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# Appeal Decision

Site visit made on 11 November 2024

**by Andrew McGlone BSc MCD MRTPI**

**an Inspector appointed by the Secretary of State**

**Decision date: 25<sup>th</sup> November 2024**

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**Appeal Ref: APP/E5900/W/24/3345893**

**9 Prescott Street, Tower Hamlets, London E1 8PR**

- The appeal is made under section 78 of the Town and Country Planning Act 1990 (as amended) against a refusal to grant planning permission.
  - The appeal is made by CLS Prescott Ltd against the decision of the Council of the London Borough of Tower Hamlets.
  - The application Ref is PA/24/00057.
  - The development proposed is the change of use from office use (Class E) to a dual hybrid use for higher education uses (Class F1(a)) and office use (Class E).
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## Decision

1. The appeal is dismissed.

## Main Issue

2. The main issue is the effect of the proposed development on the provision of employment office floorspace in the borough.

## Reasons

3. The seven-storey high appeal building is on the southern side of Prescott Street. The building consists of 11,950 sqm of office (Class E) floorspace. The building was purchased in May 2019 and the NHS, who occupied the lower ground two floors, vacated in January 2021. Other tenants vacated the building in 2021 and the building was fully vacant by the first quarter of 2022.
4. The proposal seeks to change this to a hybrid use for office use (Class E use) and/or higher education uses (Class F1(a)) which would mean that different floors of the building could be let on a flexible basis.
5. The site lies within a Secondary Preferred Office Location (Secondary POL), the Central Activities Zone (CAZ) and City Fringe Area. Policy S.EMP1 of the Tower Hamlets Local Plan 2031 (Local Plan) outlines the role and function of Secondary POL as containing, or could provide, significant office floorspace to support the role and function of the Primary POL and the City of London. Greater weight is given to office and other strategic CAZ uses as a first priority. The role and function of the CAZ also provides significant existing employment floorspace and capacity to accommodate future growth. There are opportunities for significant provision of office and other strategic CAZ uses as part of employment-led or mixed-use schemes.
6. The range of strategic functions of the CAZ are listed in paragraph 2.4.4 of the London Plan (LP). These include centres of excellence for higher and further education and research among other things which reflect the area's status as the vibrant heart and globally iconic core of London.
7. Local Plan Policy D.EMP3 states that development resulting in net loss of employment floorspace within POL, Local Industrial Locations and Strategic

Industrial Location will not be supported. Despite the appellant's marketing over a 46 month continuous period, part 2 of Local Plan Policy D.EMP3 does not apply given the site's location in a Secondary POL. Part 1 of this policy is the relevant part. While the proposal may retain an element of office use, it would result in a net loss of employment floorspace due to the Class F1(a) use. Hence, the proposal would conflict with Local Plan Policy D.EMP3.

8. Local Plan Policy D.EMP4 says that proposals within the Secondary POL must be employment-led and deliver the maximum viable level of office floorspace, or other non-residential strategic functions within the CAZ; and redevelopment within the CAZ (tertiary area) should be employment-led or mixed-use to include office or other non-residential floorspace that supports the strategic function of the CAZ. Supporting paragraph 10.34 explains in respect of Local Plan Policy D.EMP4 that "Parts 2 and 3 seek to strike an appropriate balance between offices, CAZ strategic uses and housing to meet future growth and the place-making objectives of mixed-use development. Any redevelopment proposals within the Secondary POL and CAZ (tertiary area) should meet the requirements set out in Parts 1 and 2 of Policy S.EMP1."
9. It is common ground that Local Plan Policies D.EMP4 and S.EMP1 need to be read together as they collectively seek to provide a strong but flexible approach to development in designated employment locations. While they do not rule out the loss of office floorspace and other uses in such locations, the former is preferred and to be maximised. Nor do these policies obviate the application of Local Plan Policy D.EMP3 and its objective to prevent a net loss of employment floorspace within POL locations.
10. I note the flexibility sought for how the building is used, but there is no detail of the specific type of higher educational occupier that may occupy the building. Part 4 of Local Plan Policy D.CF3 requires applications for new adult, further and higher educational facilities. There is also no information of student and staff numbers, enrolment criteria and curriculum details. Hence, despite the emphasis towards the provision of higher education in the borough and the vision for the City Fringe, I cannot be certain that the Class F1(a) use would be a centre of excellence for higher or further education, and therefore a use consistent with the strategic function of the CAZ.
11. Nor do I have details of how exactly each floor of the building or the space within each floor would be used. The appellant indicates that the building could be used as either an office or education use or both uses concurrently with the building let out by a single occupier on a wholesale basis, or a floor-by-floor basis to multiple occupiers. Thus, the Class F1(a) use could comprise a small part of the building, a larger part of the floorspace, the whole building or none of it at all. This means that it is unclear how much of the existing employment (office) floorspace would be lost even if the Class F.1(a) use were to provide employment. Given the interest from higher education providers in the appeal building, I cannot be certain that the proposal would be employment-led and maximise the provision of employment floorspace. Nor is it clear how the building's floorspace would contribute to Tech City and Med City, even if some of it were to be occupied by a higher education use. Given the speculative nature of the scheme it is difficult to quantify any related benefits.
12. Due to the role and function of the Secondary POL and the CAZ, the proposal would not accord with Local Plan Policy D.EMP4 parts 2 and 3 and part 1 of Local Plan Policy S.EMP1.

13. I acknowledge that the proposal would broaden opportunity to bring the building back into beneficial use, given the prevalent market conditions, and that its accessible location would be attractive to any potential occupier. Paragraph 127 of the National Planning Policy Framework also says to take a positive approach to alternative uses of land where this would help to meet identified development needs. However, the proposal does not comprise a school, hospital, or residential uses, so the flexibility advocated by this paragraph does not apply here. And while there may be a mixture of uses near to the site, including non-office uses, these do not alter the requirement to determine the appeal in accordance with the development plan. Nor do they indicate otherwise.
14. I have no reason to disagree that the lawful use of the appeal building is as an office and that there are no planning conditions that would prevent any of the listed permitted changes applicable to this class from taking place. Thus, the appeal building could potentially be used for another purpose within Class E or any other of those listed. This could include a non-office use. However, there is no substantive evidence to indicate which, if any, of the other uses within Class E may occupy all or part of the building. Given the scale of the building and the surrounding area, it would be unlikely to be used for a shop, for food and drink, a non-residential creche, day centre or nursery. An indoor sport and recreation use split across the various floors also appears unlikely. Further, even if I were to consider the remaining uses in Class E to be likely, I consider their effect would be less harmful than the appeal scheme owing to their similarity to an office use (unlike the proposed Class F1(a) use) and the development plan's aims to maximise office floorspace.
15. While the proposal would bring the building back into use, and the proposed hybrid use may be sought after given the marketing undertaken, there is no substantive evidence of who would occupy the building, how it would be occupied or how many jobs would be created. These matters do not alter or outweigh my conclusion that the proposed development would harmfully affect the provision of employment office floorspace in the Secondary POL and the strategic function of the CAZ. As such, the proposal would conflict with Local Plan Policies S.EMP1, D.EMP3, D.EMP4 and D.CF3 and LP Policies SD4 and SD5. Jointly, these policies, among other things, seek to protect, support, and enhance the provision of employment floorspace within POL and CAZ to support their role and function; and to provide information regarding new adult, further and higher educational facilities.

### **Other Matters**

16. The Grade II listed building at 1 Prescott Street is to the east along with its attached wall and railings. The Grade II listed building at 16 Prescott Street and the locally listed 15 Prescott Street are to the west of the appeal building.
17. The appeal building is not included as a separate entry on the statutory list of buildings of special interest, but on a precautionary note, I have proceeded on the basis that it should be treated as a Grade II listed building under s1(5) of the Planning (Listed Buildings and Conservation Areas) Act 1990 (as amended) (LBCA) for the reasons that the appellant sets out.
18. Nos 1 and 9 were developed for the Cooperative Wholesale Society as offices and warehouses. Both buildings were built in the 1930's. No 1 was developed as administrative offices, a bank, and warehouses. No 9 was used as a furnishing and hardware warehouse and showrooms and intended to be a

building which worked alongside the administrative building at No 1. Nos 1 and 9 were extended in 1958 and the buildings are in the German Expressionist style and have similar fenestration detailing, interlocking brickwork, and ironwork. There are subtle differences in the detailing of the two buildings, but they are of a similar design and scale and experienced as a pair and evidently built for the same organisation and for similar purposes. No 9 is linked to No 1 by a walkway at second floor level, although this is now blocked off and no physical access is possible. The significance of Nos 1 and 9 is architectural and historic, though the setting of the two buildings is experienced principally from nearby roads owing to the dense nature of the city in this location.

19. The Grade II listed building at 16 Prescott Street is a three-storey office building dating from the late nineteenth century with red brick with blue brick and stucco dressings. The building has six openings on the ground and first floors with three on the second floor with interval bays and stucco columns. The significance of the building relates to its architectural and historic interest.
20. No 15 is a public house with a narrow three storey frontage between Nos 9 and 16. The building's architecture differs from the neighbouring buildings and reflects the use of the building with lettering above each floor relating to the public house use. The significance of the building is architectural.
21. The proposal would not involve changes to the internal or external fabric of the appeal building. The proposal would also respond to the vibrant nature of the area, and by bringing the appeal building back into active use that would result in comings and goings consistent with the use and function of the heritage assets historically and currently even if the uses are not identical. As such, the proposal would have a neutral effect on the significance of the identified heritage assets and their settings. Thus, the proposal would accord with section 66(1) of the LBCA as the proposal would preserve the listed buildings and their settings.
22. Although the proposal would enable a high-quality floorspace in an accessible location where sustainable travel can be promoted to be brought back into use, these matters do not outweigh the harm that I have identified. Moreover, neither do the proposal's economic benefits which I give limited positive weight due to the speculative nature of the proposal and the lack of details about who, how and how many people would occupy the building.

### **Conclusion**

23. The proposal conflicts with the development plan and the material considerations do not indicate that the appeal should be decided other than in accordance with it. For the reasons given above, I conclude that the appeal should be dismissed.

*Andrew McGlone*

INSPECTOR