Planning Inspectorate

Appeal Decision

Site visit made on 17 April 2026

by C Shearing BA (Hons) MA MRTPI

an Inspector appointed by the Secretary of State

Decision date: 08 May 2026

Appeal Ref: APP/E5900/W/25/3375733
Sceptre Court, 40 Tower Hill, London, EC3N 4DX

- 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 under section 73A of the Town and Country Planning Act 1990 for 'change of use of Sceptre Court from offices (B1) to dual use higher education use (class D1) and office use (class B1)' for which a previous planning permission was granted for a limited period.
- The appeal is made by London College of Contemporary Arts against the Council of the London Borough of Tower Hamlets.
- The application ref PA/25/00492 is dated 18 March 2025.
- The application sought planning permission for the removal of condition 1 of planning permission ref PA/13/02692 for 'change of use of Sceptre Court from Officers (B1) to a dual use higher education use (class D1) and office use (class B1)' dated 22 August 2014.
- Condition 1 requires the use to be discontinued on or before 22 August 2029.
- The reason given for the condition is:
  To enable the Greater London Authority to review the suitability of the development in light of spatial policy designation which the site is located within, in accordance with policies 2.10, 2.11 and 2.13 of the London Plan 2011 (with REMA 2013); policies SP06 of the Core Strategy 2010 and DM16 of the Managing Development Document 2013.

Decision

1. The appeal is dismissed and planning permission is refused for the removal of condition 1 of planning permission PA/13/02692 at Sceptre Court, 40 Tower Hill, London EC3N 4DX.

Background and Main Issue

2. On 22 August 2014 planning permission was granted for development described as 'change of use of Sceptre Court from Offices (B1) to dual use higher education use (D1) and office use (B1) ('the original permission'). Condition 1 of that permission states that the planning permission shall expire on 15 years from the date of the permission. It states that on or before that date, the use shall be discontinued, unless the prior written approval of the Local Planning Authority is obtained to any further permissions.

3. On 18 March 2025, the appellant applied to the Council to have condition 1 removed, to enable the continued use of the building for these purposes. The Council failed to determine the application within the statutory timeframe. As part of this appeal, the Council has confirmed that it would have refused the application.

4. Based on the evidence before me, including the Council's Statement of Case, the main issue to this appeal is the acceptability of the removal of condition 1, having

particular regard to the effects of the proposal on the designated Preferred Office Location and Central Activities Zone.

Reasons

5. In considering the original 2014 permission, the Council acknowledged a departure from the development plan at the time but balanced this against the support which the proposal would provide to the CAZ, limited employment loss and the commercial viability of the office space[1]. The evidence suggests this took account of an unsuccessful 18 month marketing exercise at the time. As above, the reason for the temporary condition makes reference to the need to review the proposal's suitability. It is relevant that the original decision pre-dates both the current Tower Hamlets Local Plan (the THLP) which was adopted in 2020 and the London Plan (the LP) adopted in 2021, which now constitute the development plan for the purpose of this assessment.

6. The proposal would entail the permanent loss of approximately 11,600sqm of former B1 floorspace. The site lies within the Central Activities Zone (CAZ) and a Secondary Preferred Office Location, as designated by the development plan.

7. Policy D.EMP3 of the THLP relates specifically to the loss of employment space. Its first criteria states that the net loss of employment floorspace within Preferred Office Locations will not be supported. The other parts of the policy refer to losses in other areas, which are not applicable here. The proposal would therefore conflict with that policy.

8. Policy S.EMP1 of the THLP sets out that a Secondary Preferred Office Location is one which contains, or could provide, significant office floorspace to support the role and function of the Primary areas and the City of London. It states that in these areas, greater weight is given to office and other strategic CAZ uses as a first priority. The policy describes among other things that development which supports, protects and enhances the role and function of designated employment locations and maximises the provision of employment floorspace, will be supported, but also gives support to proposals which provide opportunities to maximise and deliver investment and job creation in the borough. While the proposal would retain some employment on the site, its contribution to the purposes of the designated Preferred Office Location would be less than an office use.

9. Policy SD4 of the LP relates to the Central Activities Zone (CAZ). This is a wider designation which covers much of the centre of London and which encompasses the appeal site. Policy SD4 refers to the unique international, national and London-wide role of this area, based on an agglomeration and rich mix of strategic functions and local uses, which are reflected within the criteria contained in the policy. Its provisions recognise, among others and in summary, that nationally and internationally significant office functions of the CAZ should be supported and enhanced (point B), and that the CAZ as a centre of excellence and specialist clusters including education, creative and cultural activities should also be supported and promoted (point G). Since both office and educational uses are supported by SD4, the proposal would not conflict with that policy. However neither would the policy add weight in favour of the proposal.

[1] Committee Report dated 25 February 2014, para 8.19 (Appendix 1 of the Appellant's Statement of Case)

10. LP Policy E1 includes, at point C, that the unique agglomerations and dynamic clusters of world city businesses and other specialist functions of the central London office market, including CAZ, should be developed and promoted. The provisions of the policy relating to re-use are limited to surplus spaces, and where smaller office units should be explored, neither of which are apparent here. As such the proposal would be at odds with Policy E1.

11. Other development plan policies are referred to in the evidence, including Policy D.EMP4 of the THLP. Given this relates to redevelopment proposals I do not find this to be directly applicable to the appeal. Similarly, policies SD5 and E2 of the LP do not contain provisions which are applicable here and are not determinative in this appeal.

12. For the reasons given, the removal of condition 1 would cause harm to the role and function of the Preferred Office Location, contrary to policies S.EMP1 and D.EMP3 of the THLP, and would fail to develop and support the office market of the CAZ as set out in Policy E1 of the LP.

Other Matters

Alleged Policy Conflict

13. Given the findings above, I do not consider that there is a conflict between the relevant development plan policies here which would necessitate some taking priority over others. However, even if the LP policies were to be prioritised over the THLP, I have found they do not support the loss of the office floorspace in this location.

14. The appellant refers to the Council's emerging policy. However, I have not been provided with details of that policy, including its full wording, timescales or likelihood of adoption. As such it is given very little weight.

15. The Council's acceptance of the change of use in 2014 alone does not amount to a reason that the appeal should be allowed, particularly given the changes which have occurred to the development plan since that time. Planning Practice Guidance (the PPG) is clear that there is no presumption that a temporary grant of planning permission will then be granted permanently.

Economic Considerations

16. The appellant has submitted a surveyor's report which considers the condition of the existing building in 2022[2]. Across many areas the surveyor's report identifies a need for further investigation and studies, for example relating to fire safety. However the report identifies, in summary, the building structure to be in reasonable repair, but identifies the need for some works to roof coverings and joints between the external granite panels, as well as improvements to sanitary accommodation. Most notably it identifies poor mechanical, electrical and plumbing installations requiring what the report describes as 'considerable expenditure' and these are set out in an appended condition report. It is unclear whether some of these issues may have been resolved in the period preceding the appeal, given the building is occupied and given some concerns were described as being of immediate concern or requiring urgent action at the time.

[2] 'Technical Due Diligence Report' by GMB dated 10 February 2022

17. I have no reason to doubt the findings of that report and I observed during my site visit that some parts of the building and its mechanical equipment were clearly dated. It is therefore likely that expenditure is required for the maintenance of the building and to increase its capacity. It is not clear from the evidence however, that these are inherently linked to the reinstatement of an office use and are not costs which would arise even if the building were retained for its current purposes. I do not consider the surveyor's report demonstrates the building is obsolete, as suggested elsewhere in the evidence, and I observed the building to provide generally modern and well equipped offices and teaching spaces, in use at the time. Alone, the condition of the building does not indicate that it could not reasonably provide an office use of some form.

18. The appellant considers it highly unlikely that the building could viably be restored to prime office condition and that, as a consequence, there would be no realistic office demand. This is considered in the JLL Report of November 2025[3] which describes the disconnect between investment requirements and achievable rental returns for the building, among the context of current trends in this submarket.

19. The JLL Report refers to demand for high specification buildings and spaces for office occupiers, and that secondary properties account for 15% of the Aldgate's 20% total vacancy. I have no reason to doubt the assertions and figures of the document, and the challenges which older buildings such as the appeal site face in this market. However while not desirable, it is not clear from the evidence that these circumstances, including a period incurred to recover renovation costs, establish that the appeal site would not be viable as an office. In addition, and importantly, it is not substantiated that these are longer term trends, or that they would exist into or beyond 2029, when the original permission requires the building to be reinstated as offices.

20. Other vacant offices in the Aldgate and Whitechapel market are listed, however there is not substantive evidence to demonstrate their circumstances or quality are comparable to the appeal site. I also note evidence of other educational users which have acquired accommodation close to Sceptre Court, suggesting strong educational take-up from 2025. While this may be the case I similarly do not have details of those premises or any relevant planning permissions to establish that they were similar to the appeal before me.

21. The Council's Employment Land Review 2023[4] evidenced by the appellant found there was no need to plan for additional office capacity. However, given the change of use in question was temporary, it is not apparent that the proposal relates to creation of new office floorspace for these purposes. Therefore the findings of the Review do not alter the above findings.

Temporary Condition

22. The appellant would accept a permission limiting the use to a further ten years, expiring in 2039. The PPG sets out circumstances where a temporary permission may be appropriate, including where there is the need for a trial run or where it is expected that planning circumstances will change in a particular way at the end of that period, as was the case for the original 2014 permission. Neither of these circumstances now apply to this appeal scheme and the harm arising through the

[3] Letter from JLL dated 12 November 2025
[4] London Borough of Tower Hamlets Employment Land Review March 2023

dilution of the function of the designated Preferred Office Location and CAZ would occur within that extended ten year period. A secondary temporary permission would not therefore make the development acceptable.

Benefits

23. I observed during my site visit that the existing use is well established in the building, and clearly provides a valued and vibrant facility for its users. It provides an important source of education and skills training, which is supported by Policy E8 of the LP across all parts of London. Such community uses are supported in the Borough by THLP Policy S.CF1 and the use is one acknowledged as otherwise suitable in the CAZ. These benefits are provided in a very sustainable location and there is economic benefit through the associated employment on the site and support of nearby businesses by the site's users. Overall, I have no reason to doubt that the change of use granted by the original 2014 permission has been a successful one. However, given that permission was inherently granted for a limited period, together I give these benefits only moderate weight in favour of allowing the appeal. Where the use has existed harmoniously with its neighbours, this is a neutral matter, rather than weighing in favour of the proposal.

24. The appellant would accept a condition to secure a Local Employment and Enterprise Strategy, which would provide some economic benefit through supporting local employment and enrolment, and including programmes for local schools. This would clearly provide some further benefit, although it would not provide sufficient mitigation nor reduce the harm identified arising from the loss of this office in this location.

Heritage Assets

25. The appeal site lies within the Tower Conservation Area (CA) and is close to a number of listed buildings including the Royal Mint and associated features to the south of the site as well as the Tower of London. Consequently it is in close proximity to the World Heritage Site of the Tower of London, and lies within the Tower of London Strategic View. It is also within the St Marys Graces and Tower Hill Archaeological Priority Area. The appeal site forms a part of the setting of those listed buildings and heritage assets and the way in which their significance is appreciated from surrounding view points and arterial roads. Its use contributes in part to the vibrant character of this part of the CA and the setting of those designated assets. Given the nature of the proposal before me, and having regard to the statutory duties[5], the proposal would preserve the character and appearance of the CA and the setting of those listed buildings.

Conclusion

26. For the reasons given, the removal of condition 1 would conflict with the development plan and there are not material considerations of sufficient weight which indicate that the decision should be made other than in accordance with it. The appeal is therefore dismissed.

C Shearing

INSPECTOR

[5] Planning (Listed Buildings and Conservation Areas) Act 1990, Section 66(1) and Section 72(1)