



Planning Statement Addendum

June 2016

Contents

1. Introduction

(i) Introduction	1
(ii) The rationale for the development proposals	2
(iii) The Government's approach to balancing priorities	3

2. What Uses and Balance of Uses is Planning Policy Seeking on the Site?

(i) Site-specific policies in the adopted Development Plan	5
(ii) Land use principles and priorities	6
(iii) Conclusion on land-use principles and priorities for the site	7

3. Town Centre Uses

(i) The current situation	8
(ii) The application proposals	8
(iii) Relevant planning policy considerations	9
(iv) Conclusion	10

4. Employment Uses

(i) The current situation	12
(ii) The application proposals	12
(iii) Relevant planning policy	12
(iv) The Borough-wide approach	15
(v) Offices	16
(vi) Industrial Land	18
(vii) Economic benefits of the proposal	22

5. Conclusion

1. INTRODUCTION

(i) Introduction

- 1.1 This Statement addresses the land-use principles associated with the proposal at no. 156 West End Lane, West Hampstead in the London Borough of Camden and supplements the submitted Planning Statement.
- 1.2 The starting point for the determination of any planning application is the adopted Development Plan. Section 38(6) of the Planning and Compulsory Purchase Act 2004 and section 70(2) of the Town and Country Planning Act 1990 state that planning applications should be determined in accordance with the relevant policies of the adopted Development Plan unless there are material planning considerations which indicate otherwise.
- 1.3 The adopted Development Plan comprises:
- The London Plan (2015).
 - Camden Council Core Strategy (2010).
 - Camden Council Development Policies (2010).
 - Camden Council Site Allocations Development Plan Document (2013).
 - Camden Council adopted Supplementary Planning Documents.
 - Fortune Green and West Hampstead Neighbourhood Plan (2015).
- 1.4 The London Plan, Site Allocations Development Plan Document and Neighbourhood Plan have been adopted following publication of the National Planning Policy Framework ("the Framework") and are considered the most up-to-date and relevant planning policy considerations.
- 1.5 The Framework is a material consideration in the determination of planning applications. Paragraph 14 of the Framework provides clear advice in respect of both plan-making and decision-taking.

For plan-making, "Local Plans should meet objectively assessed needs...unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole; or specific policies in this Framework indicate development should be restricted".

For decision-taking, "Where relevant policies are out-of-date, granting permission unless...any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole; or specific policies in this Framework indicate development should be restricted".

- 1.6 The Framework also provides clear guidance on the importance of policies and decisions being based on up-to-date evidence:

"Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth. Plans should take account of market signals..." (Paragraph 17).

"Local planning authorities should ensure that their assessment of and strategies for housing, employment and other uses are integrated, and that

they take full account of relevant market and economic signals” (Paragraph 158).

- 1.7 With regard to Plans and policies adopted prior to the publication of the Framework, *“due weight should be given to relevant policies in existing plans according to their degree of consistency with this framework” (Paragraph 215).* In the absence of full weight being given to up-to-date evidence on needs, policies adopted prior to the publication of the Framework risk being considered inconsistent with the provisions of the Framework and considered out-of-date.
- 1.8 In assessing the proposed land-use mix for the site, it is therefore necessary to consider the most relevant and up-to-date policies relating to the site, together with up-to-date evidence relating to need for the proposed uses.
- 1.9 The site is subject to specific policies relating to its future in these most relevant and up-to-date planning policy documents:
 - Site Allocation no. 28 in the Camden Site Allocations Development Plan Document; and
 - Paragraph B7, 156 West End Lane, in the Neighbourhood Development Plan.
- 1.10 By their very definition, site-specific policies address how general policies, be they national, strategic, borough-wide or neighbourhood, will be applied by the decision-maker to development proposals affecting a particular site.
- 1.11 It is noteworthy that these site-specific Site Allocation and Neighbourhood Plan policies have been adopted following the publication of the Framework whereas the borough-wide, generic policies of the Core Strategy and Development Policies precede the Framework. The generic, borough-wide policies must therefore be considered in the context established by the Framework or risk being considered out-of-date and inconsistent with its provisions.
- (ii) The rationale for the development proposals
- 1.12 The application proposals respond directly to the site-specific land-use policy guidance and demand evidence to provide new housing (including affordable housing); new modern flexible employment floorspace (including floorspace specifically for new and small/medium sized businesses to meet local needs); new Town Centre uses (including the introduction of Town Centre uses into the Core Frontage of the designated Town Centre) and a community meeting room.
- 1.13 All the proposed uses will add to and enhance the vitality and viability of the designated Town Centre and optimise the use of scarce land, highly accessible previously-developed land, and land in a designated Growth/Intensification Area.
- 1.14 The proposals:
 - Replace vacant, outmoded office space (of which Camden Council’s own analysis confirms there is an oversupply) with new homes, new shops, new town centre uses, and new flexible, modern, employment space.

- Replace a retail showroom with new retail frontage in the designated Core Frontage of a Town Centre, new shops, new Town Centre uses, new homes and new modern flexible employment space (including dedicated space for start-up and small/medium-sized businesses) and a community meeting room.
 - Replace industrial land (a builders' merchant and open storage yard) (of which Camden Council's own analysis confirms there is an oversupply) with new homes, new landscaped public open space, enhanced walkways and new playspaces (with doorstep playspace provision in excess of Camden Council's policy expectations).
 - Replace car parking with public open space.
 - Replace access for HGVs adjacent to (and obscuring) a public path with public open space, creating separate pedestrian and vehicular access to the site and significantly improving permeability through the site.
- 1.15 In delivering any redevelopment proposal, and particularly one in an area designated as a Growth Area and Area of Intensification as a result of its significance to Camden and to London strategically, there is going to be change, and it is likely that decision-makers will need to balance priorities and the sometimes conflicting objectives expressed in generic, area-wide planning policies. The advice of the Framework is, however, helpful and clear, *"Local authorities should balance any harm with the degree of public benefits provided by the scheme"* (Paragraph 134).
- 1.16 As a starting point in the consideration of the land-use elements of the proposal it is therefore necessary to understand how the replacement of the existing uses with the proposed uses, and the balance of these new uses, meets the most relevant and up-to-date adopted planning policy and Government objectives and assessment of need.
- (iii) The Government's approach to balancing priorities
- 1.17 The most relevant and up-to-date advice on how the planning system should respond to development proposals is to be found in the National Planning Policy Framework.
- At its heart is the presumption in favour of sustainable development (paragraph 14).
 - Every effort should be made objectively to identify and meet the housing, business and other development needs of an area (paragraph 17).
 - Development which delivers a mix of uses and multiple benefits from the use of land should be promoted and encouraged (paragraph 17).
 - Housing applications should be considered in the context of the presumption in favour of sustainable development (paragraph 48).
- 1.18 Perhaps the simplest, most straightforward advice from Government is provided at paragraph 134 of the Framework: *"Local authorities should balance any harm with the degree of public benefits provided by the scheme"*.
- 1.19 In this context, and that established by Section 38(6) of the 2004 Act and Section 70(2) of the 1990 Act, it is beneficial to consider what the most

relevant, up-to-date (and, beneficially, in this case site-specific) adopted planning policy sets out for the future of the site in terms of the types of uses and their balance.

2. WHAT USES AND BALANCE OF USES IS PLANNING POLICY SEEKING ON THE SITE?

- (i) Site-specific policies in the adopted Development Plan
- 2.1 The site has the advantage of being subject to two site-specific designations adopted since the publication of the Framework:
- Site 28 within the Camden Site Allocations Development Plan Document.
 - Paragraph B7 within the Neighbourhood Plan.
- 2.2 With regard to land-use principles, Site Allocation no. 28 states:
- Housing is the priority land use (our emphasis).
 - Site opportunities should be maximised.
 - The site is appropriate for a housing-led scheme, together with appropriate town centre, employment and community uses (our emphasis).
 - There is an expectation of town centre uses along the West End Lane frontage.
 - There is an expectation of housing above the frontage and the rear of the site.
 - There is an expectation of flexible employment floorspace and a range of employment facilities.
- 2.3 The site-specific Site Allocation objectives are stated to reflect (pre-Framework) adopted land-use policies CS1, CS2, CS6, CS8, DP2 and DP13.
- 2.4 With regard to land-use principles, Neighbourhood Plan Paragraph B7 states:
- The site is expected to provide a significant number of new homes, as well as employment opportunities.
 - Redevelopment of the site should satisfy or make an appropriate contribution to:
 - Housing.
 - Offices for small, micro and start-up businesses.
 - Flexible commercial and retail space that can be used for a range of employment uses.
 - Flexible retail space on the ground floor along West End Lane.
 - Space for a community meeting room. (our emphasis).
- 2.5 In the context of Section 38(6) of the Planning and Compulsory Purchase Act 2004 and Section 70(2) of the Town and Country Planning Act 1990, it is noteworthy that the most relevant and up-to-date policy guidance provides consensus and clarity on what the objectives for the site should be:
- Optimising (“maximising” in the words of the Site Allocation) the use of the site.
 - Housing as *the* priority use; a significant number of new homes.
 - Secondary uses to meet local needs: Flexible retail space on West End Lane; flexible employment space; space for small businesses; community use space.
 - Housing above the new retail uses on West End Lane and to the rear of the site.

- Balancing any harm with the degree of public benefits provided.
- 2.6 In addition, a site providing housing benefits from the presumption in favour of sustainable development.
- (ii) Land use principles and priorities
- 2.7 It is apparent that the Council regards – and policy at all levels supports – housing as “*the top priority when considering the future of underused land and buildings*” (Core Strategy paragraph 6.18). This priority reflects strategic guidance in the London Plan and national guidance in the Framework.
- 2.8 The site has strategic importance as an Area of Intensification, and borough-wide significance as a Growth Area. It is also highly accessible (PTAL 6a), part vacant, under-utilised and in a designated Town Centre. Camden is a borough where opportunities for major redevelopment to deliver its objectives and priorities are limited. As a consequence, the site's significance in its ability to deliver neighbourhood, local and borough-wide objectives and priority land-uses (as well as London-wide) becomes heightened.
- 2.9 The corollary to this situation is that failure to optimise the site's potential (“maximise” in the terms of the Site Allocation) will serve only to add pressure onto less policy-compliant and less suitable sites.
- 2.10 With the priority use for the site being explicitly recognised in adopted policy as new housing, it is axiomatic that any other uses are *secondary* and *subsidiary*.
- 2.11 Critically, it must therefore follow that in assessing the type and quantity of any such secondary and subsidiary uses, they must not compromise the delivery of the new housing, either through competing for land or as a result of the nature of their activities.
- 2.12 The accompanying (secondary and subsidiary) uses which are identified in the most up-to-date and relevant site-specific policies as appropriate to the site are flexible retail and town centre uses, flexible employment uses and community space.
- 2.13 It is obvious that, with a finite quantum of floorspace achievable on any site, any increase in the amount of secondary/subsidiary uses will consequently reduce the amount of the primary use, in this case new homes.
- 2.14 With the very clear demand for new homes of all types in Camden, and very limited land opportunities to meet this need, any decision which would *reduce* the amount of housing that an allocated site delivers must be very carefully considered and justified. Alongside housing schemes benefiting from the presumption in favour of sustainable development, the Framework makes it clear that local planning authorities should balance any harm with the degree of public benefits provided by the scheme.

- 2.15 As a starting point in this assessment, in addition to the very clear policy support and encouragement at national, strategic, local and site-specific level for a housing-led regeneration of the site, optimising the delivery of housing (with half being affordable housing) must be considered to be a very significant public benefit. In this context, the extent of *any* secondary/subsidiary use must therefore be considered and justified very carefully, and any "harm" to policy objectives relating to those secondary/subsidiary uses balanced against the harm to the principal objective of optimising the delivery of the priority use of new homes on the site.
- 2.16 There are, clearly, other land-use planning policies which set out how different uses are to be assessed nationally (the Framework), London-wide (London Plan) and borough-wide (Core Strategy and Development Management). In some cases, these policies precede the Framework and they are, by definition, generic rather than specific to this particular site. Their relevance and weight should, therefore, be put into this context. The Council and the Neighbourhood Development Forum have, of course, already set out how these borough-wide policies should be applied to the site – they have produced site-specific policies.
- 2.17 Furthermore, the Framework makes it clear that policy support for the retention of existing uses and protection of employment land must be predicated on up-to-date assessment of need.
- (iii) Conclusion on land-use principles and priorities for the site
- 2.18 The site-specific priorities in adopted planning policy are clear: Optimising housing potential, with retail space supporting West End Lane, flexible commercial and employment space focussed on small/start-up businesses relating to local need, and a community meeting room.
- 2.19 In this policy context it is apparent that there is very strong policy support at a national, strategic and site-specific level for the new uses proposed within the submitted planning application: New homes (including half of the new residential floorspace being affordable); new flexible town centre uses on West End Lane (for uses falling within Use Classes A1, A2, A3, D1 or D2); new flexible employment space; dedicated workspace for local small and start-up businesses; a community meeting room for local groups and businesses.
- 2.20 It is, nevertheless, beneficial to consider the approach of the submitted application to the secondary/subsidiary uses, the evidence of need, and how that provision relates to the significant benefit of optimising the delivery of the Council's priority land-use for the site, new homes.

3. TOWN CENTRE USES

(i) The current situation

- 3.1 Within the Development Plan, the West End Lane frontage is identified as a Core Frontage in a designated Town Centre.
- 3.2 There is currently no retail floorspace on the site. The existing, long-vacant, offices are appropriate in principle to a Town Centre location (the demand for office space is considered in section 4), whereas the industrial use of a builders' merchant and open storage yard is not appropriate to a Town Centre location or adjacent to housing (considered in section 4).
- 3.3 The street frontage currently comprises a retail showroom for the builders' merchant and the office entrance. At the southern end of the site, vehicular access is provided for HGV deliveries to the open builders' yard, together with car parking immediately adjacent to West End Lane (obscuring the start of Potteries Path).

(ii) The application proposals

- 3.4 The scheme proposes the introduction of new flexible floorspace to accommodate uses falling within Use Classes A1, A2, A3, D1 or D2 at ground floor level running the full length of the site's West End Lane frontage.
- 3.5 The proposals will add 32m of new retail frontage to the Core Frontage of West Hampstead Town Centre and 891m² of new flexible floorspace at ground floor level. This will significantly enhance the street scene by replacing the existing non-retail uses, creating an attractive and active frontage within a Town Centre location, as well as contributing to the Town Centre offer of West Hampstead.
- 3.6 The submitted drawings provide "shell" space, with appropriate provision of utilities, mechanical and electrical services, and structural design. This approach deliberately and specifically ensures that the maximum flexibility is retained to respond to market requirements and local demand.
- 3.7 New units for local start-up and small businesses and a new community meeting room will also be provided at ground floor level, further extending the "active" frontage, located in front of the new public amenity space and start of the extended and enhanced Potteries Path and linking it with the new, large landscaped central public open space at the heart of the proposals, further enhancing the vitality and viability and attractiveness of the Town Centre.
- 3.8 New flexible employment space and new housing will be provided above the new West End Lane retail frontage.
- 3.9 Further enhancements to West Hampstead as a Town Centre will result from the effective widening of the West End Lane pavement and, significantly, the removal of HGVs and car parking from the site and town centre location and relocation of the servicing access to the north of the site, thereby allowing the southern part of the site (parallel to the railway line) to be transformed into public open space.
- 3.10 A further substantial Town Centre and local benefit of this re-arrangement of the southern end to the site is that the currently obscured entrance to Potteries

Path becomes revealed and extended. In addition to the transformative physical enhancement proposed to the amenity of the pedestrian route itself, enhancing its visibility will encourage people to use the new public open space immediately adjacent to West End Lane and use the new large central landscaped garden (including dedicated playspace area). It will also encourage people to use Potteries Path, thereby not only increasing local amenity but also permeability and local linkages. A site which currently is a negative impact on the Town Centre in terms of uses, amenity and attractiveness will now positively enhance the Town Centre.

- 3.11 The new Potteries Path, which will be landscaped, will also provide sight of and access to the large new landscaped public central garden at the heart of the proposal. This new large central garden will provide an attractive new public amenity, including dedicated playspace area. The replacement of an area of existing hardstanding with a large landscaped area will significantly enhance ecological value and biodiversity across the site and in the area.

(iii) Relevant planning policy considerations

- 3.12 The provision of new retail floorspace in the Core Frontage of a designated Town Centre accords with site-specific planning policy (Site Allocation no. 28 and Neighbourhood Plan paragraph B7) as well as general Development Plan policy (Neighbourhood Plan Policy 13, Core Strategy policy CS7, Development Management Policy DP12, London Plan Policy 2.15, 4.7 and 4.8).
- 3.13 Camden Core Strategy policy CS8 recognises that *"Camden's shops also have a significant role as local employers as well as being valuable community facilities"* (paragraph 8.1, our emphasis).
- 3.14 It is also helpful to consider the specific conclusions relating to West Hampstead and the site itself set out in Camden Council's "Camden Retail and Town Centre Study", produced for the Council by GVA in November 2013. The study *"provides the Council's retail evidence base to inform the preparation of future development plan documents"* and *"sets out a recommended strategy for the borough's six town centres"*.
- 3.15 With regard to West Hampstead, the Study found that it *"has a limited representation of comparison goods retailers...The convenience goods offer in the centre is also relatively weak"* (paragraph 5.64). Survey respondents would like *"a better range of retailers within the centre"* (paragraph 5.65).
- 3.16 The Study noted that the Area for Intensification designation, *"particularly around the station interchange...will provide an opportunity to enhance the overall retail and leisure offer of the centre"* (paragraph 5.67). Specifically, *"Provision of additional convenience goods floorspace in the centre should be a priority over the plan period to encourage more sustainable and localised food shopping patterns"*.
- 3.17 Section 7 of the Study addresses specific centre opportunities. Paragraph 7.44 states that for West Hampstead *"The quantitative assessment has identified a baseline capacity of circa 330sqm net of convenience goods floorspace by 2031...However, we consider there is greater scope for additional foodstore provision in West Hampstead as a consequence of qualitative deficiencies and the opportunity to claw-back trade to the local catchment."*

- 3.18 The Study then makes clear recommendations for West Hampstead as a whole and, exceptionally within the report, for no. 156 West End Lane specifically.

"Policy should proactively support proposed convenience goods floorspace in West Hampstead over the plan period. This will ensure West Hampstead continues to perform a strong and sustainable district centre role" (paragraph 7.44).

"We conclude that West Hampstead would benefit from the enhancement of floorspace and the attraction of better quality retailers" (paragraph 7.45).

"The key development opportunity site is identified as 156 West End Lane...we conclude that the Council should consider actively encouraging provision of a foodstore in order to meet the considerable local need, to enhance the centre's role as a localised district centre, and to claw back lot trade to nearby centres" (paragraph 7.46).

"The analysis highlights that Hampstead and West Hampstead are in greatest need of new foodstore provision in order to perform their roles and to create more sustainable shopping patterns for the local catchment population" (paragraph 8.5).

"The most evident development opportunity in West Hampstead is around the transport interchange and the Travis Perkins site, and the Council should consider actively encouraging provision in this location" (paragraph 8.6).

- 3.19 The views of specialist Forty Asset Management have been sought on the demand for retail premises in West Hampstead in the context of the Retail and Town Centre Study, together with advice on how to maximise the site's potential to attract tenants in terms of flexibility in the presentation of the space.

- 3.20 The report notes (at section 5) that whilst there has been new convenience foodstore provision, there is a limited number of larger format stores and known tenant requirements remain which are unlikely to be accommodated elsewhere in West Hampstead Town Centre. Reflecting the conclusions of the Camden Retail and Town Centre Study, the report concludes:

"If the location is to retain expenditure, particularly in the convenience sector, it is essential that units such as this are not restricted from being offered to the market as a single floorplate".

- 3.21 The physical arrangement of the retail floorspace provides flexibility and adaptability to best meet the needs of the occupiers, including the ability to accommodate smaller units should demand require.

(iv) Conclusion

- 3.22 The provision of ground floor town centre uses will demonstrably strengthen the Core Frontage of the designated West Hampstead Town Centre and complies with relevant up-to-date planning policy.

- 3.23 The new ground floor town centre floorspace will occupy the full length of the site's West End Lane frontage (Core Frontage in the Town Centre), whilst also

creating a new frontage at the junction with the railway line facing new public open space at the junction with West End Lane.

- 3.24 The ground floor town centre uses fronting West End Lane are designed to ensure maximum flexibility to meet market demand. There is no policy requirement for the space to be subdivided, and to do so would reduce flexibility and limit potential interest.

4. EMPLOYMENT USES

(i) The current situation

4.1 The site is not a designated employment site. It is not a protected industrial site, either locally or (as confirmed by the Mayor of London) strategically. It is bounded by West End Lane (Core Frontage to the designated Town Centre), housing, the MUGA and the railway line.

4.2 The site currently consists of a vacant office building and a builders' merchant (including retail showroom) and open storage yard.

(ii) The application proposals

4.3 In addition to the introduction of new retail floorspace fronting West End Lane in the Core Frontage of the designated Town Centre, the application proposes two separate elements of employment floorspace, specifically included and designed to respond to needs identified in the most recent, most relevant, site-specific adopted planning policy and up to date evidence of need: 600m² of modern, flexible, employment floorspace at first floor level fronting West End Lane; and 271m² of modern, flexible, employment floorspace at ground floor level fronting the new public open space designed as four separate units and specifically dedicated to start-up businesses.

4.4 The provision of modern employment floorspace for local businesses will, in addition to increasing the quality and quantity of active employment floorspace on site, nearly treble the employment opportunities created by the site.

4.5 In addition, as confirmed by Core Strategy paragraph 8.1, retail floorspace provides *significant* local employment opportunity.

(iii) Relevant planning policy

4.6 Once again, the presence of site-specific policy adopted since the Core Strategy and since the Framework is helpful in understanding how the Council and NDF expects borough-wide policies to be applied to the site.

4.7 As confirmed by the Mayor of London, there is no policy protection for industrial uses in this location.

4.8 There is also clearly no planning policy requirement to protect an existing occupier.

4.9 The site-specific adopted Development Plan policy for the site refers, in the context of secondary/subsidiary uses on the site, to "*employment uses*" and "*flexible employment floorspace*" (Site Allocation no. 28) and to "*employment opportunities*" (Neighbourhood Development Plan).

- 4.10 The Neighbourhood Development Plan site reference is established within the context that the site should be “*satisfying or making an appropriate contribution*” to these land-use needs (our emphasis). The specified employment needs are “*offices for small, micro and start-up businesses*” and “*flexible commercial and retail space that can be used for a range of employment uses*”.
- 4.11 Any consideration of the employment potential of the site must therefore be in the context of these established site-specific planning principles and evidence of need:
- Housing as the primary use of the site.
 - No protection of the existing occupier.
 - No protection of the specific existing employment use.
 - Optimising the potential of the site.
 - An understanding of need for different employment types.
- 4.12 As has previously been established, a policy-based and evidence-based approach based on site-specific policy considerations, together with evidence to support the approach of pre-Framework general policies establishes a clear requirement for the future of the site:
- Housing as the priority use.
 - Secondary/subsidiary uses for which there is need and which do not compromise the delivery of new housing, either by land-take or the nature of their activities.
 - With a finite quantum of floorspace, any non-housing use on the site will result in a loss of housing.
 - As a designated Town Centre Core Frontage the use of the ground floor fronting West End Lane for town centre uses is an appropriate response. It meets borough-wide and site-specific policy objectives and responds to identified need (the Council’s own most recent evidence as contained in its Retail and Town Centre Study). It also provides *significant* local employment opportunity.
 - With a housing scheme on-site open space should be provided, appropriate to the site, location and surrounding facilities. Enhancements to Potteries Path through its widening are also considered appropriate to the scheme, regardless of the quantum of floorspace proposed on site.
 - The introduction of employment uses creates requirements for access, loading, storage and servicing, as well as creating “neighbour” issues in its relationship with housing.
- 4.13 There is, therefore, a straightforward balance to be struck in the proposals for the rest of the site: The harm to planning policies at site-specific, neighbourhood, borough-wide, strategic and national level by failing to optimise (*maximise* in the terminology of Camden’s Site Allocation) housing on the site compared to the harm to policies relating to employment uses.

- 4.14 The most up-to-date (post Core Strategy, post National Planning Policy Framework) policies for employment use are also the site-specific policies. They refer to *“flexible employment floorspace”, “employment opportunity”* and making an appropriate contribution to *“offices for small, micro and start-up businesses”* and *“flexible commercial and retail space that can be used for a range of employment uses”*.
- 4.15 As previously noted, the scheme provides modern, flexible employment floorspace at first floor level fronting West End Lane and four separate units specifically dedicated to start-up businesses fronting the newly widened Potteries Path.
- 4.16 It is therefore apparent that the principle of the new uses is acceptable.
- 4.17 The Council’s 2014 Employment Land Study notes that start-up and small businesses *“are an important component of LB Camden’s economy, and the real issue is in ensuring that the type of property is provided that will appeal to start-ups and SMEs in terms of scale, form and location”* (paragraph 6.9). There is demand for *“incubator, accelerators and co-working spaces”*.
- 4.18 The Study does, however, conclude that *“there is some caution to exercise. The provision of co-working space has grown rapidly in the past three years with the commercial property market responding well to demand without public sector intervention. The rapid growth in provision also raises the question of whether provision is sustainable. On this basis we suggest the council supports the concept but does not intervene unless there is clear evidence of local market failure preventing the private sector from providing space”*. In terms of policy options, the Study suggests the council monitor demand.
- 4.19 The introduction of an amount of flexible modern floorspace on the site to meet the needs of local, start-up and small/medium sized businesses will therefore meet relevant site-specific and borough-wide planning policy and respond to identified need, without resulting in oversupply. The proposed quantum of that floorspace should only be determined by site-specific criteria (*“appropriate and viable contribution”*) and evidence of need.
- 4.20 A key consideration in the provision of this floorspace is its quantum, location and format. The application allocates the whole of the first floor of the building fronting West End Lane to modern, flexible employment space. This space has been designed to be fully flexible, to respond to market demands.
- 4.21 In addition, four units identified for separate start-up/small businesses (meeting the identified size criteria of being less than 100m² to meet greatest need) have been located at ground floor fronting the new public open space off West End Lane.
- 4.22 Whilst it is, of course, possible to increase the quantum of employment floorspace within the scheme, this would have to be at the expense of one of the other land uses. It is considered that the site-specific policy provides a

very clear expectation (reflecting that at borough-wide, strategic and national level) that housing is the priority use for the site, and there should not be a loss of housing as a result of increasing the amount of employment floorspace in these locations. With regard to the proposed layout, any loss of housing would be at either upper levels fronting West End Lane, or facing the large, central landscaped courtyard at the heart of the scheme. Both are considered to compromise the layout of the scheme in addition to the loss of priority use new homes.

- 4.23 It is further considered that the proposed layout, with new retail uses at ground floor level in the Core Frontage of the Town Centre on West End Lane will significantly enhance the vitality and viability of the centre. To have the opportunity to strengthen the Core Frontage of the Town Centre and introduce new retail frontage and to pass up that opportunity is considered to fail to optimise the site's potential.

(iv) The Borough-wide approach

- 4.24 In general terms, the protection afforded *"existing employment sites and premises"* by (pre-Framework) Core Strategy Policy CS8 is for those sites and premises which specifically and explicitly meet *"the needs of modern industry and other employers"*. The same borough-wide policy expects a *"mix of employment facilities and types"*, making specific and explicit reference to the inclusion of facilities for *"small and medium sized enterprises"*.
- 4.25 Explaining this general policy approach, the Core Strategy notes (paragraph 8.13) that the Council will continue to protect industrial and warehousing sites and premises *"that are suitable and viable for continued use"*, consistent with the Mayor of London's Industrial Capacity Supplementary Planning Guidance 2008. Similarly, Development Policy DP13 refers only to the retention of land and buildings *"suitable for continued business use"*. If a site or building is no longer suitable for its existing use, and retaining, reusing or redeveloping it for similar or alternative employment uses has been explored, then the Council will accept the loss of all employment uses from the site.
- 4.26 The general approach is further demonstrated by Policy DP13 confirming that if a building or site is suitable for continued employment use, mixed-use schemes will be considered acceptable provided that the level of employment floorspace is at least maintained, new housing is included, premises for new small or medium sized businesses are included, offices, industrial or warehousing uses are re-provided and the non-employment uses will not prejudice continued industrial use in the surrounding area.
- 4.27 In assessing an employment site's suitability for ongoing employment use, the Council states (paragraph 13.3) that it will take into account, amongst other criteria, whether the site is located in a location suitable for *"large scale general industry and warehousing"* or *"a mix of uses including light industry and local distribution warehousing"*, whether it is *"well related to nearby land uses"* and

whether it *“provides a range of unit sizes, particularly those suitable for small businesses (under 100sqm)”*.

4.28 It is also necessary to recall that the Site Allocation is a Development Plan Document, adopted after the Core Strategy and Development Policies, and explicitly stated to *“reflect adopted land use policies...CS8 [and] DP13”*.

4.29 It is therefore beneficial to consider and compare the potential harm of lack of re-provision of the different types of the existing employment uses: Offices and industry.

(v) Offices

4.30 The existing offices on the site (comprising 2,401m²) have been vacant for just under three years. The application proposes 871m² of flexible modern employment floorspace (in addition to the ground floor town centre uses).

4.31 With regard to evidence of supply and demand for office floorspace, the Council undertook an Employment Land Review (2008) to provide the evidence base for the Council's Core Strategy and a Business Premises Study (2011) to inform the Council's development management decisions. The Council's Employment Land Study (2014) updates the 2008 Employment Land Review.

4.32 The 2014 Study *“forms an integral part of the evidence base needed to update information contained within the adopted Core Strategy (2010-2015) and Development Policies (2010-2025). It advises on the appropriateness of existing Core Strategy policy and Development Policies and makes recommendations on the portfolio of employment land regarding the provision, protection, management and enhancement of employment land and premises required to meet the needs of businesses over the Local Plan period to 2031”* (paragraph 1.1).

4.33 The need for Local Planning Authorities to produce an up to date Employment Land Study is outlined in the National Planning Practice Guidance (March 2014). The Study records, with regard to Core Strategy and Development Planning Policies, that *“the economic strategy contained within the Core Strategy, and supported by detailed policies contained in the Development Policies DPD, was in part based upon the findings of the 2008 ELR”*.

4.34 Having undertaken analysis of socio-economic baseline conditions and the employment land market, the Study projects employment land demand over the planning period to 2031.

4.35 West Hampstead is not now, nor ever has been, an office centre in the context of the London market, and the Council's general objectives with regard to offices expect future supply to meet projected demand (paragraph 8.8 of the Core Strategy), with the supply concentrated at King's Cross, Euston, Holborn

and Tottenham Court Road. Older offices outside of these areas are specifically identified as having potential to meet housing needs.

- 4.36 The Council's own evidence in the 2014 Employment Land Review – the most recent evidence of need available and the basis for consideration of the *"appropriateness of Core Strategy policy and Development Policies and the provision and protection of employment land and premises to meet the needs of businesses over the Local Plan period"* - identifies an oversupply of office space in the Borough generally and of local offices in West Hampstead specifically.
- 4.37 The Study identified four types of employment premises: local offices; large HQ offices; industrial and warehousing; start-up and small business workspace. Large new high grade office space is directed to the central London area (paragraph 5.5), with the majority of supply of local office space elsewhere in the borough. The study notes that *"small quantities"* exist on West End Lane, and that *"a number of new mixed use developments providing B1 space at ground and first floor levels suitable for accommodating local office provision were recorded [in] West Hampstead"* (paragraph 5.4).
- 4.38 West Hampstead is not an office market area in its own right (paragraph 6.2), and its local office character is *"located on the upper floors of high street retail properties"* (paragraph 6.2). Generally, in the Outer LB Camden Office Market *"there is more supply than demand"* (paragraph 6.5).
- 4.39 The Study concludes with regard to the office market that *"perhaps the most critical issue in policy terms is to nurture growth of small, dynamic businesses, and this means having a ready stock of suitable premises available"* (paragraph 6.6).
- 4.40 For local office space, demand is *"anticipated to form a small proportion of the total borough wide office floorspace demand projected over the Local Plan period...and this is likely to occur within Camden Town and Kentish Town"* (paragraph 8.2). In the Outer Borough local office market centres including West Hampstead there *"currently appears to be a surplus of office premises"*. The Policy options proposed include *"the council look[ing] to support loss of poor condition and no longer fit for purpose office floorspace"*.
- 4.41 Need for the other employment land types is considered in the following section, but it is important to note here the Study's conclusion that, whilst overall supply and demand are broadly in balance which means that the Council should consider protecting employment land *"However, in the context of changing business needs, not all sites are fit for purpose for modern occupiers. There is also evidence of strong competition for space from other non-employment uses, in particular housing, which the council must also plan for and accommodate"*.
- 4.42 This leads to a very clear recommendation:

“This means that it is more complex than just suggesting that employment land and premises be offered maximum protection. Instead it may be more suitable to consider offering protection where sites are important in meeting demand, generating employment and economic wealth; release some sites where the benefits of the existing employment use are limited and would be outweighed by the benefits of the proposed alternative use(s); and allow the release of some sites in specific locations where there is a long term over supply or which are no longer fit for purpose” (paragraph 8.1) (our emphasis).

- 4.43 In this context, the Study – which advises on the appropriateness of existing Core Strategy Policy and Development Policies and makes recommendations on the provision and protection of employment land and premises required to meet the needs of businesses over the Local Plan – warns that the *“implications of not following a balanced approach which is sensitive to the direction and changing needs of business in terms of premises, location and formats is that economic growth for LB Camden could be impaired”* (paragraph 8.1).
- 4.44 The Camden Office Market Review undertaken by Turley and submitted with the planning application in November 2015 identifies (paragraph 4.15) an average annual take-up of office space of 1,530m² for an area within 0.75 miles of the site. The proposal will therefore comprise 60% of the annual take-up of general office floorspace. Provision of any more, or as general needs office floorspace, would risk exacerbating an oversupply problem. The proposal also represents over four times the average size of transacted space over the past 10 years.
- 4.45 It is noteworthy that the National Planning Policy Framework places an obligation on councils (paragraph 17) to “proactively” drive and support sustainable economic development, making “every effort” to identify and then to meet those needs, taking into account, amongst other things, market signals.
- 4.46 Both the policy requirements and market signals are therefore clear – there is no need to provide general needs offices in this location.
- 4.47 In this context, the non-reprovision of any office floorspace is compliant with DP13. Alternatively, the overprovision of unwanted office space simply to “replace” an existing quantum of (vacant) floorspace would not meet Policy DP13 criteria and would actually place Policy DP13 at risk of not being compliant with the National Planning Policy Framework.
- 4.48 The correct policy approach with respect to the existing office floorspace is therefore to require no reprovision of this floorspace in any regeneration scheme.
- (vi) Industrial land
- 4.49 The site does not benefit from any protection as industrial land, and indeed the importance of releasing such incompatible uses is made clear by the London

- Plan (paragraph 4.23) which encourages the re-use of surplus industrial land, particularly around transport nodes, to meet strategic and local objectives for higher density housing and town centre objectives.
- 4.50 Similarly, the Council's policy CS8 supports existing employment sites and premises which meet the needs of modern industry and expect a mix of employment facilities and types, including the provision of facilities suitable for small and medium sized enterprises. The Council's emphasis on meeting the needs of modern industry, and particularly provision for small enterprises, is reflected in the post-Framework site-specific policies.
- 4.51 The existing industrial use is not considered suitable to its location, and is a Category 3 site, receiving the least amount of protection. Chapter 7 of Camden Planning Guidance 5 emphasises that where the Council accepts the principle of redevelopment of an employment site its priority will be to secure permanent housing.
- 4.52 The Council's Business Premises Study (2011) noted two instances where industrial space is available to let but fails to attract occupiers, with one being *"heavily compromised sites, which are close to residential uses"* (paragraph 2.19). The Council's 2011 Study interpreted its own policy aiming to retain sites *"still suitable for industrial use"* (paragraph 2.49) as being suitable if, should it fall vacant, it *"is likely to be re-occupied for this use"*. This is an important point in the assessment, as planning decisions have to consider future implications. A site is not *"suitable"* simply because it is currently occupied.
- 4.53 The Study concludes (paragraph 2.55) that *"residential and industrial uses by their nature do not make good neighbours. Proximity to housing exposes the industrial occupier to contingent liabilities or at least being classified as an inconsiderate neighbour"*:
- 4.54 It continues: *"[industrial] sites that are...too close to housing...are generally not viable to invest in...In terms of Camden's planning policies these sites may no longer be suitable for industry, and when they are proposed for redevelopment the Council should consider releasing them for other uses"* (paragraph 2.73) *"if the applicant can demonstrate that...the site is too close to incompatible uses...the Council may agree to release the site without market testing"* (paragraph 2.76).
- 4.55 The report makes a very clear recommendation at paragraph 4.18 that for industrial uses existing sites should be safeguarded for industry *"unless they are compromised by...[being] too close to housing"*.
- 4.56 The report concludes that, with regard to mixed-used schemes and industrial uses, *"vertical separation...should be avoided. It is unattractive to occupiers...Residents generally object to the noise, vibration, vehicle movements, parking, loading/unloading, smells etc. generated by industrial operations, and industrial business do not want to operate in places where such objections will arise"* (paragraph 2.56).

- 4.57 Furthermore, *“examples where industrial space has been built below residential and is proving difficult to let are to be found all over the borough”* (paragraph 2.58) and *“we cannot find any successful examples of mixed-use development where industrial space is below residential”* (paragraph 2.60).
- 4.58 The report does, however, note that on larger sites horizontal separation can be successful if there is “enough space between buildings and separate access for the industrial and residential elements”.
- 4.59 The challenges of co-locating industrial uses and permanent housing have been recognised by Travis Perkins which presented empirical evidence to Camden Council when recently promoting the sale and redevelopment of its site at St Pancras Way (ref: 2011/1586/P). The Committee Report for that proposal noted (at paragraph 6.2.10) that *“officers have strongly encouraged the applicants [Travis Perkins] to include permanent housing...It is unlikely that Travers Perkins would come forward with a permanent housing scheme because of their presumption that there would be more noise complaints and this may impact on their continued operation on the site.....It is noted that this concern is with the current and longstanding owners and means that the site is unlikely to be developed for permanent residential accommodation should this (student housing) application be unsuccessful”* (our emphasis).
- 4.60 The view of Travis Perkins was unequivocal: No permanent housing would occur on the site alongside its own use. The Committee Report therefore sought to balance the harm (paragraph 6.2.11) as *“the opportunity cost from not securing the possible benefits to the Borough of permanent C3 housing on this site must be weighed against the prospect of no residential use of any sort coming forward on the site if the application is rejected...this is a likely possibility”*.
- 4.61 Alongside this incompatibility of use, as previously confirmed, the National Planning Policy Framework places an obligation on councils (paragraph 17) to support sustainable economic development taking into account market signals.
- 4.62 The 2014 Employment Land Study notes that Camden is identified strategically as a “Restricted Transfer” borough, where limited loss of industrial land is advised. The Study further notes that in the Further Alterations to the London Plan (2015) Camden’s ten year housing target increases by approximately 30%, with the additional homes to be provided through higher densities on previously developed land and on sites within and around transport hubs *“such as Areas of Intensification”* (paragraph 3.2). To ensure housing output is optimised *“the FALP requires employment capacities to be reviewed, if necessary, in the light of strategic and local employment projections”*.
- 4.63 The Mayor’s “Land for Industry and Transport” SPG provides guidance on the release of industrial land in the period 2011-2031. For Camden, this is a recommendation to release 5ha, or 0.3ha pa of industrial land.

- 4.64 Annex 3 of the Mayor's SPG provides criteria for assessment of industrial land and its suitability for continued use. Camden's 2014 Study based its assessment on the SPG criteria, including *"accessibility to strategic road access, provision of adequate servicing and parking facilities as well as impacts upon surrounding amenity and bad neighbour uses"* (paragraph 5.6). This is in addition to, and supportive of, Camden's own assessment in Chapter 7 of Camden's Planning Guidelines.
- 4.65 The 2014 Study records that *"prime" industrial and warehousing land supply is "providing high quality units...is almost wholly located within the Camden Town and Outer Borough Areas"* and concluded that the survey *"points to the need to support areas which currently serve a strategic role for industrial uses and limit the loss of other sites in more fringe locations within the borough. The demand assessment...will help to clarify the extent to which land could be released or protected"* (paragraph 5.8) (our emphasis).
- 4.66 The Study recommends protecting industrial land and properties where the businesses are *"viable and sustainable"* and then provides a very clear and precise definition for this recommendation:
- "In this context, viable and sustainable will translate into sites that are in locations where industrial activities are in some sense concentrated, and where the properties are purpose built and/or renewable".*
- 4.67 The similarity between the updated definition of *"viable and sustainable"* and Camden Council's definition of *"suitable"* is clear.
- 4.68 The 2014 Study then makes an equally clear recommendation for sites which do not meet this definition:
- "Industrial properties in residential areas, properties isolated in minor streets and properties that are clearly obsolete should be looked at differently"* (paragraph 6.8).
- 4.69 The 2014 Study, it must be remembered, forms an *"integral part of the evidence base needed to update information contained within the adopted Core Strategy (2010–2015) and Development Policies (2010-2015)"*. Furthermore, it *"advises on the appropriateness of existing Core Strategy Policy and Development Policies"* and makes recommendation regarding *"the provision [and] protection of employment land and premises required to meet the needs of businesses over the Local Plan period to 2031"*.
- 4.70 The Study recommended that its demand assessment would help clarify the extent to which land could be released or protected (paragraph 5.8). This demand assessment (compliant with the National Planning Policy Framework, National Planning Practice Guidance and Mayor's Land for Industry and Transport SPG) predicts industrial floorspace demand to fall by 10,023m², equating to 2.2ha (paragraph 7.11). This scale of land loss is considered by

the Study to be “not dissimilar to the scale of restricted transfer set out in the GLA’s Industry and Transport SPG of 5ha” (paragraph 7.10).

- 4.71 As previously confirmed, the 2014 Study provides a very clear recommendation:

“It is more complex than just suggesting that employment land and premises be offered maximum protection. Instead it may be more suitable to consider offering protection where sites are important in meeting demand, generating employment and economic wealth; release some sites where the benefits of the existing employment use are limited and would be outweighed by the benefits of the proposed alternative uses(s); and allow the release of some sites in specific locations where there is a long term over supply or which are no longer fit for purpose” (paragraph 8.1) (our emphasis).

- 4.72 The Study makes very clear the implications of not adopting this approach:

“The implications of not following a balanced approach which is sensitive to the direction and changing needs of business in terms of premises, location and formats is that economic growth for LB Camden could be impaired” (paragraph 8.1).

- 4.73 Both the policy requirements and market signals are therefore clear – there is no need to provide industrial floorspace in this location.

- 4.74 In this context, the non-reprovision of industrial floorspace is compliant with DP13. Alternatively, the overprovision of industrial floorspace which is not “suitable and viable” simply to “replace” an existing quantum of floorspace would not meet Policy DP13 criteria and would actually place Policy DP13 at risk of not being compliant with the National Planning Policy Framework.

- 4.75 The correct policy approach with respect to the industrial floorspace is therefore to require no reprovision of this floorspace in any regeneration scheme.

(vii) Economic benefits of the proposal

- 4.76 The application proposal will make a significant contribution to the Council’s objectives both for a strong borough economy and for a vital and viable West Hampstead Town Centre. The contributions include jobs created directly in the scheme, jobs created indirectly in West Hampstead because of the added expenditure of the additional residents on goods and services in the local area (which will account for a share of the residents’ spending), construction jobs, and investment in West Hampstead that otherwise would not be forthcoming.

- 4.77 The Employment and Economic Impact Study prepared by Turley identifies the following future economic impacts on the proposals (section 7):

- 97 full-time equivalent (FTE) construction jobs on-site annually, of which 48 direct FTE jobs will be supported within the local Camden labour force.
- 37 FTE jobs supported within the construction supply chain, related businesses and onward expenditure, of which 12 indirect FTE jobs per annum could be supported across the local Camden economy.
- £12.5m GVA generated per annum to the wider London economy each year, during the construction phase, of which £6.9m per year will contribute to the growth of the Camden economy.
- 138 FTE jobs directly in the completed scheme, of which 26 direct net additional FTE jobs could be held by residents of Camden.
- An additional 55 FTE jobs per annum when indirect and induced employment, of which 6 FTE jobs are anticipated to be supported locally.
- £12.6m GVA contribution to the London economy each year, of which £2.6m per year could contribute to the growth of the local economy throughout the lifetime of the proposed development.
- £2.2m of retail expenditure and £1.4m of leisure expenditure per annum from households living in the completed scheme within the local economy. This will boost the vitality and viability of local shops, businesses and services and create a further 13 new jobs.

5. CONCLUSION

- 5.1 The development does not include the re-provision of existing employment floorspace in terms of type or quantum because there is no economic demand to be satisfied and nor is there any need for the provision in the context of the very local market or the wider Camden market.
- 5.2 The Council's own 2014 Employment Land Study confirms an oversupply of local office space and a decline in demand for industrial space. The provisions of generic, borough-wide, pre-Framework Council policy must reflect such evidence to be compliant with the Framework. The Employment Land Study specifically guides Council policy with regard to the use of employment land in the borough for the Plan period.
- 5.3 There is no policy requirement to re-provide existing uses or quantum. Site-specific, up-to-date planning policies promote the inclusion of an appropriate amount of modern, flexible employment space to meet the needs of SMEs and start-up businesses. With the clear priority land use for the site being new homes, and the opportunity to enhance the vitality and viability of West Hampstead Town Centre through the creation of new Core Frontage retail space, the proposed type and quantum of employment space provided within the regeneration scheme is demonstrably appropriate to the site and circumstances.