



Appeal Decision

Site visit made on 4 November 2024

by N Praine BSc (Hons) MA MRTPI

an Inspector appointed by the Secretary of State

Decision date: 09 December 2024

Appeal Ref: APP/V5570/W/24/3346794

345 City Road, Islington, London EC1V 1LR

- 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 TTM Property Management Services Limited against the decision of the Council of the London Borough of Islington.
 - The application Ref is P2023/2965/FUL.
 - The development proposed is described as the change of use from Offices (Use Class E(g)(i)) to visitors' accommodation comprising Apart-Hotel Accommodation (Use Class C1) in addition to internal alterations.
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Decision

1. The appeal is dismissed.

Main Issues

2. The main issue is whether the site is within a suitable location for the proposed development including its effect on the supply of business floorspace.

Reasons

3. The appeal site is located within the Central Activities Zone ("CAZ") which is stated in the London Plan 2021 as being one of the world's most attractive and competitive business locations and an internationally and nationally significant office location¹.
4. Policy E10 of the London Plan promotes visitor infrastructure subject to the impact on office space and other strategic functions. Policies R1 and R12, of the Islington Local Plan Strategic and Development Management Policies 2023 ("the Local Plan") safeguard land for greater strategic priorities with the development of visitor accommodation only supported in specific locations. The appeal site does not fall within a site allocated for visitor accommodation and consequently conflicts with these policies.
5. Therefore, it is important to understand what harm arises from this conflict and balance this harm against any benefits of the proposed development to ensure that visitor accommodation does not limit the achievement of other key priorities.

¹ Paragraphs 2.4.1 and 2.5.1 of the London Plan.

6. While visitor accommodation can play an important supporting role to the economy², the Local Plan also states that the maximisation of business floorspace is a key priority³. Business floorspace is identified as the main driver of economic growth and the Local Plan is committed to ensuring there is an adequate supply of business space in line with a projected additional floorspace need for office use of 443,000sqm by 2036⁴.
7. Policy B3 of the Local Plan recognises the priority for business floorspace and resists its loss within the CAZ unless there are exceptional circumstances. The exceptional circumstances include demonstrating there is no demand for the use of the business floorspace. Appendix 1 of the Local Plan sets out the criteria regarding marketing evidence. The Local Plan confirms that all the criteria set out in this appendix must be met⁵.
8. The appellant provides evidence to show the appeal site has been marketed at a reasonable price since 2018 and it was fully vacant since October 2021. However, what is less clear is whether the appeal site was marketed for all uses within Class E to robustly show there is no demand for floorspace across the use class. The Council state that the purpose of this would allow the site to revert to a business use more easily in the future within the same use class, rather than a formal change of use.
9. There is no documented evidence before me to suggest movement within Class E would require a planning application at the appeal site. On this basis I would agree with the Council that this would be more attractive, rather than submitting a planning application, if a site was to revert back to a business use.
10. The appellant confirms that wider Class E uses were suggested through 'some agents' but this does not indicate a robust marketing of all uses within Class E. Additionally, and beyond this statement, very limited evidence has been provided to robustly show that all uses within Class E were specified as part of the marketing campaign. Given this is clearly set out in Appendix 1 of the Local Plan, I cannot be certain that the marketing campaign has robustly shown there is no demand for floorspace across Use Class E.
11. The appellant suggests some of these alternative Class E uses would be unlikely due to the layout and size of the appeal site. However, the absence of clear and convincing marketing evidence to confirm these arguments limits the weight they carry. It has also not been robustly shown that alternative Class E uses would unacceptably harm neighbouring living conditions or that the listed status of the appeal site would prohibit alternative Class E uses.
12. I appreciate inquiries are generated through online platforms, however, I also note an advertising board was erected and removed after installation without evidence of it being placed in situ. It is suggested that neighbouring occupiers complained about its presence, but the evidence is limited about the extent or nature of these complaints, and for what reasons the appellant upheld those complaints leading to the removal of the advertising board. It has not therefore been robustly shown that the absence of an advertising board had no negative impact upon the marketing campaign.

² Paragraph 4.86 of the Local Plan.

³ Paragraph 4.175 of the Local Plan.

⁴ Policy B1 Part C and Paragraph 4.87 of the Local Plan.

⁵ Paragraph 4.42 of the Local Plan.

13. The appellant has provided evidence of email and internet portal enquiries which were received, however, the information regarding the eleven telephone enquiries is particularly vague, for example, there is no information on who the enquiries were from. It is also stated that there were six individual viewings, and a summary of information is provided in respect of reasons why these did not translate into an offer. The submitted commentary is however incomplete in respect of who viewed the space.
14. I note the summarised feedback included the size and the layout of rooms over multiple floors with limited WC facilities. I appreciate the listed status of the building would add a layer of complexity, but it has not been robustly shown that appropriate refurbishment and alterations of the existing use would be prohibitive or would be harmful to the heritage significance of the building.
15. I appreciate Islington experiences a higher than average rate of economic inactivity⁶ and agile working is becoming more commonplace. I also note the quoted vacancy rates and limitations associated with the appeal site. The evolving dynamics of business space are complex and to fully understand the existing market conditions in relation to the current site and its existing use, can only be fully understood through clear and robust marketing evidence as required and set out in the Local Plan⁷.
16. Tying all the evidence together, as a matter of fact and degree, the exceptional circumstances required to show there is no reasonable and demonstratable prospect of the site being used as an office or wider Class E use have not been clearly shown. I cannot therefore be satisfied that the loss of the business floorspace would be acceptable to justify the proposed development in this location.
17. As such, the proposal does not accord with the relevant provisions of Policies R1, R12, B1, and B3 of the Local Plan, which together, amongst other things, seek to cultivate a diverse and vibrant economic base by protecting existing business floorspace.
18. In coming to this conclusion, I have considered the findings of the other appeal decision reference APP/V5570/A/14/2220672 at 331-333 City Road, London. This decision differs as despite it being considered under a different development plan, it had its own specific circumstances. The current appeal before me has also turned on its own merits in particular the site specific content of the marketing evidence as submitted. This other appeal therefore has limited bearing on my overall findings.

Planning Balance

19. The appeal site sits in a sustainable location, there would be economic benefits, through direct and indirect employment, the construction phases and future spending by guests. There would also be environmental benefits and it would bring a listed building back into use with removal of some non-original features, reinstatement of historic rooms as well as an opening. It would also provide period correct architraves, skirting and doors. Given the limited quantum of development proposed, I ascribe the cumulative impact of all these benefits moderate weight.

⁶ Paragraph 4.15 of the Local Plan.

⁷ Appendix 1: Marketing and vacancy criteria of the Local Plan.

20. The harm I have found regarding the loss of the business floorspace within an internationally and nationally significant office location where the maximisation of business floorspace is a key priority attracts substantial weight. The exceptional circumstances required to reduce this harm have not been demonstrated. Accordingly, this harm would not be outweighed by the benefits to tip the planning balance in the appeal scheme's favour when set against its conflict with the development plan.

Other Matters

21. The proposed development would not provide step free access to the building. I appreciate that the Council stated that this is 'not a singular reason to refuse the application'. Given my overall findings there is no need to consider this matter further.

22. In coming to my finding, I have also had regard to the representation of support, however, this does not alter my overall conclusion.

Conclusion

23. The proposal would conflict with the development plan when taken as a whole and for this reason the appeal should be dismissed. There are also no other material considerations of sufficient weight to indicate a decision should be made contrary to this conclusion.

N Praine

INSPECTOR