

Hatton Square Business Centre, Leather Lane

Planning Statement

Workspace 14 Limited

June 2016

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1.0 Introduction

This Planning Statement has been prepared by Nathaniel Lichfield & Partners (NLP) on behalf of Workspace 14 Limited. It accompanies a planning application for the:

"Use of part of Hatton Square Business Centre as Class A3 (restaurant) use at ground and basement level replacing Use Class B1c (light industrial) and Class A1 (retail) floorspace (as approved under planning permission ref. 2013/1086/P)."

This statement sets out the key background information relevant to this application and then examines the planning policy issues and other material considerations relevant to the consideration of the application. This statement should be read in conjunction with accompanying planning drawings prepared by Karakusevic Carson Architects, as detailed in the cover letter.

Key Background Information

This section sets out information on the applicant and the development site, before describing the proposed development that is the subject of the planning application along with the relevant planning history. This will inform the planning policy assessment in Section 4 of this Statement.

The Applicant

2.0

The application is submitted on behalf of the Workspace 14 Limited (Workspace). Workspace provides commercial property to let throughout London including offices, studios, light industrial and workshop space, aiming to provide a supportive and dynamic environment that gives businesses a boost.

Application Site

- The application site comprises part of the ground and basement floors of the building located at 16 and 16A Baldwin's Gardens and 31-37 Leather Lane (the Hatton Square Business Centre).
- The site is located in the Hatton Garden area of the London Borough of Camden (LBC) and forms part of the Central London Area. It fronts onto Leather Lane Neighbourhood Centre.
- The application site lies within the Hatton Garden Conservation Area, but is not a listed building.
- The site falls wholly within flood zone 1 (i.e. land least likely to flood) and has a Public Transport Accessibility Level (PTAL) of 6b which is the highest level of accessibility.

Surrounding Area

The site is in an established built up area with a variety of commercial, office, industrial and residential uses. To the south is a four storey residential building known as Langdales (4-12 Dorrington Street) and to the north is a residential block of flats including 39-41 Leather Lane. To the west of the application site is a block of residential flats and St Albans Church, which is a Grade II* listed building.

Relevant Planning History

- 2.8 Hatton Square Business Centre is currently under development by Workspace pursuant to a number of planning permissions detailed below.
- 2.9 Planning permission was originally granted in June 2010 for the erection of infill and roof top extensions to the building to provide offices, workshops, a retail

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shop and ancillary café (Ref: 2010/0646/P). This permission was renewed in June 2013 (Ref: 2013/1086/P).

This 2013 permission is currently being implemented, following the variation of some conditions to reflect minor design changes, and the approval of details reserved by conditions. The approved planning permission for Hatton Square Business Centre includes a 311 sqm Class A1 unit at ground floor level, fronting onto Leather Lane. The remainder of the building accommodates Class B1 (office) and B1c (light industrial uses- including those specifically relating to the jewellery industry).

Proposed Development

- Workspace is seeking planning permission to enable part of the Hatton Square Business Centre to be in use as a Class A3 restaurant. It is proposed that the restaurant will be over two floors (ground and basement) and will be accessed from Leather Lane. It will provide 582 sqm floorspace in total. No external alterations to the approved scheme are proposed as part of this planning application.
- Accordingly, planning permission is sought for the of use of part of the unit as approved under planning permission ref. 2013/1086/P as Use Class A3 replacing Class B1c (at basement level) and Class A1 (at ground floor level) floorspace.
 - Table 2.1 below identifies the changes in floorspace within the current permitted scheme (Ref: 2013/1086/P) and the proposed development. No change is proposed to the amount of B1 or B1c (jewellery floorspace).

Table 2.1 Floorspace Schedule

2.13

	A1 floorspace	A3 floorspace	B1 floorspace	B1c floorspace (jewellery)	B1c (light industrial)	Total NIA
Permitted Scheme (Ref: 2013/1086/P)	311. sqm	-	3,974 sqm	1,155 sqm	499 sqm	5939 sqm
Proposed Scheme	-	582 sqm	3,974 sqm	1,155 sqm	263 sqm	5974 sqm

Workspace has not yet signed an operator for this unit, but is in discussions with high quality restaurant operators to fill this space if planning permission is granted. Workspace has incorporated similar high quality restaurants within its other developments across London which has worked successfully in creating high quality environments which complement the employment offer of the building. This includes Workspace's development, The Metal Box Factory, on Great Guildford Street in Southwark. Mark Hix has opened Hixster Bankside from this location and it is this business model that Workspace is seeking to recreate at Leather Lane.

Relevant Planning Policy

3.0

3.1

3.2

3.3

This section identifies the relevant planning policy and guidance at a national and local level relating to the proposals. The proposed development is then assessed against these policies and other material considerations in Section 4.0.

The Statutory Development Plan

In line with Section 38(6) of the Planning and Compulsory Purchase Act 2004, regard should be had to the development plan for the determination of this application. The statutory development plan for this site comprises The London Plan 2015 (LP), the LBC Core Strategy 2010-2025 (CS) and the Camden Development Policies DPD 2010-2025 (DP).

Policies of relevance to this application are considered to be:

The London Plan (2015)

- Policy 2.15-Town Centres;
- Policy 4.7- Retail and town centre development; and
- Policy 4.8- Supporting a successful and diverse retail sector.

Camden Core Strategy (2010)

- Policy CS1- Distribution of growth;
- Policy CS3- Other highly accessible areas;
- Policy CS5- Managing the impact of growth and development;
- Policy CS7- Promoting Camden's centres and shops;
- Policy CS8- Promoting a successful and inclusive Camden economy;
- Policy CS9- Achieving a successful Central London; and
- Policy CS14- Promoting high quality places and conserving our heritage.

Camden Development Policies DPD

- Policy DP12- Supporting strong centres and managing the impact of food, drink, entertainment and other town centre uses;
- Policy DP13- Employment premises and sites;
- Policy DP25- Conserving Camden's heritage; and
- Policy DP26- Managing the impact of development on occupiers and neighbours.

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Other Material Considerations

Other material considerations include guidance contained within national planning policy, local guidance and emerging policy at the local level.

National Planning Policy Framework (NPPF, March 2012)

- 3.5 The National Planning Policy Framework (NPPF) (March 2012) sets out the overarching policy priorities for the planning system, against which local plans will be prepared and decisions made on planning applications.
- Planning Policy Guidance (PPG) (March 2014-present) provides guidance on policies contained within the NPPF.

Local Guidance

3.7 Camden Planning Guidance 5 (CPG 5) is a material consideration in this application.

Emerging Planning Policy

- LBC is in the process of reviewing its main planning policies and a public consultation on the first iteration of the new Local Plan was undertaken in April 2015 with a following submission draft consultation running until 4 April 2016. Following these consultations we note that the Council is targeting submission of the Local Plan in Summer 2016 with an Examination expected in Autumn 2016.
- The NPPF (paragraph 216) makes it clear that decision-takers may give weight to relevant policies in emerging plans according to their stage of preparation (the more advanced the preparation, the greater the weight that may be given), the extent to which there are unresolved objections to relevant policies, and their degree of consistency with policies in the NPPF.
- This document has not yet been scrutinised by an independent Inspector. Whilst the emerging policies are a material consideration, limited weight can be given to the policies in the determination of this planning application. In any event, the draft retail policies contained within the consultation document build upon existing themes and policies of the statutory policy documents referred to above and therefore we do not refer to these policies in Section 4.0.

Key Issues

- From our analysis of the statutory development plan and national policy guidance we consider the key planning policy issues against which the planning application should be determined are:
 - a the principle of the A3 uses in this location, including:
 - i the loss of A1 floorspace;
 - ii the reduction in B1c floorspace.

- b the impact on residential amenity; and
- c heritage considerations.
- These issues are addressed against relevant planning policy in Section 4.0 of this Statement.

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Planning Policy Assessment

4.0

This section assesses the proposed development against the key planning policy issues identified in Section 3.0.

Principle of Restaurant Use

- The site is located within "Central London" (Planning Policy Map) which is defined by LBC in its CS as a "highly accessible location". CS Policy CS1 seeks to focus development in highly accessible locations to enhance the features that make Camden an attractive place to live, work and visit. The provision of a restaurant within Hatton Square Business Centre will not only enhance the attraction of the offices and workshops in this building, it will provide a high attraction offer for workers and residents in the surrounding area in line with the aspirations of this policy.
- 4.3 CS Policy CS3 provides more specific guidance, and confirms that food and drink uses are appropriate uses for sites within highly accessible locations.
- The site is located within Leather Lane neighbourhood centre, a defined "town centre" in line with the NPPF (para. 23). The provision of a restaurant within the new Hatton Square Business Centre will enhance the neighbourhood centre by contributing to the range of food, drink and entertainment services. As detailed below, it will add to the variety, vibrancy and choice available within the centre, as required by Policy CS7 (which seeks to promote Camden's Centres) and LP Policy 4.7. This reflects the guidance with the NPPF which defines Class A3 uses as a main town centre use (NPPF, Annex 2), which should be directed towards town centre locations in the first instance (NPPF, para. 24).
- We note at the outset that the nature of town and local centres is changing, with the demand for food and drink establishments significantly increasing over the past five years (since the adoption of both the CS and DP DPDs). This reflects the changing nature of shopping patterns, and the need for centres to also become leisure destinations to attract visitors who might otherwise shop online. Food and drink uses also offer the potential to extend the shopping day longer into the evening
- NLP undertakes a number of retail studies for local planning authorities and have noted that over the past decade, the proportion of Class A1 retail uses in Goad town centres has decreased whilst Class A3 to A5 food and drink uses have significantly increased in proportional terms, despite the increase in shop vacancy rate. Growth in Class A3 to A5 uses within centres is likely to continue in the future, as centres seek to broaden their attraction and provide a more diverse shopping trip in response to the increase in multi-channel shopping, particularly the rise of internet shopping.
- In broad policy terms, we consider that the proposed restaurant is acceptable in this location. However, it will result in a loss of A1 floorspace and a reduction

in Class B1c floorspace as approved under the 2013 planning permission for the site. We deal with the policy considerations for each element below.

Change of Use from Class A1 to A3 Floorspace

DP Policy DP12 considers the principle of food and drink uses within defined centres to ensure they do not cause harm to the character, function, vitality or viability of a centre. The Council will consider a number of factors in applications for non-A1 uses including the effect of non-retail development on shopping provision and the character of the centre in which it is located.

To assist in considering whether non- A1 uses will affect the character of an area Camden has published specific guidance on Town Centre and Retail Development (CPG 5) which is a material consideration in the determination of this application. CPG 5 provides further guidance on neighbourhood centres in the borough and suggests that to maintain an acceptable level of convenience shopping, and to ensure that centres have an overall mix of uses, the Council will resist schemes that result in less than 50% of ground floor premises being in A1 retail uses; more than 25% of premises being in food, drink and entertainment uses; and more than two consecutive food, drink and entertainment uses (para. 4.84).

We visited the centre in April 2016 and recorded the following uses within the neighbourhood centre (Table 4.1). In this table the application site is identified as vacant. This table shows that the proportion of food and drink uses already exceeds the 25% threshold (35.4%).

Table 4.1 Leather Lane Mix of Uses

4.8

4.9

4.10

4.11

4.12

Class	Number	Average (%)
A1	35	53.8
A2	0	0.0
A3	15	23.1
A4	1	1.5
A5	7	10.8
B2	1	1.5
D1	1	1.5
Sui (Betting Shops)	1	1.5
Vacant	4	6.2
Total Units	65	100

Source: NLP Site Visit April 2016

If planning permission is granted for the change of use of the application unit to Class A3, the proportion of A1 uses remains at 53.8%. This is above the 50% A1 threshold set out in CPG 5. The proportion of A3 uses will increase to 24.6% increasing the total food and drink units to 36.9%. This is a slight increase to the existing proportion.

In terms of the latter part of this guidance we confirm that the application site abuts two A1 units (Fonehouse and Med Wraps) and so there will not be two consecutive food, drink and entertainment uses in this location.

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- The proposed development therefore complies with two of the three criteria for considering whether the loss of A1 floorspace within a neighbourhood centre is acceptable (as set out in CPG 5).
- We note the guidance specific to Leather Lane neighbourhood centre suggests that no additional food and drink uses are appropriate because the centre already provides in excess of 25%. However, as set out above, the nature of centres is changing and an increase in food and drink uses is typical of what is happening across London and the country more generally.
- Accordingly, in our view the development will enhance the vitality of the centre.

 A3 uses, especially when clustered together, increase footfall and activity and this will enhance the performance of the neighbourhood centre by attracting shoppers and by offering an enhanced range of food and drink facilities which will increase the dwell time of shoppers. This is fully in accord with LP Policy 2.15 which sets out that development proposals in centres should support and enhance the quality and diversity of leisure services.
- It was clear from our site visit that Leather Lane neighbourhood centre is developing into a food and drink destination providing a service for local residents and nearby offices and the proposed development will enhance the vitality and viability of the centre by strengthening this overall offer. The change of use will complement the developing Neighbourhood Centre and will support a successful and diverse retail sector in line with LP Policy 4.8.
- 4.17 We also note that the statutory development plan, and CPG 5, supports development which will enhance Hatton Garden's unique role in London as the country's leading jewellery and diamond district- CS Policy CS9 specifically promotes Hatton Garden as a specialist activity area in Central London. As set out in Section 2.0, Workspace is intending to attract a leading restaurant operator akin to Mark Hix's restaurant (Hixster Bankside) at its Metal Box Factory development in Southwark. This will act as a key attractor for visitors to the Hatton Garden area and enhance its position and status within London.
- It will also positively enhance the redeveloped offer within the Hatton Square
 Business Centre, helping to attract business to the centre and Hatton Garden.
 This is consistent with encouraging economic growth through the provision of a commentary facility for an employment led scheme as encouraging through CS Policy CS8.
- We therefore consider the proposed loss of A1 use to provide an A3 use is appropriate in this location. The development accords with the first part of DP Policy DP12 (we will deal with subsequent elements below) as above in terms of not causing harm to the character, function, vitality and viability of the centre in fact it will enhance it, and retains the 50% threshold of A1 uses within the neighbourhood centre as suggested through the guidance in CPG5. Importantly we note the guidance stating no additional food and drink will be permitted at Leather Lane is not embedded within statutory policy. It is for guidance only and needs to be considered in the context of all policy and material considerations.

Finally, we note that CPG 5 protects A1 uses along designated frontages in Hatton Garden to protect its specialist jewellery trade. We confirm the site is not located within the designated frontages within Hatton Garden where the loss of A1 uses is not permitted (para. 4.65).

Reduction in B1c Floorspace

- The application site forms part of Hatton Square Business Centre which is being redeveloped to provide an enhanced range of office and workshop uses, with a specific focus of the provision of jewellery workshops to contribute to the unique nature of Hatton Garden in line with CS Policy CS9. Hatton Garden, as noted above, is recognised as being the UK's largest jewellery district with over 500 businesses and over 50 shops related to the industry.
- The 2013 permission currently being implemented on the site provides over four times more Class B1c jewellery floorspace than the existing building on the site (1,155 sqm compared to only 359 sqm provided in the existing building), and over 2,000 sqm additional Class B1 office floorspace. Overall, the amount of Class B floorspace approved at the site increased from 3,457 sqm to 5,628 sqm.
- The proposed development will result in the reduction of Class B1c floorspace-236 sqm overall, but the overall amount of Class B floorspace on the site remains significantly higher than the "existing" building providing 5,392 sqm overall. Importantly, in line with the site's location in Hatton Garden, as the policy aspirations set out in CS Policies CS8 and CS9, no change is proposed to the provision of Class B1c floorspace dedicated to the jewellery. The principal use of the building remains in employment use in line with DP Policy DP13.
- We therefore consider that the small reduction in Class B1c floorspace is acceptable in planning policy terms.

Residential Amenity

- DP Policy DP12 requires applications for food and drink uses within defined centres to ensure the uses do not cause harm to the amenity of neighbours and not prejudice future residential development.
- There are a variety of food and drink uses along Leather Lane which operate alongside existing residential units. The site is located within the Central London Area, and within a defined neighbourhood centre where food and drink uses are considered appropriate development. The restaurant will help extend vibrancy and footfall within the centre, beyond daytime hours, increasing activity and surveillance for residents nearby.
- We confirm that an operator has not yet been signed up, but once confirmed, details of ventilation and extraction will be provided. We consider a condition would be appropriate to deal with this if the Council is minded to grant planning

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permission. This will ensure the noise and fumes created by the restaurant are acceptable in line with DP Policies DP12 and DP26.

- 4.28 No overall increase in floorspace is proposed on this site and given the site's Central London location no adverse transport impacts are envisaged (in line with DP Policy DP12).
- 4.29 We therefore consider that the development is acceptable in residential amenity terms.

Heritage

The proposals do not create any external changes and therefore conserve the surrounding Conservation Area in accord with policies CS14 and DP25.

5.0 Conclusions

- 5.1 This Planning Statement provides information on planning issues to assist LBC in its consideration of a planning application for the change of use of approved A1/B1(c) floorspace at Hatton Square Business Centre to provide a new restaurant at ground floor and basement level fronting onto Leather Lane. The proposals will allow Workspace to attract a quality restaurant operator to its site to further enhance its proposals for Hatton Square Business Centre. The Hatton Square Business Centre, which is currently being implemented, will greatly improve the quality of business and jewellery floorspace at Hatton Garden in line with the aspirations with LBC's statutory development plan for this area.
- 5.2 We demonstrate in Section 4.0 that the proposed development complies with all aspects of the statutory development plan, and in line with paragraph 14 of the NPPF, planning permission should be granted without delay.

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