Proposed conversion of 2nd floor from offices to form five flats at 31-33 High Holborn



Planning, Design, Heritage and Access Statement for Westcombe Homes

Brian Madge, BA, MA, MRTPI Brian Madge Ltd 20 Westmead Road, Sutton, SM1 4JT 020 8642 8753 & 07973 913025 bmadge224@aol.com

INTRODUCTION

This statement supports an application to alter the internal layout and change the use of the second floor at 31-33 High Holborn. The floor has been used as offices for over ten years. The last tenants left in January 2020 and the floor was immediately marketed, but after 15 months there have been no offers for office or commercial use and hence the floor has remained vacant.

The application includes this statement, the plans of the whole building existing and the proposal for the second floor.

All the plans save the second floor are unaltered.

THE SITE AND ITS SURROUNDINGS

The site currently contains a six-storey building fronting High Holborn. It is now vacant but formerly provided limited retail on the ground floor with offices above. The site is part of the Central London Area (as defined) and in an Archaeological Priority Zone.

The site is heavily constrained by a variety of ground floor and underground uses/structures that prevent extensive alterations. These constraints include the Chancery Lane deep level shelter, a BT Telephone Exchange and two underground railway structures.

The building is red brick with stone dressings to the windows on the High Holborn frontage. It has two strong bays surrounded by a large gable and chimneys. The remainder of the front elevation is flat with pairs of windows. There is a decorative cornice between the ground and first floor. There is a more modest cornice between the fourth and fifth floor. A stone balustrade caps the building.

The rear and flank elevations are more utilitarian with a mix of materials including render, red and white brick, and plain flettons. There are external stair cases accessing to Fulwood Place.

High Holborn is an area of change with a number of extensive mixed use redevelopments of varying architectural styles. Redevelopment of this building is not achievable by reason of the Conservation Area status and the quality of the High Holborn Street frontage. The building spans over a passageway to Fulwood Place which accesses Grays Inn containing a formal arrangement of buildings serving the legal community. The existing building is shown overleaf:







Front elevation (High Holborn)

Rear elevation (Fulwood Place)

Flank elevation to the passageway

The site is in the Bloomsbury Conservation Area.

The building was converted into a mixed use of retail, offices and residential above in 2009.

Heritage significance

The site is located in an area with a range of uses as well as historical buildings. As a much altered building it has a neutral effect on the character of the Conservation Area.

The roofscape is in keeping with the general age and quality of the building. The heritage significance is thus confined to its general scale and architectural image. The building and other unlisted buildings nearby, and their relationship to one another and the Bloomsbury Conservation Area collectively illustrate the development of this part of London. They tell the story of change in this part of central London in the 19th and 20th centuries, the intensity of post-war change, and the effect of commercial pressures on older buildings.

In terms of English Heritage's 'Conservation Principles', the listed buildings and conservation area provide us with 'evidence about past human activity' and, by means of their fabric, design and appearance, communicate information about its past. Subsequent alteration, demolition and redevelopment has not entirely removed the ability of the older townscape and intact historic buildings to do this; the Conservation Area and its listed buildings clearly retains sufficient historic. The contribution made by 31 High Holborn is unchanged.

THE PROPOSAL

The proposal seeks to respond to changes in economic circumstances. The design concept flows from an evaluation of the building, planning policy and practical considerations. The most important context considerations are:

- There are no external changes arising out of the proposed change of use
 The maintenance of character of the building and of the area. The design is traditional and unaltered
 The maintenance of amenity for existing occupiers
 The proposal has no impact on the access of light to the adjacent buildings
 The proposed development seeks to provide for four modest flats that are appropriately located and have no impact on the streetscene
 The flats meet the national minimum floorspace standards as detailed below:
 - 1. Front two bedroom flat (3 person) 71 sqm
 - 2. Front studio (1 person) 40 sq m
 - 3. Centre studio flat (1person) 37.8 sq m
 - 4. Centre 1 bed flat (2 person) 52.9 sq m
 - 5. Rear two bedroom flat (3 person) 62 sq m
- Cycle storage is provided in the private ground floor lobby for each unit to encourage sustainable transport use. This is currently used by the commercial unit that is to be replaced
- ☐ The existing office is insulated and heated but the development provides the opportunity to upgrade this, achieved by condition. The flat roofs adjacent to the 2nd floor flats provide an opportunity to achieve at least five air source heat pumps.

NATIONAL POLICY

The Government published the latest version of the revised National Planning Policy Framework in 2019. One of the key drivers for the revision was the need to deliver a sufficient supply of homes. For decision taking, there is a presumption in the Framework in favour of sustainable development and "Local planning authorities should approach decisions on proposed development in a positive and creative way. They should use the full range of planning tools available, including brownfield registers and permission in principle, and work proactively with applicants to secure developments that will improve the economic, social and environmental conditions of the area. Decision-makers at every level should seek to approve applications for sustainable development where possible."

Turning to the specific subject areas, the NPPF states:

To support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay.

A new provision of the NPPF is an emphasis on small sites, and the guidance notes:

- 68. Small and medium sized sites can make an important contribution to meeting the housing requirement of an area, and are often built-out relatively quickly. To promote the development of a good mix of sites local planning authorities should:
- a) identify, through the development plan and brownfield registers, land to accommodate at least 10% of their housing requirement on sites no larger than one hectare; unless it can be shown, through the preparation of relevant plan policies, that there are strong reasons why this 10% target cannot be achieved;

The proposal is an example of this type of small site and provides an opportunity to create good homes which are responsive to local needs.

The Government attaches great importance to the design of the built environment. Good design is a key aspect of sustainable development. Planning policies and decisions should aim to ensure that developments will function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development and should establish a strong sense of place, using streetscapes and buildings to create attractive and comfortable places to live. The proposal does not affect the external environment and thus it sustains and enhances the significance of the heritage assets and puts it to viable uses consistent with their conservation (paragraph 191). There is no harm to, or loss of, the significance of a designated heritage asset.

As regard the office use the NPPF notes the need for both flexibility and creativity:

80. Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future. This is particularly important where Britain can be a global leader in driving innovation, and in areas with high levels of productivity, which should be able to capitalise on their performance and potential.

Paragraph 81d notes how plans should be able to respond to changing circumstances:

Planning policies should:

d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.

The pandemic is such a circumstance, requiring such a rapid response. Whereas the office market is now uncertain housing is an assured user.

The economic and land use changes arising from Covid arguably mean parts of the Local Plan are out date and thus paragraph 11d would seem appropriate. It states:

- d) where there are no relevant development plan policies, <u>or the policies which are most important for determining the application are out-of-date, granting permission unless: (my underlining)</u>
- i. the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed; or
- ii. 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.

THE DEVELOPMENT PLAN

The Development Plan for the site comprises the London Plan 2016 together with the Camden Local Plan 2017. The Holborn area is largely characterised by a mix of offices, retail and residential.

Policy E2 Employment premises and sites states:

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, and in particular industry, light industry, and warehouse/logistic uses that support the functioning of the CAZ or the local economy;
- e. it is demonstrated to the Council's satisfaction that any relocation of businesses supporting the CAZ or the local economy will not cause harm to CAZ functions or Camden's local economy and will be to a sustainable location;
- 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 site has been marketed since January 2020 (as demonstrated in Appendix A) and received no offers. The post Covid era has changed the approach to the office and its use and arguably renders employment protection policies out of date. A recent published survey from property agents Cushman & Wakefield analysed responses from more than 40,000 individuals globally about their work-from-home experiences during the Covid-19 pandemic. Survey respondents represent approximately 30 companies across nearly 20 industries. Three quarters of respondents agree or strongly agree that they are collaborating effectively with colleagues in the current environment – up 10% from data gathered during the pre-Covid-19 period – and 73% said they would **like their companies to embrace long-term or permanent flexible working policies.**

This has led KPMG to conclude Covid-19 has prompted businesses to look closely at their real estate, including office space usage in premium locations like London. A new JLL report on the impact of Covid-19 on flexible space outlines the future of such space both now and after the pandemic subsides. The report indicates that flexible space will take a different form than it has in the past. This change will result in the dedensification of main office space and a move towards a 'hubs and clubs' model that provides office locations closer to where people live. These distributed locations, or 'clubs,' are likely to lean heavily on flexible space arrangements.

The JLL report notes that they expect to see a fundamental shift in the way office space is consumed. A greater focus on spaces which emphasise collaboration is also likely to emerge as office space is redesigned and repurposed. As tenants return to their offices, business continuity and operational resilience will be top priorities – and since flexible space is fast and easy to acquire, companies are likely to turn to flexible solutions to support portfolio reductions and cost-saving strategies during this time of economic uncertainty.

The office has long provided a place for concentrated work and is increasingly becoming a place for collaboration, connection, innovation and social interaction. In a revived post-pandemic market where adaptability is high on the corporate agenda, the purpose of the 'hub' office is centred around collaboration and flexible space.

The applicants have produced their own bespoke research by Levy Real Estate who note that even before Covid the City Fringe was slowing down. They note:

The City Fringe has been one of London's standout performers over the past decade, but recent months have been less positive. The coronavirus crisis has chalked off demand, with few lettings occurring since the pandemic began. The submarket's vacancy rate was already rising before the crisis, albeit from low levels. Net absorption has been negative over the past year, largely due to the Royal Bank of Scotland consolidating its offices on Bishopsgate, while the 110,000-SF Kaleidoscope scheme delivered unlet at the end of 2019. While TMT demand might prove more resilient than some other sectors in the aftermath of the crisis, leasing is likely to remain

sluggish in the near term, while the many co-working firms operating here are likely to see their business models put under pressure. When combined with a rise in speculative construction, this should lead to vacancies rising further in the next couple of years.

In addition to the risk the coronavirus crisis poses to the business models of such firms, a high level of co-working space also presents a challenge to landlords of smaller buildings in the City Fringe, as startups and SMEs gravitate to this co-working space instead. Brexit also poses a challenge to demand here. Any restrictions on EU immigration would shrink the pool of tech talent available, which could lead some firms to consider setting up operations on the continent instead.

This and the other factors shown in the whole report leads to the conclusion that:

Demand for office space has weakened significantly across Central London as a result of the coronavirus crisis. Few lettings have occurred within the area in recent months as many firms continue to work from home and business leaders re-evaluate space needs. The submarket's vacancy rate, which had already been edging upwards before the crisis began, is likely to continue rising over the next couple of years as muted demand meets rising supply and rents should start to fall as a consequence.

In a report by Fitch Ratings dated 27th May 2020 they report that the Corona Virus pandemic will irreversibly change your opinion of this market by causing step change in working practices in the information services sector. Anti Covid 19 measures have forced many businesses to have all or most of their staff working home simultaneously. This has accelerated technological development, systems quality testing, lowered cultural and managerial barriers to home working and reshaped within and between businesses. All of these factors lead to lower demand for City Centre office property. They have increased EMEA CMBS Office Structural Vacancy assumptions in many markets due to opportunities for remote working combined with cost pressures from weaker economic conditions. This increase assumes structural vacancy is focused on expensive and highly centralised office markets in large cities like London/Paris.

These considerations lead to an overall conclusion that most expert commentators believe that there will be a decrease in demand for office accommodation throughout the Central London core. The subject property is not a highly attractive office and as shown over the past fifteen months the demand for this unit is poor. With current demand falling significantly this unit is effectively un-lettable.

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Hence it can be seen in the context of this proposal and the locality that:

- The premises have not let since before the Covid crisis
- Demand for office space has weakened significantly and has continued to do so between August 2020 and March 2021
- Few lettings have occurred within the area in recent months
- Business leaders are already re-evaluating office space needs
- The vacancy rate was already rising before Covid
- The vacancy rate is likely to continue rising
- Rents are likely to fall affecting viability
- Brexit will create further uncertainty.

By contrast flat demand remains strong and there is a committed developer on site who is willing to invest further. We suggest therefore the policy test is passed.

Paragraph 2.31 of the Local Plan identifies the Council aspirations for the Holborn area and states:

The Council's aspirations for the Holborn area include:

- provision of a mix of land uses, with offices and housing as the predominate uses; and
- provision of appropriate retail, food, drink and entertainment and service uses in the area's Central London Frontage in accordance with the supplementary planning document Camden Planning Guidance on town centres, taking opportunities to introduce ground floor town centre uses where the continuity of the frontage is currently broken;
- development of a decentralised energy network;
- improvements to the street environment, in particular the pedestrian environment to and around Holborn Underground station;
- improved linkages and connections with the City of London, the Tottenham Court Road area and other neighbouring areas;
- making walking and 'way-finding' easier;
- the provision of improved cycling facilities, particularly for visitors;
- working with partners including TfL to relieve congestion at Holborn Underground station, including the Holborn station capacity upgrade;

- appropriate contributions to open space, community facilities, regeneration initiatives and employment and training schemes;
- high quality, sustainable design that respects its surroundings and conserves and enhances the area's heritage assets and wider historic environment; and
- improving community safety, including opportunities for crime and anti social behaviour.

The proposal maintains a mixed use of the building with retail on the ground floor on the High Holborn frontage and perpetuates the design of the approved building. It will make a contribution to maximising housing supply as required by Policy H1, which states:

The Council will aim to secure a sufficient supply of homes to meet the needs of existing and future households by maximising the supply of housing and exceeding a target of 16,800 additional homes from 2016/17 - 2030/31, including 11,130 additional self-contained homes.

We will seek to exceed the target for additional homes, particularly self-contained homes by:

- a. regarding self-contained housing as the priority land-use of the Local Plan;
- b. working to return vacant homes to use and ensure that new homes are occupied;
- c. resisting alternative development of sites identified for housing or self- contained housing through a current planning permission or a development plan document unless it is shown that the site is no longer developable for housing; and
- d. where sites are underused or vacant, expecting the maximum reasonable provision of housing that is compatible with any other uses needed on the site.

We will monitor the delivery of additional housing against the housing target, and will seek to maintain supply at the rate necessary to exceed the target. In seeking to maintain the housing supply, the Council will adjust the type and mix of housing sought, having regard to the financial viability of development, the sales or capital value of different house types and tenures, and the needs of different groups.

The proposal as it now stands also maximises self-contained accommodation as required by Policy H2, which 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 selfcontained 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, particularly where 1,000sqm (GIA) of additional floorspace or more is proposed. Where the Council is satisfied that providing on-site housing is not practical or housing would more appropriately be provided off-site, we will seek provision of housing on an alternative site nearby, or exceptionally a payment-in-lieu.

Turning to the design, the impact of development is assessed against Policy A1, which states:

Managing the impact of development

The Council will seek to protect the quality of life of occupiers and neighbours.

We will grant permission for development unless this causes unacceptable harm to amenity.

We will:

a. seek to ensure that the amenity of communities, occupiers and neighbours is protected;

- b. seek to ensure development contributes towards strong and successful communities by balancing the needs of development with the needs and characteristics of local areas and communities;
- c. resist development that fails to adequately assess and address transport impacts affecting communities, occupiers, neighbours and the existing transport network; and
- d. require mitigation measures where necessary.

The factors we will consider include:

- e. visual privacy, outlook;
- f. sunlight, daylight and overshadowing;
- g. artificial lighting levels;
- h. transport impacts, including the use of Transport Assessments, Travel Plans and Delivery and Servicing Management Plans;
- i. impacts of the construction phase, including the use of Construction Management Plans;
- j. noise and vibration levels;
- k. odour, fumes and dust;
- I. microclimate;
- m. contaminated land; and
- n. impact upon water and wastewater infrastructure.

The design has no impact on adjacent properties by reusing the existing windows.

HERITAGE SIGNIFICANCE

The proposed scheme is solely an internal change and is logical and reasonable in its approach to the character of the locality. The character and appearance of the Conservation Area will be unaffected by the proposed scheme. The setting of nearby buildings and the character and appearance of the Conservation Area and the setting of others will be preserved.

The proposed scheme, for the reasons given above, preserves the special architectural and historic interest as well as the character and appearance of the Bloomsbury Conservation Area, and thus complies with S.66 (1) and S.72 (1) of the Planning (Listed Buildings and Conservation Areas) Act 1990. It does not lead to 'substantial' harm or any level of 'less than substantial' harm to any other heritage assets.

The level of 'harm' caused by the proposed scheme

As outlined earlier, the NPP Framework identifies two levels of potential 'harm' that might be caused to a heritage asset by a development: 'substantial harm...or total loss of significance' or 'less than substantial'. Both levels of harm must be caused to a *designated* heritage asset – in this instance, the Conservation Area. The only potential for 'less than substantial' harm would be the loss of something in a Conservation Area that has a direct relationship to what is central to a special architectural and historic interest in that Conservation Area. This does not occur.

The balance of 'harm' versus benefit

In any event, and even if some level of harm was considered to be caused by the proposals, the scheme provides a tangible public benefit in the form of providing additional housing with a sustainable future in a way that does not affect the special architectural and historic interest of the area. The provision of housing is a clear public benefit. This would more than outweigh what very low level of 'harm' – if any – might be asserted is caused by the proposal. The core special architectural and historic interest of the heritage assets remains entirely intact – i.e. preserved – in the proposed scheme.

CONCLUSIONS

We believe there is an opportunity, consistent with Government advice, to provide new accommodation on the second floor which is in keeping with the form of the adjacent development and the surrounding area. This application positively responds to the context in developing the site in a high quality manner, and to introduce significant benefits to the locality through an appropriate development which perpetuates the form of the locality.

In light of the above and given the compliance with National Policy and the Local Plan we would seek your favourable recommendation and consideration.

APPENDIX A - January 2020 Marketing details



