



Appeal Decision

Site visit made on 5 January 2022

by J E Jolly BA (Hons) MA MSc MCIH MRTPI

an Inspector appointed by the Secretary of State

Decision date: 11th January 2022

Appeal Ref: APP/V5570/W/21/3268745

124 Aldersgate Street, Islington, London EC1A 4JQ

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a failure to give notice within the prescribed period of a decision on an application for planning permission.
 - The appeal is made by 124 Aldersgate Limited against the decision of the Council of the London Borough of Islington.
 - The application Ref P2020/1948, is dated 20 July 2020
 - The development proposed is for a change of use of No 124 Aldersgate Street from a mixed use of offices and residential to wholly residential.
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Decision

1. The appeal is dismissed.

Procedural Matters

2. Notwithstanding the changes to the Town and Country Planning (Use Classes) Order 1987 planning applications which were submitted prior to 1st September 2020 must be determined by reference to the previous use classes. In this case the application was submitted prior to this date. Therefore, I have proceeded in accordance with, and reference to, the previous use classes.
3. The Government published a revised *National Planning Policy Framework* (the Framework) in July 2021. All references to the Framework in this decision relate to the updated document. The appellant has brought to my particular attention Paragraph 123 of the Framework which is noted in consideration of the appeal before me.

Main Issue

4. The main issue is whether the proposal for a change of use from mixed use office space (Class E) to a residential dwelling (Class C3) has been justified.

Reasons

5. The appeal site is located at 124 Aldersgate Street within the Central Activities Zone (CAZ), Employment Growth Area (Offices), and the Finsbury Local Plan Area. The appeal property is a short walk from Farringdon rail-station and near to the Barbican underground station. No 124 is found to the rear of a court-yard type development that is accessed via an under-croft opening between 123 and 125 Aldersgate Street. The court-yard and surrounding area is typified by mixed-use developments that include offices, residential dwellings and retail units.

6. The appeal building is a part-one, part-two, part-three storey, brick and tile dwelling with a basement that has been converted to Class E use other than a self-contained residential property that has a roof-terrace at first-floor level. The building has a number of light-wells and roof-lights in addition to fenestration to the front and rear that provide natural light at all levels. The furnished office spaces have a contemporary appearance and include kitchenettes, toilets and washing facilities, storage, break-out areas, meeting rooms and other spaces including a board room and a landscaped garden area.
7. The proposal is to convert the entire building into a 3 bedroom residential dwelling. The external appearance of the building would remain unchanged.
8. However, the change of use from a Class C3 to a Class E use cannot rest on the appellants' decision alone; rather adherence to the adopted Development Plan policies. In this case Policy CS13 of the Islington Core Strategy 2011 (ICS) aims to safeguard existing office space. Moreover, the onus is on the appellant to demonstrate that the floorspace has been vacant and continuously marketed for a period of at least two years, or in exceptional cases, where the vacancy period has been less than two years, there should be a robust market demand analysis that justifies a change of use to non-business uses including residential as set out in the relevant sections of Islington's Local Plan Development Management Policies 2013 (IDMP).
9. As such, the appellant contends that the office spaces have not been fully occupied since 2018, and that the units are unattractive to potential occupiers due to limited natural light, a lack of wheelchair access to the upper floors, restricted head-height at second-floor level and the absence of air-conditioning. Moreover, that changes to work-life generally as a consequence of the Covid pandemic has reduced demand for office space of this type.
10. I acknowledge the additional marketing evidence submitted by the appellant. However, the fact remains that the building was partially occupied until the first quarter of 2020. Moreover, much of the updated evidence provided is generic in nature rather than specific to No 124, and where this is not the case it mostly relates to a relatively short-period of time between September and October 2021 rather than a continuous period of 2 years.
11. Indeed, the office spaces, while dependant in part on artificial light, are well maintained and have attractive features such as a dedicated concierge, wi-fi, furniture, storage, and a well-appointed board-room. Furthermore, the offices appear to be spacious enough to accommodate screening between desks to allay concerns for social distancing. Additionally, the location of the building is in a quiet courtyard location away from the noise of the highway and activity associated with the nearby streets. The property also boasts a private outdoor space to the rear which has a number of tall mature trees. As such, the property is likely to compete favourably with, for example, the rather stark upper-floor office spaces and other buildings seen in the surrounding roads.
12. Notwithstanding the lack of a street-facing advertisement board that are commonly seen in the nearby streets, I do not doubt that the appellant has sought out a number of marketing routes such as 'Gumtree' or other online outlets. However, following my site visit I am not persuaded that the property would be unattractive to a range of smaller type businesses, particularly those engaging in 'start-up activities' in this well-appointed and popular location.

13. I accept that the office rental market including No 124 might have to adjust its offer to accommodate Covid social distancing and ventilation arrangements. Moreover, that wheelchair access at the appeal property would be confined to the ground floor unless a lift could be provided at some cost. However, notwithstanding the relatively short 12-month marketing period that is indicated in the London Plan for change of use proposals, given the Council's Development Plan Policy CS13, and the unusual conditions created by the pandemic, the permanent change to a C3 residential dwelling at this time would be in my view imprudent.
14. In fact I note that the chartered surveyors 'GN2 Limited', who were appointed by the appellant to market the property, confirm that the area surrounding the appeal site has been particularly popular with tech and media firms due to the close proximity with existing and future transport links; such as Crossrail. Moreover, the underwriting report provided by GN2/CoStar dated 21/10/2021 suggests that the London office market is improving following the easing of Covid restrictions, that activity is the most vibrant it has been in over 2 years, and that 'London's economy is bouncing back strongly from the coronavirus crisis.'
15. I conclude therefore, that the proposal is contrary to Policies SD4 and SD5 of the London Plan 2021, Policy CS13 of the ISC, Policy DM5.2 of the IDMP, Policy BC8 of the Finsbury Local Plan 2013, as supported by Policy B3 of the emerging Islington Local Plan Policy, and the Framework when read as a whole, which say amongst other things, that the Council will provide employment space for businesses by safeguarding existing business spaces throughout the borough by protecting against change of use to non-business uses, particularly in the CAZ.

Other Matters

16. I acknowledge the appellants reference to planning application (891816) in support of the case that was previously refused by the Council. As this application is of some vintage that is likely to have been considered under a different development plan to the proposal before me I afford this little weight.
17. A number of interested parties consider the residential scheme to be favourable to the current Class E use. However, even if I were to accept this to be the case, I note that the Council would have required an agreed planning obligation such as a 'Unilateral Undertaking' to ensure that there would be an appropriate mechanism to secure a car-free development. No such undertaking has been submitted or agreed. However, whether this is a reasonable requirement or not, as I am dismissing this appeal on the substantive grounds I need not consider the relevance of such omission at this time.

Conclusions

18. For the reasons given above the appeal should be dismissed.

J E JOLLY

INSPECTOR