Individual Mayoral Decision Proforma

Decision Log No: 210



Classification: Unrestricted

Report of: Anne Sutcliffe, Corporate Director, Place

Article 4 Direction – E-class to Residential (C3)

| Is this a Key Decision? | Yes |
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| Decision Notice Publication Date: | 29 July 2021 |
| General Exception or Urgency Notice published? | General Exception Notice published 29 July 2021 |
| Restrictions: | None |
| Reason for seeking an Individual Mayoral Decision: | To ensure as minimal as possible a gap between the introduction of the new permitted development right for office to residential and this Article 4 direction coming into force. |

EXECUTIVE SUMMARY

Article 4 directions remove permitted development rights (the ability to undertake certain forms of development without a full planning application) where there is a local need or justification for doing so. In August of 2021 a new permitted development right came into force allowing for changes of use from Class E – which includes retail, professional services, restaurant, office, light industrial, commercial gyms and some community (primarily GP surgeries and nurseries) uses to class C3 residential use without the need for planning permission.

The changes include a Prior Approval process whereby Local Planning Authorities can consider a limited range of matters, including the size and quality of the new housing being proposed. However, the principle of the change of use cannot be assessed. The considerations allowed in the prior approvals process do not sufficiently address the potential economic and social impacts of the permitted development right in designated town centres, preferred office locations and industrial locations.

Tower Hamlets introduced an Article 4 direction in 2018, which came into force in 2019 to remove permitted development rights for changes of use from Office (formerly B1) to Residential (C3) in the Central Activities Zone (CAZ), North Isle of Dogs (NIOD), the Preferred Office Locations in the City Fringe and Mile End neighbourhood centre. LBTH introduced another Article 4 direction in 2020 (coming

into force in 2021) to remove permitted development rights for change of use from shops. professional and financial, services and restaurants (formerly class A) to residential in all designated town centres.

The new permitted development right supersedes both existing permitted development rights (Office to residential and A-class uses to residential), linked to changes in the Town and Country Planning Use Classes Order. Existing Article 4 designations restricting these rights will no longer apply. Article 4 directions restricting changes of use from former A-class uses to C3 residential will cease effect on 1st August 2021. Article 4 directions restricting changes of use from Office uses to residential will cease effect on 1st August 2022.

Article 4 directions can be implemented with immediate effect, meaning that they take effect from the date that the direction is made by the LPA. In these cases, the Local Authority is required to pay compensation to any landowners or other stakeholders who have a planning application refused for a development that would have been allowed under the permitted development right. Given the potential cost of paying compensation, a non-immediate Article 4 direction is recommended. This will take effect 12 months after the direction is made by the Council.

The Mayor of London has encouraged Article 4 directions covering E-class uses to residential to be brought forward. Article 4 directions do not mean that a certain type of development cannot take place, merely that proposals are properly considered through the development management process with a full planning application required. As such, this report seeks approval to make an Article 4 direction and to commence a period of statutory public consultation. The Article 4 direction will be presented back to Cabinet for permission to confirm, cancel or modify the Article 4 direction once representations have been received.

Full details of the decision sought, including setting out the reasons for the recommendations and/or all the options put forward; other options considered; background information; the comments of the Chief Finance Officer; the concurrent report of the Head of Legal Services; equalities implications; and other relevant matters are set out in the attached report.

DECISION

- 1. To agree the making of a non-immediate Article 4 direction removing permitted development rights from E-class uses to residential (C3) within the areas shown on the map attached as Appendix 1 (all designated Preferred Office Locations, Local Employment Locations, Strategic Industrial Locations, Local Industrial Locations and all town centres);
- 2. To note that following the making of an Article 4 Direction, statutory invitation of representations will be carried out on the Article 4 direction (Appendix 2); and
- 3. To agree that should re-consultation be required due to amendments from the Secretary of State, or following consideration of representations

received during the period of statutory consultation, that such further consultation may be undertaken with the authority of the Corporate Director, Place due to the urgent need to have the Article 4 direction confirmed.

APPROVALS

1. Corporate Director proposing the decision or his/her deputy

I approve the attached report and proposed decision above for submission to the Mayor. I confirm that the Mayor and/or Lead Member have agreed to this decision being taken using this process.

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| Signed | i) \(\(\) \(\) \(\) | Date | 09/08/21 | |

2. Chief Finance Officer or his/her deputy

I have been consulted on the content of the attached report which includes my comments.

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| Signed | V | Date 9 th August 2021 | |

3. Monitoring Officer or his/her deputy

I have been consulted on the content of the attached report which includes my comments.

I confirm that this decision is urgent and subject to the 'General Exception provision at paragraph 18 of the Access to Information Procedure Rules.

| Signed | Date 06/08/2021 |
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4. Mayor

I agree the decision proposed in the recommendations above for the reasons set out in section 3 in the attached report.

Signed Date 9/8/3)