

Planning Statement

Mixed Use Scheme

**51 Calthorpe Street
London
WC1X 0HH**

February 2018

1 Introduction

On 10 August 2017, Camden's Planning Committee resolved, subject to the entry into of a Section 106 Agreement, to grant planning permission for a residential scheme in respect of the building (reference 2015/3049/P). The scheme originally proposed was for 17 flats but this was reduced to 13 as part of the application process. This was the result of (a) the amalgamation of six of the originally proposed flats into three flats (spanning the lower ground floor and basement) and (b) the conversion of one flat to storage space. These changes were on amenity grounds (specifically concerns expressed about the outlook provided by basement accommodation). This has reduced the viability of the scheme. In particular, the demand for very large flats at basement level is limited.

At the same time, the oversupply of office accommodation in central London that previously existed has reduced, particularly in the Central Activities Zone. The London Borough of Camden Employment Land Study 2014 notes (on page 41 that):

"recent history suggests that there is growing occupier and investor demand for office floorspace in LB Camden's central London area. At present and for the next few years, market signals suggest that the forthcoming supply falls short of this demand".

The Study further notes (on page 45) that:

"The central London area performs a vital role in supporting London's world city functionality. The area has changed enormously for the better of the past 15 years or so, and has become a critical business cluster in London's economy. It now boasts a broad base of occupiers and shows signs of continuing to grow in importance. Its position between the City and West End is one of its greatest strengths."

If this trend continues, it will underpin the desirability of a continued element of office accommodation on the redeveloped Site.

Furthermore, the ground investigation works that were carried out in connection with the residential scheme have revealed that any redevelopment of the building will require the insertion of piled foundations. This will require the removal of the floors and other internal structures to make room for the piling machinery. Given that a complete internal configuration of the building will be required anyway, the question of the most suitable use of the redeveloped space can be approached with an open mind.

At this stage, it is unclear how United Kingdom's withdrawal from the European Union will affect the central London property market and, in particular, the relative demand for commercial and residential property. Accordingly, the viability of a wholly residential versus that of a mixed use scheme cannot yet be assessed. Accordingly, it will be desirable to have the flexibility to make this decision once further progress has been made in the Brexit process.

2 Land use considerations

2.1 Advantages of a mixed use scheme

A mixed use scheme is considered to have the following advantages:

- the existing building provides 870 m² (NIA) of office space; due to a more efficient layout and the creation of additional floor space, the proposed mixed use scheme will provide 1,064 m² of employment space, in addition to eight flats (684 m² GIA);

- although the mixed use scheme will provide 677 m² less residential space (i.e. five fewer flats), this will be offset by the provision of 1,064 m² of employment space, i.e. the mixed use scheme is 57 per cent more efficient in its use of space;
- the office accommodation will provide employment space for approximately 94 persons (based on a mean density of 10.9 m² per work station);¹
- the space at lower ground and basement level is more suitable for employment space than residential accommodation, as outlook is less important for offices;
- the building is highly suitable for a mixed use scheme as it already contains separate entrances that can be used for the residential and employment elements, enabling the two types of use to be easily separated;
- as the scheme will involve less demolition work, it will involve less disruption to neighbouring occupiers;
- the proposed mixed use scheme will involve the use of air source heat pumps to heat the offices (and individual gas fired boilers for the flats), in place of the CHP that is part of the residential scheme, which will reduce NOx emissions and improve the air quality in the area;
- the local area already has a mix of uses and so a mixed use scheme would fit into this very easily;
- a mix of uses is considered to contribute to a more vibrant local community; and
- in the statutory consultation that was carried out in connection with the residential scheme a number of objections were made regarding the loss of employment use² and the amenity of residential accommodation at basement level³ – the current proposal goes a long way towards addressing these concerns.

2.2 Planning policies in favour of a mixed use scheme

Camden's planning policies encourage the retention of employment space where appropriate. Policy E2 in the Local Plan states:

¹ British Council for Offices, *Occupier Density Study 2013* (September 2013).

² *"I object to this development. I think the problem here firstly is the change of use. This is a very unfortunate situation as the existing energy of the local community is disrupted by a developers [sic] financial goals. More and more the office community is being relegated to office 'strips' and it's [sic] a proven fact that a healthy mix of uses invigorates the local community. Camden is unfortunately failing to recognise this."*

"This area is very densely inhabited and will become much much more so with the Mount Pleasant site. More - very small - housing units will add to this density without any additional services being proposed. This is not what the area needs... At present this building houses several small businesses. Where do the developer and the council propose such businesses go? Is no one actually to work in the borough?"

"Since we will soon have around 700 or so new flats on the Royal Mail Site, it is better for the diversity of our area, to keep 51 Calthorpe Street as small business units and refuse permission to change the present use."

"51 ... is a unique small business unit in a genteel residential area. The proposal is forcing too many residential units into a very minimal area which creates issues."

³ *"The basement flats are substandard and should not be allowed. Even in the current housing crisis, people should not be living in subterranean dwellings like troglodytes."*

"Does Camden really want to allow troglodytic conditions for its citizens?"

“The Council will encourage the provision of employment premises and sites in the borough. We will protect premises or sites that are suitable for continued business use, in particular premises for small businesses, businesses and services that provide employment for Camden residents and those that support the functioning of the Central Activities Zone (CAZ) or the local economy.

We will resist development of business premises and sites for non-business use unless it is demonstrated to the Council’s satisfaction:

- a. the site or building is no longer suitable for its existing business use; and*
- b. that the possibility of retaining, reusing or redeveloping the site or building for similar or alternative type and size of business use has been fully explored over an appropriate period of time.*

We will consider higher intensity redevelopment of premises or sites that are suitable for continued business provided that:

- c. the level of employment floorspace is increased or at least maintained;*
- d. the redevelopment retains existing businesses on the site as far as possible...;*

[...]

- f. the proposed premises include floorspace suitable for start-ups, small and medium-sized enterprises, such as managed affordable workspace where viable;*
- g. the scheme would increase employment opportunities for local residents, including training and apprenticeships;*
- h. the scheme includes other priority uses, such as housing, affordable housing and open space, where relevant, and where this would not prejudice the continued operation of businesses on the site; and*
- i. for larger employment sites, any redevelopment is part of a comprehensive scheme.”*

The principle of change of use from offices to residential was accepted as part of the approval of the residential scheme due to the very poor condition of the building and the fact that significant investment will be required to meet office or storage requirements. This remains the case—a complete internal remodelling of the building will be needed to make it suitable. However, as explained above, a significant investment will be required regardless of the eventual use of the building and, in view of the viability considerations already identified, it is possible that the Site will be suitable for continued business use, as part of a mixed use scheme.

Mixed use schemes are encouraged by national and local planning policies. The Core Planning Principles set out in the National Planning Policy Framework include a requirement that planning should:

“promote mixed use developments, and encourage multiple benefits from the use of land in urban and rural areas”.

Policy 4.2 of the London Plan (March 2016) also states that boroughs should:

“support the management and mixed use development and redevelopment of office provision to improve London’s competitiveness and to address the wider objectives

of this Plan, including enhancing its varied attractions for businesses of different types and sizes including small and medium sized enterprises”.

Reflecting this, Camden’s planning policies are supportive of mixed use schemes. The subtext to Policy G1 states:

“The provision of an appropriate mix of uses, both within areas and in individual buildings, can also contribute to successfully promoting future growth in Camden and making efficient use of its limited land. A mix of uses can:

- increase the provision of much-needed housing;*
- promote successful places that have a range of activities and are used throughout the day, increasing safety and security;*
- reduce the need to travel by locating a range of uses together and so reduce the need for some journeys, helping to cut congestion in the borough and improve air quality.*

The Council will encourage the provision of a mix of uses in suitable locations and expect development proposals of an appropriate size in growth areas, Central London and the town centres of Camden Town, Finchley Road / Swiss Cottage and Kilburn High Road to contribute towards meeting Camden’s pressing need for self-contained housing.”

Policy H2 states:

“To support the aims of Policy H1, where non-residential development is proposed the Council will promote the inclusion of self-contained homes as part of a mix of uses.

- In all parts of the borough the Council will encourage the inclusion of self-contained homes in non-residential development.*
- In the Central London Area and the town centres of Camden Town, Finchley Road/ Swiss Cottage and Kilburn High Road, where development involves additional floorspace of more than 200sqm (GIA), we will require 50% of all additional floorspace to be self-contained housing, subject to the following considerations.*

In the specified areas, the Council will consider whether self-contained housing is required as part of a mix of uses taking into account:

- a. the character of the development, the site and the area;*
- b. site size, and any constraints on developing the site for a mix of uses;*
- c. the priority the Local Plan gives to the jewellery sector in the Hatton Garden area;*
- d. whether self-contained housing would be compatible with the character and operational requirements of the proposed non-residential use and other nearby uses; and*
- e. whether the development is publicly funded or serves a public purpose.*

Where housing is required as part of a mix of uses, we will require self-contained housing to be provided on site.”

The proposal satisfies this policy as over 50 per cent of the additional floor space will be self-contained housing and the housing will be provided on-site.

It is therefore considered that a mixed use scheme is not only consistent with Camden's planning policies but actually represents a preferred land use from a planning perspective.

3 Dwelling mix

Policy H7 states that:

"The Council will aim to secure a range of homes of different sizes that will contribute to creation of mixed, inclusive and sustainable communities and reduce mismatches between housing needs and existing supply.

We will seek to ensure that all housing development, including conversion of existing homes and non-residential properties:

a. contributes to meeting the priorities set out in the Dwelling Size Priorities Table; and

b. includes a mix of large and small homes."

The scheme will contain a mix of 1-bedroom, 2-bedroom and 3-bedroom flats. The Dwelling Size Priorities Table gives a high priority to 2-bedroom and 3-bedroom market housing and a lower priority to 1-bedroom and 4-bedroom market housing. This is reflected in the proposed dwelling mix as 50 per cent of the flats will be 2-bedroom or 3-bedroom flats and two of the 1-bedroom flats will contain mezzanine floors (with ensuite bathrooms) which are designed to be used as bedrooms. Accordingly, six of the eight flats will fall into the high priority category.

The dwelling mix is also heavily influenced by the existing building configuration, specifically (a) at ground floor level, the need for a reasonably sized floor plate for the office accommodation, (b) at first/second floor level the existence of the mezzanine floors at the front of the building and (c) the desirability of providing dual aspect accommodation where possible. This is consistent with Policy H7, which states that Camden "*will take a flexible approach to assessing the mix of dwelling sizes proposed in each development*", having regard to (inter alia) "*site size, and any constraints on developing the site for a mix of homes of different sizes*".

4 Quality of residential accommodation

With the exception of Flat 1 (on the ground floor), the configuration of the residential accommodation is identical to the configuration that was approved as part of the residential scheme. However, Flats 4 and 5 benefit from outdoor amenity space, which is an improvement over the residential scheme.

In contrast to the residential scheme, where the communal cycle store was at basement level, a ground floor communal cycle store is provided (incorporating Josta two-tier cycle racks complying with Camden's cycle policy). This is also considered to be an improvement over the residential scheme.

5 Design

The design of the front and rear extensions is identical to the design approved in the context of the residential scheme. The only material difference is that part of the existing building (in

the north-east corner), which would be removed as part of the residential scheme, will be retained.

6 Overlooking

The scheme should give rise to fewer overlooking issues than in the case of the residential scheme for the following reasons:

- (a) at ground floor level, there will be no flats facing the houses on Pakenham Street – the relevant windows will serve office accommodation, as at present, so that no additional issues arise when compared to the existing building; and
- (b) on the east elevation at first floor level, frosted glass privacy screens at the end of the outdoor amenity space will prevent any overlooking into or from the adjacent hotel.

As a result, there should be no need for any planning conditions requiring obscure glazing at these points.

At second floor level, any overlooking into any habitable rooms of the houses on Pakenham Street will be blocked by the parapet wall of the building, as can be seen from Section FF. Although this is also true in the case of the residential scheme, this evidence was not presented in the course of the residential application and so could not be taken into account. Policy A1 of Camden's Local Plan 2017 and paragraph 7.5 of Camden's Supplementary Planning Guidance, CPG 6 (Amenity) contemplates that mitigation measures such as screening by walls or other structures may be incorporated to reduce overlooking to an acceptable level. It is considered that this objective is achieved in the present case without the need for obscure glazing to the windows in question.

7 Other amenity issues

The provision of office accommodation at the lower levels of the building should not have a negative impact on the occupiers of the neighbouring buildings. Indeed, as discussed above, NOx emissions (and, consequently, the air quality of the surrounding area) will be improved by the use of air source heat pumps to heat the offices in place of the CHP that is part of the residential scheme. This also represents a significant improvement over the existing building.

8 Basement development

Policy A5 of the Local Plan provides:

"The Council will only permit basement development where it is demonstrated to its satisfaction that the proposal would not cause harm to:

- a. neighbouring properties;*
- b. the structural, ground, or water conditions of the area;*
- c. the character and amenity of the area;*
- d. the architectural character of the building; and*
- e. the significance of heritage assets.*

In determining proposals for basements and other underground development, the Council will require an assessment of the scheme's impact on drainage, flooding, groundwater conditions and structural stability in the form of a Basement Impact Assessment and where appropriate, a Basement Construction Plan.

The siting, location, scale and design of basements must have minimal impact on, and be subordinate to, the host building and property. Basement development should:

- f. not comprise of more than one storey;*
- g. not be built under an existing basement;*
- h. not exceed 50% of each garden within the property;*
- i. be less than 1.5 times the footprint of the host building in area;*
- j. extend into the garden no further than 50% of the depth of the host building measured from the principal rear elevation;*
- k. not extend into or underneath the garden further than 50% of the depth of the garden;*
- l. be set back from neighbouring property boundaries where it extends beyond the footprint of the host building; and*
- m. avoid the loss of garden space or trees of townscape or amenity value.*

Exceptions to f. to k. above may be made on large comprehensively planned sites.

The Council will require applicants to demonstrate that proposals for basements:

- n. do not harm neighbouring properties, including requiring the provision of a Basement Impact Assessment which shows that the scheme poses a risk of damage to neighbouring properties no higher than Burland Scale 1 'very slight';*
- o. avoid adversely affecting drainage and run-off or causing other damage to the water environment;*
- p. avoid cumulative impacts;*
- q. do not harm the amenity of neighbours;*
- r. provide satisfactory landscaping, including adequate soil depth;*
- s. do not harm the appearance or setting of the property or the established character of the surrounding area;*
- t. protect important archaeological remains; and*
- u. do not prejudice the ability of the garden to support trees where they are part of the character of the area."*

A Basement Impact Assessment is provided with the application to demonstrate that the development will not cause any of the harms referred to under items a to e and n to u above. Indeed, this has already been established in the context of the residential scheme. The only material difference between the current proposal and the basement proposed in relation to the residential scheme is that the basement slab will be 400 mm lower (reflecting the higher

ceiling heights appropriate for office use). The Basement Impact Assessment confirms that this will have no impact on the adjoining properties.

Policy A5 notes that “Exceptions to f. to k. above may be made on large comprehensively planned sites”. These are defined in paragraph 6.133 as:

- *“new major developments, for example schemes which comprise 1000sq m additional non-residential floorspace or 10 or more additional dwellings;*
- *large schemes located in a commercial setting; or*
- *developments the size of an entire or substantial part of an urban block”.*

This is not a precise definition and is plainly designed to be interpreted with a degree of flexibility. As the second and third bullet points are *alternatives* to the first, however, it is clear that the test can be satisfied where less than 1,000 m² of additional floor space, or fewer than 10 additional dwellings, are provided.

The development will create 967 m² of additional floor space (GIA).⁴ This is slightly less than the threshold for a major development but not materially so. Furthermore, the Site is the size of a substantial part of an urban block. It is also the case that the size of the building and the existence of the forecourt means that the Site can accommodate all plant, equipment and vehicles during the construction of the basement, thereby mitigating the impacts on the wider public realm.

In any event, the basement construction impact of the proposed scheme will be no greater than the impact of the residential scheme, in relation to which the basement proposals have already been approved. This is a material consideration as it would not be logical to apply a different policy to the basement construction merely on the basis of the difference in uses to which the building is to be put.

9 Conclusions

Feedback from planners in the context of the residential scheme was that residential accommodation at basement level is not ideal. In view of that feedback, consideration has been given to the possibility of replacing the proposed residential use on the lower floors with office use. Mixed use schemes of this nature are strongly encouraged by planning policy and (depending on market developments over the next year or so) may be more commercially attractive. A mixed use scheme will also be less disruptive to neighbours as it will involve less demolition and should provide better amenity both to the occupiers of the building and the occupiers of neighbouring buildings.

⁴ Basement, 494 m²; LGF, 60 m²; First Floor, 30 m²; Second Floor 246 m²; Third Floor 138 m².