm the character and function and the vitality and viability of a centre, nor the amenity of residents. The unit has failed to secure a permanent A1 retail operator despite 16 months of active marketing (by Savills from January 2014 and then by Nashbond since September 2014). The unit was also marketed by the Administrator as part of a grouping after the closure of Barratts however no interest was shown in the unit. Whilst an A1 retailer has been operating from the unit since autumn 2014, this is on a temporary, informal basis and no rent is being paid, nor has the occupier put any investment in the unit.
- 3.6 In comparison, Paddy Power, an established national brand, are keen to take the unit on a permanent basis and invest a significant amount of money in the unit (circa. £250,000). Six new jobs will also be created that will be available to local people. This will include a full time manager position, a full time assistant manager position, a senior cashier position and 3 part time cashier positions. The application proposals will therefore improve the economic resilience of the unit and this part of the centre and help to ensure that the unit maintains its viability. Further information on how Paddy Power units contribute positively to the vitality and viability of a centre including, high footfall, linked trips and active shopfronts is provided later in this section.
- 3.7 Criteria A covers the effect of non-retail development on shopping provision and the character of the centre. As discussed above, the proposed change of use will allow the unit to be brought back into permanent active use, allowing Paddy Power to invest in shop fit out and shopfront improvements, ensuring that the external appearance of the building will be maintained in a good condition. This is not something temporary operators are able to do. The majority of units are within A1 use and the change of use of an A1 retail unit, not used to its full potential, to a betting shop would not have a negative effect on the centre nor weaken the shopping provision.
- 3.8 Criteria B, C, D, E and F are not deemed to be relevant to the proposals for a change of use. The use as a betting shop would not fall under food, drink or entertainment

set out in Criteria B. As a unit within a mixed town centre of retail, restaurants and pubs, the hours that the use would operate would be wholly acceptable for the location and would not negatively impact upon amenity, residential use or future residential development, therefore satisfying Criteria C.

- 3.9 The use would not encourage travel by car and it would be expected that the majority of customers would travel by public transport or by foot. Indeed, the recent exit surveys undertaken by Paddy Power in September 2014 (attached at **Appendix 2**) show that the majority of Paddy Power customers either walk or use the bus when visiting a Paddy Power shop. The rear of the site would be used for servicing, satisfying the needs of Criteria D. Noise, vibration and fumes constitute the considerations within Criteria E and F and are not relevant to the use of the unit as a betting shop.
- 3.10 Paragraphs 12.15 and 12.16 of the supporting text cover 'other town centre uses' and focuses on those uses that do not fall within the A1, A2, A3, A4, A5, B1a, D1 or D2 Use Classes. The text states that "while centres are generally the most appropriate location for these uses, the Council will carefully consider their potential impact when assessing planning applications to make sure that they do not harm the centre or the amenity of neighbours. Paragraph 12.16 associates crime and anti-social behaviour ("community safety and fear of crime") with betting shops. It is stated that this is likely to be a particular issue where there are concentrations of such uses. As discussed in more detail below, it is not considered that there is an existing concentration of betting shops within this part of the centre, nor would a betting shop at No. 64 Kilburn High Road result in a concentration of betting shops. In any event, Paddy Power are an experienced and responsible operator. The proposals would not, therefore, lead to an increase in the fear of crime or crime, itself, within the centre, nor would they have any harmful impact on the amenities of neighbours. The proposals therefore comply with Criteria G of the policy.

Change of use from A1 to non-A1 use in the Core Frontage

- 3.11 In order to protect the retail function of Kilburn High Road, the Camden Planning Guidance 5 (CPG5) sets a percentage threshold for non-retail units within the Core and Secondary Frontages. The policy states that the Council will generally resist proposals that would result in less than 75% of the premises in Core Frontages being in retail use. This guidance will be applied having regard to the existing character of Kilburn High Road and individual frontages. Further, the Council will

generally resist proposals that would result in more than two consecutive premises within the Core Frontages being in non-retail use.

Threshold Percentage

3.12 A survey was undertaken on 04 March 2015 to assess the current percentage of A1 units and the effect that a change of use would have on the centre. The results show that the current percentage within the entire Core Frontage stands at 80% and a change of use of the application site would result in an overall figure of 78% of units within A1. Table 1 shows the difference between the current percentage and the percentages after a change of use.

Without COU	TOTAL UNITS	A1	A2	A3	A4	OTHER
	64	51	6	0	1	6
		80%	9%	0%	2%	9%
WITH COU	TOTAL UNITS	A1	A2	A3	A4	OTHER
	64	50	6	0	1	7
		78%	9%	0%	2%	11%

Table 1: A1 percentages of the core frontage with and without change of use of the site

3.13 The figures clearly demonstrate that should a change of use of the unit be granted, the percentage of A1 units would remain above 75% and so the retail provision that Council seeks within the Core Frontage would be maintained at an acceptable level.

3.14 The individual frontage within which the application site falls contains 10 units. 8 are within A1 use and 2 are within A2 use. Currently the percentage of A1 use is 80%. The proposed change of use would reduce this percentage to 70%. This is highlighted in Table 2.

Without COU	TOTAL UNITS	A1	A2	A3	A4	OTHER
	10	8	2	0	0	0
		80%	20%	0%	0%	0%
WITH COU	TOTAL UNITS	A1	A2	A3	A4	OTHER
	10	7	2	0	0	1
		70%	20%	0%	0%	10%

Table 2: A1 percentages of the individual frontage with and without change of use of the site

- 3.15 Whilst the change of use would bring the percentage of A1 use to below the stipulated threshold it is important to note that there are two A2 uses within the frontage which are both banks. The Government's current position on banks and building societies is that they are akin to A1 retail units. This was demonstrated in April 2014 when the Government introduced class CA to the General Permitted Development Order which allowed the change of use from an A1 shop to a bank or building society. This clearly shows that the Government are of the view that banks make the same contribution to the high street as A1 shops. These permitted development rights are to remain permanently in place when the new General Permitted Development Order comes into force on the 15th April 2015.
- 3.16 Given the short length of the unit's frontage in comparison to surrounding units, the threshold calculation method based on the total number of units is inappropriate, as large retail units such as M&s and Primark would be assessed in the same way. Clearly, the impact on the retail function of the parade would be significantly different. The potential impact of the proposals would be more accurately assessed through a frontage length measurement method, a common calculation used by many local authorities.
- 3.17 The total frontage length of the relevant frontage is 136m. The application unit measures just 4.7m and comprises just 3.5% of the relevant frontage length. The HSBC and Nationwide units, which are the only two non-A1 units within the relevant frontage, form 15m (11%) and 10m (7.4%) respectively. This means that the relevant frontage is comprised of 18.7% non-A1 units. This would only increase to just 21.9% should the change of use be granted, with 78.1% remaining in A1 use, which is above the 75% threshold given in Policy CPG5.
- 3.18 The fact that the application site is small with a narrow frontage and that the frontage, as a whole, accommodates a number of large A1 units within wide frontages, including Primark and M&S Food, means that the proposed change of use would have no significant impact on the retail function of the frontage.
- 3.19 The above is clearly a significant material consideration in the determination of this policy and the assessment of the proposals.
- 3.20 It is therefore considered that given that there would be only a marginal increase in the proportion of non-retail frontage, this would not materially conflict with the policy which assesses compliance in general terms only. The proposals would not

diminish the retail function of the frontage to any significant degree, and therefore it accords with the overall aims of the policies and guidance.

Concentration of Non-A1 Uses

- 3.21 The proposals are compliant with the Council's policy in terms of concentration of non-A1 uses. The proposals would result in only one non-A1 unit in a row as the unit would have an A1 unit on either side (Boots and M&S Food). Table 3 highlights the closest non-A1 units to the application site.

Address	Occupier	Class
50-52	HSBC	A2
54-56	PRIMARK	A1
58	JD SPORTS	A1
60-62	BOOTS	A1
64	APPLICATION SITE	A1
66-68	M & S FOOD	A1
70-72	TRAID	A1
74	NATWEST	A2

Table 3: Closest A1 units to the application site

Loss of A1 Use and Marketing

- 3.22 Paragraph 12.7 of the supporting text to Policy DP12 states that the Council will take into account any history of vacancy in shop units and the prospect of achieving an alternative occupier for the vacant premises.
- 3.23 In addition, paragraph 2.9 of the Camden Planning Guidance 5 states that where a planning application proposes the loss of a shop in retail use, the Council will consider whether there is a realistic prospect of such use continuing. It goes on to state that the Council may require the submission of evidence to show that there is no realistic prospect of demand to use a site for continued retail use.
- 3.24 The fact that the unit has failed to secure a permanent A1 operator despite extensive and active marketing over a long period is an important material consideration in the determination of the application.
- 3.25 The unit has been marketed for permanent A1 use since January 2014 (a period of 16 months). The unit was initially advertised by Savills, and later by Nash Bond, two

reputable local commercial agents. Nash Bond continue to market the property today and a copy of their Marketing Letter is contained at **Appendix 3**. Both agents have advertised the property via advertising boards on the property and on their websites. During that time there has been little interest and no firm offers from A1 retail operators to occupy the unit on a permanent basis. After approximately 9 months, a temporary operator started to occupy the unit. They pay no rent and there is no formal contract in place. This is far from ideal and the landlord is keen to secure a permanent operator, who will pay rent.

- 3.26 It is important to note that a temporary operator is not a viable option for the unit for any length of time and so the fact that the unit is currently occupied by a temporary A1 retailer does not demonstrate that the unit is still viable for A1 use. By operating from the unit rent-free, the temporary operator is not helping to boost the local economy and as discussed, the operator is not in a position to invest in the unit which is in need of refurbishment, particularly the shopfront. The number of staff employed is also much lower than that of a permanent operator. A permanent operator is needed to pay the full market rent, invest in the unit and improve the quality of the unit and shopfront, create new jobs, and ultimately secure the long term active use of the building.
- 3.27 The proposals will seek to ensure that the application site remains in permanent active use. The proposals would also improve the appearance of the unit and the overall centre.
- 3.28 It is therefore considered that the proposals comply with Policy DP12 and the Camden Planning Guidance in this regard.

Clustering/Over-concentration of betting shops

- 3.29 It is important to note that betting shops are a special type of SG use on the basis that they have only been moved out of the A2 use class so that Councils can manage potential clustering issues rather than the fact that individually they lead to different land use impacts to other A2 uses. Betting shops will still have PD rights to change to A1 and A2 (and A3 where no bigger than 150sqm via prior approval), unlike the other Sui Generis Uses.
- 3.30 Policy 4.8 of the London Plan (2015) relates to supporting a successful and diverse retail sector and related facilities and services. Part (A) contains the strategic goal,

and states that boroughs should, support a successful, competitive and diverse retail sector which promotes sustainable access to the goods and services that Londoners need. Part (B) relates to how Local Authorities can work towards achieving this goal through their local plan preparation and in planning decisions. Criteria (g) is concerned with managing clusters of uses and states that Councils should have regard to positive and negative impacts of clusters on the objectives, policies and priorities of the London Plan taking into account a range of factors.

- 3.31 Further guidance on implementing this aspect of Policy 4.8 is provided in the Town Centres SPG (July 2014). Criteria (i) of SPG Implementation 1.2 Arts, Culture, Leisure and the Night Time Economy states that Councils are encouraged to manage over-concentrations of activities, for example betting shops, hot food takeaways and pay day loan outlets. The supporting text outlines current and potential mechanisms for managing the over-concentration of such uses. In particular, paragraph 1.2.28 states that if the concentration of a use has reached saturation levels where the negative impacts outweigh benefits, local authorities can set thresholds at this level of saturation.
- 3.32 There are no existing betting shops immediately adjacent to the application site. Currently there are no betting shops within Kilburn's Core Shopping Frontage. There is one betting shop within the Secondary Shopping Frontage. This is William Hill located 130 metres away from the application site to the south-east on the railway bridge. There is also a betting shop on the opposite side of Kilburn High Road within the Borough of Brent, but this is located 64 metres away from the application site.
- 3.33 Owing to the distances involved and the fact that Kilburn High Road is a busy road, it is not considered that an over-concentration or clustering of betting shops currently exists in this part of Kilburn Town Centre, nor would the proposals result in a cluster or over-concentration. The betting shops are spread out and only make up a very small part of the retail offer along this stretch of Kilburn High Road. It is certainly clear that the presence of a betting shop in this location would not lead to saturation levels leading to a negative impact on the centre. It is therefore considered that there is no conflict with the London Plan or the Town Centres SPG and no requirement to comply specifically with part (g) of Policy 4.8, as well as Policy DP12 and Camden's SPG on Town Centres (CPG 5).

Vitality and Viability of the Town Centre

- 3.34 Proposals should not cause harm to the vitality and viability of the town centre as a whole. It has already been demonstrated that the proposals will allow unit which is within the centre's Core Frontage to come back into permanent and active use. It has also been demonstrated that the proposals will lead to investment in the unit, its shopfront and create six new jobs. Further, it has been demonstrated that the proposals will not lead to a concentration of non-A1 units that would undermine the retail function of this part of the centre, but will create diversity, choice and competition within the centre as a whole. There are other important factors which demonstrate that the proposals will not harm the vitality and viability of the town centre as a whole and these are discussed in turn below:

High Footfall and Propensity for Linked Trips

- 3.35 The proposals will create activity along this part of Kilburn High Road as it is widely accepted that betting shops generate high visitation rates. Recent survey work undertaken in September 2014 by an independent survey company (ESA Retail) in five different centres of varying size clearly demonstrates this (see **Appendix 2**). Importantly, the results show that Paddy Power betting shops will often attract higher visitation rates than many A1 shops of a similar size. Indeed, in Liverpool, Kilburn and Ilford, Paddy Power was the busiest unit of all those monitored and by a significant margin. In Stoke Newington, the Paddy Power was the second busiest unit and in Handsworth, whilst it has the fourth highest count (Nationwide was the busiest) it had a similar footfall to Shoe Zone. The results also demonstrate that many A1 retailers which are strongly protected by Local Planning Authorities in their Primary Shopping Areas often generate very low levels of footfall compared to non-retail uses.
- 3.36 Like all the survey locations, it is acknowledged that there are existing betting shops within Kilburn town centre and that a proportion of the footfall generated by the new Paddy Power betting shop at the application site will be drawn from the existing betting shops. Nevertheless, the proposed new betting shop is likely to attract some new footfall.
- 3.37 The 2014 survey work also included exit interviews at the Paddy Power betting shops in each of the locations. The results (contained at **Appendix 2**) showed that in three locations (Handsworth, Ilford and Stoke Newington), visiting Paddy Power

was the main purpose for visiting the parade/centre. Looking at all locations together, nearly two thirds of customers would not have visited the shopping parade/centre at this time if Paddy Power (or another betting shop) were not located there. In Kilburn and Stoke Newington, 23 and 39% respectively did not bet in another betting shop prior to the Paddy Power shop opening, demonstrating that Paddy Power has helped to bring additional footfall to these shopping areas.

- 3.38 The proposals will therefore ensure that the busy pedestrian flows along this part of Core Frontage will be maintained.
- 3.39 The vast majority of Paddy Power customers in all five locations also visited other shops and services nearby (68 to 91%), and in Liverpool 43% indicated that they always visited other shops in the town when undertaking betting at Paddy Power. This clearly demonstrates that Paddy Power customers generally go on to spend elsewhere, spreading their spending to more than one shop within the centre or parade, thus enhancing the vitality and viability of the centre as a whole. Given the range of shops and services located within close proximity to the application site, a Paddy Power unit in this location will no doubt encourage linked trips within Kilburn High Road.

Active Shopfronts

- 3.40 It is widely accepted that betting shops and Paddy Power shops in particular will provide an active shopfront which is appropriate in Core Shopping Areas. The proposed Paddy Power betting shop will provide an active shopfront with window displays comparable to A1 shops. The proposed new shopfront, which will be the subject of a separate planning application, will be of a high quality design, having regard to existing shopfronts within this part of the town centre. The proposals will therefore ensure that the retail frontage in this part of the centre is not fragmented.

Complementary Opening Hours and Evening Surveillance

- 3.41 The proposed betting shop will have opening hours similar to the town's shops during the day, but will also open into the evening providing a well-lit unit, helping to improve and encourage passive surveillance when other shops are closed earlier in the evenings. This again will help to enhance the vitality and viability of the centre and bring about social benefits for the community.

- 3.42 It has therefore been demonstrated with robust evidence that the proposed change of use of will not cause harm to the vitality and viability of the town centre as a whole. If anything, the proposals will improve the vitality and viability of the centre.
- 3.43 The proposals clearly comply with the overall aims of Policy CS7, Policy DP12 and CPG5 which seek to improve Kilburn Town Centre.
- 3.44 It has also been demonstrated that the proposals will result in economic, social and environmental benefits for the centre and local people, in accordance with the NPPF.

Design and Access

- 3.45 The proposals do not include alterations to site access.

4.0 CONCLUSION

- 4.1 This statement has demonstrated that the change of use of the ground floor unit at 64 Kilburn High Road to a betting shop is entirely acceptable.
- 4.2 It has been demonstrated that the proposals comply with both national and local policy and will bring a unit that is not being used to its full potential back into permanent use within the Core Frontage resulting in environmental, social and economic benefits to the centre. The marketing material supplied demonstrates the unsuccessful efforts to let the unit to a permanent A1 occupier.
- 4.3 The proposed Paddy Power betting shop will provide an active window display, maintain high footfall and encourage linked trips within the centre. The proposals will also create six new jobs.
- 4.4 The proposals will not lead to a concentration of non-A1 uses or betting shops within this part of the Core Frontage.
- 4.5 As such, it is respectfully requested that planning permission is granted.