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**From:** Baines, Tom  
**Sent:** 18 April 2018 16:50  
**To:** Lester, Robert  
**Cc:** Gibbs, Kate  
**Subject:** FW: 2018/0733/P - 283 Gray's Inn Road

Hi Robert

Thanks for the chat a moment ago.

The photographs do show that the office floorspace is in need of some refurbishment. Yet there's no evidence to suggest that, with light refurbishment, the premises cannot continue to support an employment use.

We are of the opinion that there is demand for appropriately priced employment floorspace, suitable for SMEs, in a location close to King's Cross. Such office space is in short supply. The applicant has submitted some marketing evidence, which includes a number of comments from interested parties that note the cost of the premises as a specific barrier.

We would suggest that there is insufficient evidence to support the loss of employment floorspace proposed, particularly on the basis of the potential of the floorspace to support a continued employment use. There are also a couple of uncertainties within the marketing information (i.e. it's important that 'advertised rents should be reasonable, reflecting market rents in the local area and the condition of the property').

That said, it is acknowledged that the applicant is proposing to re-provide some of the existing employment floorspace – the scheme would reprovide 96.7 sq. m of B1 floorspace. In accordance with Section 5.40 of the Local Plan, 'the reprovided employment floorspace on the proposal site should be designed flexibly to be able to accommodate a range of business types and sizes, in particular small and medium-sized enterprises (SMEs) and businesses in growth sectors such as the creative industries. The provision of affordable workspaces will be particularly welcomed'.

We would therefore argue that provision of 96.7 sq. m of **affordable** employment floorspace would be likely to sufficiently mitigate the loss of the wider employment floorspace and ensure provision of quality office that suitable for occupation by an SME. For guidance, 'affordability' can potentially be delivered in one of the following ways:

- an element of the space could be provided at less than 80% of comparable market values (however, for many sectors and locations in Camden rents will need to be lower than this to make them affordable to target occupiers);
- a sponsorship programme through which a number of local businesses are able to access space at reduced rents for an agreed period; and
- an average of market rents paid by tenants in the area occupying an equivalent type and quality of space.

The bullet points above only serve to provide examples of affordability - the Council's Economic Development Team will work with developers to agree appropriate terms of affordability on a case by case basis.

Thanks,

Tom

Tom Baines  
Economic Development Officer



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**From:** Baines, Tom  
**Sent:** 18 April 2018 11:25  
**To:** Lester, Robert <Robert.Lester@camden.gov.uk>

**Subject:** FW: 2018/0733/P - 283 Gray's Inn Road

Hi Robert

Thank you for your email.

I agree, the condition of the B1 isn't great, but it seems that a sympathetic refurbishment and attractive lease terms – particularly initially – could attract an SME.

I think that, with regards to the marketing of the space, the key factors are the condition and the rent and, related to that, whether it's the landlord or tenant that's expected to undertake the necessary works. Without clarity on that, I'd imagine any prospective tenant is going to be a little unsure.

The marketing evidence suggests:

*"When originally marketed, a rental of £115,000.00 per annum exclusive was quoted for the whole of the building, whilst a rental of £65,000.00 per annum would be required in respect of the upper parts/offices. In June 2016, the asking rental for the whole building was reduced to £100,000.00 per annum exclusive, and £50,000.00 per annum exclusive in respect of the upper floors. Throughout the time of our marketing, the property was in fair/poor condition and it was envisaged that our client would carry out a total refurbishment of the property once a tenant had been found. It was proposed that the refurbishment would take into account the requirements of the proposed tenant"*

It might be that the applicant has undertaken a flawless marketing campaign, but I do have questions (essentially, the same as you raised in your email, Robert). The use of the word 'envisaged', is particularly confusing; was this clear in the marketing materials, do you think?

In terms of ensuring that the marketing was in line with expectations in CPG5 7.18, I'd also query whether their marketing evidence currently reflects the following criteria:

- "Advertised rents should be reasonable, reflecting market rents in the local area and the condition of the property
- Lease terms should be attractive to the market:
  - at least three years, with longer terms, up to five years or longer, if the occupier needs to undertake some works
  - and/or short term flexible leases for smaller premises which are appropriate for SMEs"

Perhaps we could ask for further marketing evidence that addresses the above?

Copying in Cem in case he has any thoughts from a policy angle (sorry, Cem – another marketing issue!)

Thanks,  
Tom

Tom Baines  
Economic Development Officer



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**From:** Lester, Robert  
**Sent:** 17 April 2018 12:03



**Subject:** RE: 2018/0733/P - 283 Gray's Inn Road

Hi Tom,

I attach some photos showing the internal condition of this site. The physical condition is poor, but the building is not dilapidated. It is more that internal refurbishment and redecoration is needed to allow reuse rather than any major internal works.

The applicant did mention that the rental costs quoted in the marketing statement were based on the refurbished cost (with refurb to be completed by the owner prior to renting), rather than existing condition which may have affected the rents quoted. I am not sure whether that is the correct approach. I also note that the marketing refers to an overall building rental cost and then mentions the cost of renting the upper floors only, but it is not clear whether the ground and upper floors were actually marketed separately at those prices and what the actual adverts said. Do you need clarification regarding this and further details of the adverts.

I would welcome your advice. Happy to discuss tomorrow when you are back although it would need to be via skype as I am working from home tomorrow.

Regards

Robert Lester  
Planning Officer  
Regeneration and Planning  
Supporting Communities  
London Borough of Camden

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**From:** Baines, Tom  
**Sent:** 17 April 2018 10:46  
**To:** Lester, Robert <[Robert.Lester@camden.gov.uk](mailto:Robert.Lester@camden.gov.uk)>  
**Subject:** RE: 2018/0733/P - 283 Gray's Inn Road

Hi Robert

Hope you're managing to get through the new cases!

I'm WFH today – is tomorrow okay? Any time except 10-11 would be fine for me...

Thanks,  
Tom

Tom Baines  
Economic Development Officer



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**From:** Lester, Robert  
**Sent:** 17 April 2018 10:43  
**To:** Baines, Tom <[Tom.Baines@camden.gov.uk](mailto:Tom.Baines@camden.gov.uk)>  
**Subject:** RE: 2018/0733/P - 283 Gray's Inn Road

Hi Tom.

Shall we meet to discuss this today.

Regards

Robert

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**From:** Baines, Tom  
**Sent:** 11 April 2018 07:28  
**To:** Lester, Robert <[Robert.Lester@camden.gov.uk](mailto:Robert.Lester@camden.gov.uk)>  
**Subject:** Re: 2018/0733/P - 283 Gray's Inn Road

Hi Robert

Thank you for your invitation, but I've got a meeting at 9am.

Thanks for offering to take a few photos. Perhaps we can catch up when you have 5 mins?

Thanks,  
Tom

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**From:** Lester, Robert  
**Sent:** 10 April 2018 16:03:47  
**To:** Baines, Tom  
**Cc:** Gibbs, Kate  
**Subject:** RE: 2018/0733/P - 283 Gray's Inn Road

Hi Tom,

Thank you for your obs on this site. Regarding the condition of the premises. I am going out on site tomorrow morning at 9.30am. You are welcome to join me on site, or if not I will take photographs and notes of the internal condition and can discuss this with you afterwards.

Regards

Robert Lester  
Planning Officer  
Regeneration and Planning  
Supporting Communities  
London Borough of Camden

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**From:** Baines, Tom  
**Sent:** 05 April 2018 14:34

**Subject:** 2018/0733/P - 283 Gray's Inn Road

Hi Robert

Thank you for consulting Economic Development on the above scheme.

283 Gray's Inn road currently provides 223 sq. m of B1 floorspace. The proposal would lead to a loss of 125.2 sq. m of B1 floorspace. With a small extension at the ground floor, the proposals would result in the (re)provision of 96.7 sq. m of B1 floorspace at basement and ground floor levels.

Section 5.34 of the Local Plan notes that 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".

The applicant has provided details of marketing evidence that appears to adhere to the requirements set out in policy CPG5 7.18.

Do we have information on the current condition of the premises? It would be useful to know that so that we could assess how realistic the asking rents are (i.e. £115,000/yr for the entire building / reduced to 100,000/yr in June 2016). The applicant does not provide enough information on the condition of the premises to enable a judgement on whether the asking rents were at acceptable levels during the two years of marketing. You mentioned that you would be visiting the premises next week – would you be happy to let us know what condition the premises are in, please?

Despite the net loss of B1 floorspace, the proposed scheme would result in the (re)provision of 96.7 sq. m of B1 floorspace. We'd be keen to know more about the design (type / configuration) of the employment floorspace that would be (re)provided and the type of business the applicant hopes to attract.

Thanks,  
Tom

Tom Baines  
Economic Development Officer

