

DEVELOPMENT COMMITTEE

7th December 2022

Report of the Corporate Director of Place

Classification: Unrestricted

Application for Planning Permission

Click here for case file

Reference PA/22/01316

Site Import Building, 2 Clove Crescent, London, E14 2BE and Export

Building, 1 Clove Crescent, London, E14 2BA.

Ward Poplar

Proposal Flexible use of Import Building (Anchorage House) and Export Building

(Capstan House) for either Class E (offices) or F1 (non-residential

institutions).

Summary

Grant planning permission with conditions and planning obligations

Recommendation

Applicant EID (General Partner) LLP

Architect/agent Savills

Case Officer Oliver Cassidy-Butler

Key dates - Application registered as valid on 11/07/2022

- Letters sent to neighbours on 02/08/2022

- Site Notice on 04/08/2022

Consultation requests sent on 01/09/2022
 Public consultation finished on 01/09/2022

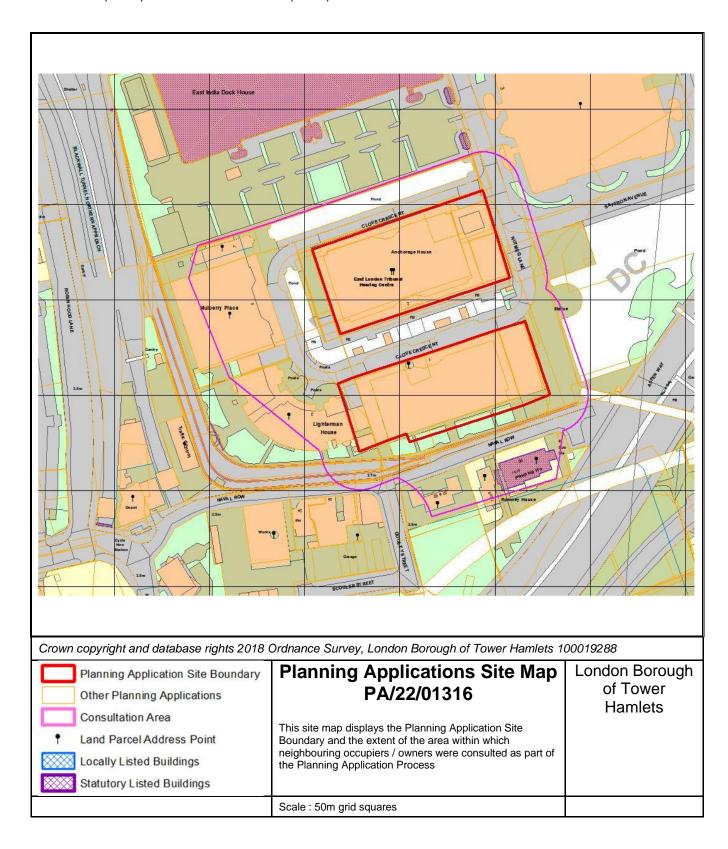
EXECUTIVE SUMMARY

Planning permission is sought to for the provision of an additional 18,509sqm of flexible use, consisting of Use Class E (office) or F1a (education), throughout the Import and Export Buildings within the Republic Estate. If permitted, the total provision of the proposed flexible use class will be approximately 38,698sqm, which equates to approximately 56.77% of the overall floorspace of the two buildings.

The intent of the application is to facilitate improved occupation across the Import and Export Buildings. The buildings currently struggle to attract potential tenants who wish to occupy the existing Use Class E(g) Office floorspace; however, the application site has been successful in attracting tenants who wish to use the site for Use Class F1(a) educational purposes.

The proposed change of use to allow flexible uses between Office use and for education purposes is not considered to be detrimental to the Blackwall Local Employment Location. Instead, it has the potential to increase viability of the Republic Estate, which will allow the estate to continue sustain local employment uses.

Having reviewed the marketing evidence, the proposal would comply with the Tower Hamlets Local Plan (2020) and the London Plan (2021).



1. Site and Surroundings

1.1 The application site comprises Import Building (previously Anchorage House) and Export Building (previously Capstan House). Both buildings are nine storey office buildings and are located within the Poplar Ward. The buildings form part of the office development "Republic" at East India Dock.

The two buildings comprise of a total 68,192sq.m of commercial floor space which include predominately office use (Use Class E(g)), Education (Use Class F1a), a range of small retail uses (E(a, b, c), gyms, and other sui generis use. Currently, the site has a total of 43,308sq.m of office use, and 20,189sq.m which is in flexible use that can be interchanged between office and educational establishment.

- 1.2 The site is designated as Blackwall Local Employment Location (LEL) in the Tower Hamlets Local Plan. The role and function of the LEL is to provide significant capacity for employment accommodation meeting secondary, local or specialist employment needs and to support the needs of start-ups, small-to-medium enterprises (SME). The application site provides secondary large floorplate offices, smaller units suitable for small-to-medium enterprises and data centres which support the needs of Canary Wharf and the City of London.
- 1.3 The application site is not statutory or locally listed, it does however sit within close proximity to the Grade II* Listed East India Dock House (to the north), and the Grade II Listed East India Dock Boundary Wall (to the south). Naval Row Conservation Area lies to the South of the site, beyond the Grade II East India Dock Boundary wall.
- 1.4 The application site achieves a PTAL rating of 3-4.

2. Proposal

- 2.1 Planning permission is sought for the provision of an additional 18,509sqm for a flexible use, consisting of Use Class E (office) or F1a (education), throughout the Import and Export Buildings within the Republic Estate. If permitted, the total provision of the proposed flexible use class will be approximately 38,698sqm, which equates to approximately 56.77% of the overall floorspace of the two buildings. The education use is primarily occupied by higher education establishments. Currently the F1a Use Class is occupied by University of the West of Scotland (London Campus), Anglia Ruskin University and York St John University. It is likely that the existing F1a occupiers would expand their operation of site and/or allow further high education providers to occupy the proposed floorspace.
- 2.2 Currently, there is a restriction to the combined level of occupied F1 floorspace across the two buildings as maximum of 17,949sqm at any time. The amount of occupied F1 floorspace in each building must also not exceed 40% of the total GIA of that building at any time. This is secured through a planning condition of the previous approval (Council's ref: PA/21/00738). This is to ensure that there are genuine mix of uses within both buildings.

3. Relevant Planning History

Planning History relevant to the application site

3.1 <u>PA/22/02450:</u> Application for non-material amendment of planning permission dated 28/05/2021. Ref: PA/21/00738 to change – Alteration to condition 3: "The amount of occupied D1 floorspace in each building must not exceed 65% of the total GIA of the building at any time". Application to be determined.

- 3.2 <u>PA/21/00738:</u> Flexible use of Import Building (Anchorage House) and Export Building (Capstan House) for either Class E (offices) of F1 (Education) at Clove Crescent, London, E14 2BE. Permitted 28/05/2021.
- 3.3 <u>PA/20/00343:</u> Flexible change of use of Import Building and Export Building for either Class B1 (offices) or Class D1 (non-residential education and training). Permitted 12/05/2020.
- 3.4 <u>PA/19/02294:</u> Change of use at basement level from existing ancillary office car parking (Class B1) to Office (Class B1) and a Studio & Event Space (Sui Generis). Permitted 18/02/2020.
- 3.5 <u>PA/19/01217:</u> Change of use at part fifth floor level from B1 (office) to a flexible B1 (office) and D1 (Non-residential education and/or training). Permitted 13/08/2019.
- 3.6 <u>PA/19/00534:</u> Change of use of the third and fourth floors of the building from B1 (office) to a flexible use for either B1 (office) and/or D1 (non-residential education and training. Permitted 09/05/2019.
- 3.7 PA/16/02823: Change of use at part ground floor level from Class B1 Office to a mix of flexible Class B1, A1, A3 A4 uses, the infill of the ground floor colonnades and the construction of a two storey podium at the east end of the building providing additional Class B1 Office space at first floor level, comprehensive alterations to the public realm at East India Dock comprising the removal of part of Clove Crescent, alterations to the canal layout, additional planting and provision of street furniture and landscaped communal spaces. Permitted 23/06/2017.

(Pre-application advice meetings)

3.8 <u>PF/22/00056:</u> The purpose of the pre-app was to discuss the potential of submitting a planning application allowing for flexible use of the Import and Export Buildings for either Class E or F1, with a stipulation that up to 65% of the two buildings to be occupied by F1(a) (education) uses.

Summary of Officer's response:

Officers did not have an in-principle objection to the proposals to submit an application allowing for the flexible use of the Import and Export Buildings for either Class E or F1, with a stipulation that up to 65% of the total floorspace across the two buildings be occupied by F1(a) (education) uses, subject to the proposals meeting the relevant policy tests, as outlined within the Development Plan.

4. Publicity and Engagement

- 4.1 In terms of the Council meeting its statutory requirements, a total of 178 letters were sent to neighbouring owners/occupiers by post. The application was also publicised online and advertised in the local press on 04/08/2022.
- 4.2 A total of three site notices were displayed on 02/08/2022 and were located within the immediate vicinity of the site.
- 4.3 One letter of representation was received, citing broad support for the proposals. A summary of public response can be found below:
 - The need for traditional office space has declined post pandemic and so it would make sense to provide landlords with increased flexibility and allow them to market themselves towards universities and learning centres instead.

- The increased footfall which would likely discourage anti-social behaviour and blatant drug dealing within the local area. Additionally, it would likely support new shops, cafes, and restaurants in the area also.

5. Consultation responses

External Consultees:

TfL - Spatial Planning

5.1 Both sites lie within 100m of A102 which forms part of the Transport for London Road Network (TLRN). TfL is the highway authority for the TLRN and is therefore concerned about any proposal which may affect the performance and/or safety of the TLRN.

It is requested that further detail be provided in respect to the modes of travel used to determine trip generations and how much cycle parking is currently available on site.

TfL - Underground/DLR Infrastructure Protection

5.2 No objections.

Internal Consultees

LBTH Biodiversity

5.3 No objections.

LBTH Energy Efficiency/Sustainability

5.4 The proposed change of use raises no reasons for objection.

LBTH Environmental Health - Air Quality and Smell/Pollution

5.5 No objections to the proposals.

LBTH Environmental Health - Noise and Vibration

5.6 No objections, subject to the application of standard conditions.

LBTH WASTE

5.7 A school/education institution has the potential to create more waste. Whilst any impact is expected to be small, adequate plans to deal with increased demands for existing waste systems should be considered.

LBTH Transportation and Highways

- 5.8 Clove Crescent is not part of LBTH's road network so is not public highway. There is an established service strategy for the site which will not be altered as a result of the change of use.
- 5.9 There is existing cycle storage serving the site which will not alter as a result of the proposed change of use. Furthermore, the applicant has stated that there is regular monitoring and reviews for both long stay cycle storage and visitor cycle parking and more provision will be made, if required.

- 5.10 LBTH Transportation and Highways does not support any parking for staff, students or visitors for use classes E or F1 unless there is a clear, evidenced, operation need or parking for those with a blue badge. There should be no charges associated with blue badge/accessible parking.
- 5.11 LBTH Transportation and Highway has no objection to the proposal for a change of use but advise that the following conditions be applied to any permission:
 - -Prior to occupation a 'Travel Pack' will be produced to deliver to all new and future staff a, students and visitors. This will need to include (but not limited to)
 - details outlining the local public transport networks and interchanges.
 - the location and access routes for cycle storage including the location of accessible cycle storage for larger/adapted cycles.
 - links to cycle routes and the cycle superhighway
 - cycle maintenance facilities
 - pedestrian links and permeability within the locality and routed to public transport links
 - walking and cycle journey times to community facilities/amenities etc. (TfL will need to agree to a change of use numbers of students/visitors attending the site at peak times could impact public transport capacity levels)

6. Planning Policies and Documents

- 6.1 Legislation requires that decisions on planning applications must be taken in accordance with the Development Plan unless there are material considerations that indicate otherwise.
- 6.2 In this case the Development Plan comprises:
 - The London Plan (2021)
 - The Tower Hamlets Local Plan (2020)
- 6.3 The key development plan policies relevant to the proposals are:

Land Use

o Local Plan policies – S.EMP1, D.EMP3, D.EMP4, SCF1, D.CF3

Transport & Waste Management

- Local Plan policies S.TR1, D.TR2, D.TR4, D.MW3
- London Plan policies T5

Amenity

- Local Plan policies D.DH8
- London Plan policies D3

- 6.4 Other policy and guidance documents relevant to the proposals are:
 - National Planning Policy Framework (2021)
 - National Planning Policy Guidance (2021)
 - London Plan (2021)
 - LBTH Planning Obligations SPD (2016)

7. Assessment

- 7.1 The decisive issues are:
 - i. Land Use
 - ii. Transport and Waste Management
 - iii. Amenity
 - iv. Equalities and Human Rights

i Land Use

Loss of employment floorspace

- 7.2 The site is located within a local employment location and the application relates to the change of use of office floorspace (Use Class E) to a flexible E/F1(a) Use. Given the site's designation as a Local Employment Location, and the nature of development, the relevant Land Use policies are S.EMP1 and D.EMP3.
- 7.3 The proposals seek to further expand upon the previously consented development to increase the provision of flexible use floor space within the Import and Export Buildings by 18,509sqm. If permitted, the proposals would result in approximately 38,698sqm of flexible E1 or F1(a) Use floorspace, which equals approximately 56.77% of the total floorspace across both buildings.
- 7.4 The site is subject to a planning condition from previous consented development which restricts the combined level of occupied F1 Use Class floorspace across the two buildings to 17,949sqm at any time. The amount of occupied F1 Use Class floorspace in each building must not exceed 40% of the total GIA of the building at any time.
- 7.5 Policy D.EMP3, Part 2, stipulates that development should not result in the net loss of viable employment floorspace outside of the designated employment locations cited in Part 1 or Local Employment Locations (LELs), except where they:
 - a. provide evidence of active marketing over a continuous period of at least 24 months at a reasonable market rent which accords with indicative figures, or
 - b. provide robust demonstration that the site is genuinely unsuitable for continued employment use due to its condition; reasonable options for restoring the site to employment use are unviable; and that the benefits of alternative use would outweigh the benefits of employment use.
- 7.6 The applicant has provided a marketing report in support of the application which includes a full marketing campaign involving three separate letting agents (CBRE, Allsop and CF Commercial), beginning in December 2015 for Import Building and October 2017 for Export Building. The report summarises the marketing exercises undertaken and provides clear and robust evidence that efforts have been made to continuously market the site at a reasonable market rent for at least 24 months. The application would be compliant with Part 2a of Policy D.EMP3 of the Local Plan (2020).

- 7.7 Despite the continued efforts to market the existing E(g) Office floorspace at a reasonable market rate, the two buildings continue to experience a vacancy rate of 40%.
- 7.8 Additionally, it is noted that Republic have reported that at least three of their existing office tenants have plans to vacate the building at the end of their lease period. Shelterbox Trust Ltd, Threepipe Reply Ltd and Lebara will be vacating the buildings in 2024, 2027 and 2028 respectively. Thus, given the documented challenge of occupancy at the site, and when considered within the context of changing working patterns following the Covid-19 pandemic, it is likely that vacancy rates will further rise across the two buildings.
- 7.9 An Economics Benefits Assessment has been submitted as part of the application. It documents that, following recent applications to increase the provisions of flexible Class E / Class F floorspace across the Import and Export Buildings, 97% of the F1(a) floorspace has now been leased. When compared with the occupancy rates for Class E (g) office floorspace, it is evident that there is a comparatively greater demand for flexible use at the application site.
- 7.10 Additionally, it is considered that low occupancy rates across the two buildings will have negative implications for the vitality of the local area. The local setting is inclusive of several restaurants, cafes, shops, and gyms, which all benefit from the footfall that comes from continued use of both the Import and Export Buildings.
- 7.11 Further to the above, section 7.9 of the marketing report documents the importance of the leisure and food & beverage businesses referenced above, in being able to attract future tenants to the Import and Export Buildings. The Economics Benefits Assessment would indicate that by increasing the provision of flexible use class floorspace, the site's occupancy rates will likely increase also. This will in turn increase the footfall to the area, which will support the range of businesses considered important to being able to attract prospective tenants who wish to make use of the host building's office floorspace. It is noted that the flexible use class being proposed would enable the occupant to increase the provision of Office floorspace, subject to demand from the market. For the reasons outlined above, officers consider that the proposals would help to support and promote competitiveness and vibrancy within the area, in accordance with policy S.EMP1, part 3, of the Local Plan (2020).

Prop<u>osed land use</u>

- 7.12 In addition to the consideration of the potential impacts to the reduced levels of employment floorspace, the suitability of the site for F1(a) use must also be considered. Policies S.CF1 and D.CF3 relates to the provision of new and enhanced community facilities, specifically in this instance Education. The policy seeks to ensure that appropriate high quality community facilities are provided in accessible locations throughout the borough to adequately support the growing population and meet identified needs.
- 7.13 The application site is located in an area of good accessibility with a PTAL rating of 3-4, and given the site's location to the edge of the Chrisp Street and Poplar High Street Neighbourhood Centres the proposed F1(a) use is acceptable and in line with policy S.CF1 which directs community uses to within or the at the edge of town centres, where they may easily be accessed.
- 7.14 In addition, the estate relatively isolated and self contained due to existing boundary conditions and therefore the level of town centre uses being proposed and already consented within the application site is not considered to be of significant quantum to attract people away from nearby town centres. Furthermore, it is considered the

- proposed use will only enhance vitality of the nearby town centres through higher occupancy rate within the Estate.
- 7.15 The Economics Benefits Assessment and current occupancy rates further indicate that the proposed land use is suitable to the local setting, and that there is appropriate demand to justify the proposals.
- 7.16 In order to prevent the overconcentration of one particular use within either of the two buildings, it is recommended that condition is imposed to prevent any more than 38,698sqm of floor space being occupied by the F1(a) element of the consent at any one time, and no more than 65% in each building. Furthermore, the consent is to ensure that within the E Use Class, the floorspace is only taken up as office floorspace (Use Class E (g)(i)). This condition is proposed to ensure that buildings continue to substantially provide employment function and continue to support the economic viability of the Blackwall LEL.

ii Transport and Waste Management

- 7.17 The application site has a PTAL rating of 3-4, meaning that public transport accessibility of the site is moderate to good. The Republic estate, to which the application site lies, is inclusive of a minimum of 300 long stay cycle parking spaces and 29 short stay spaces, as consented as part of planning application PA/16/02823.
- 7.18 The application has been supported by a Transport Assessment and Travel Plan, which is inclusive of considerations for the waste management strategy. The proposals do not include alterations to the existing car and cycle parking spaces.
- 7.19 Overall the Transport Assessment concludes that the proposals will not have significant adverse impact upon the capacities or safe operations of the surrounding transport network.
- 7.20 The transport Assessment outlines that the proposed uptake of F1(a) floorspace, will likely result in a reduction of trips during peak hours. Trips during off-peak times are likely to increase, however there will be greater capacity on local transport networks within these hours, and so the proposed change of use will have minimal impacts upon the safety and capacity of these networks.
- 7.21 Officers note that the Travel Plan provided has not properly determined whether the proposals will provide the minimum provision of cycle parking spaces in accordance with Policy T5 of the London Plan. Officers note that it is not yet feasible for the applicant team to do so, as they are not yet able to determine the number of students and staff who would visit the site, should permission be granted. Taking this into consideration and noting that the proposed flexible use class would allow for fluctuations in the need for future cycle parking, officers propose to apply condition securing detail of cycle parking arrangements, subject to planning permission being granted.
- 7.22 In addition a Travel Plan has been submitted with measures to encourage staff and students to use sustainable and active travel modes when travelling to/from the site; further reducing impacts on the public transport network.
- 7.23 The proposals seek to utilise the existing waste management services which currently serve the Republic Estate. It is considered that office use forms a worst-case assessment in terms of delivery and servicing trips of the flexible Class E/F1(a) uses. Therefore, the proposals are not expected to result in any material change in delivery and servicing trips associated with Import and Export Buildings.

7.24 Although officers consider the proposals to be acceptable in nature, a condition to secure detail of a thorough waste management strategy for the proposals should be secured. This is to ensure that the development is in accordance with policy D.MW3 of the Local Plan (2020)

iii Amenity

- 7.25 Policy D.DH8 of the Local Plan (2020) stipulates that development is required to protect and where possible enhance or increase the extent of the amenity of new and existing buildings and their occupants, as well as the amenity of the surrounding public realm. Policy D3 of the London Plan (2021) requires that site capacity is optimised through a design-led approach, which seeks to deliver appropriate outlook, privacy and experienced amenity for future occupants of the site.
- 7.26 The proposal would not present any significant change towards the experienced amenities of local residents. Officers therefore consider the proposals to be compliant with policy D.DH8 of the Local Plan (2020), and policy D3 of the London Plan (2021).

vi Human Rights and Equalities

- 7.27 The proposal does not raise any unique human rights or equalities implications. The balance between individual rights and the wider public interest has been carefully considered and officers consider it to be acceptable.
- 7.28 The proposed development would not result in adverse impacts upon equality or social cohesion.

Conclusion

7.29 The proposed change of use to a flexible use class is not considered to be detrimental to the Blackwall Local Employment Location. Instead, it has the potential to increase footfall to the Republic Estate, which will likely bolster the vibrancy and viability of the Estate as a whole, whilst not resulting in permanent loss of employment use.

8. RECOMMENDATION

8.1 The proposals are considered to comply with the policies of Development Plan and thus conditional planning permission is GRANTED.

Compliance

- 1. 3 Years Deadline for Commencement of Development.
- 2. Development in Accordance with Approved Plans.
- 3. Noise from Plant
- 4. No more than 38,698sqm of flexible E1 or F1(a) Use floorspace
- 5. 65% cap on floorspace which can be occupied as Use Class F1(a) to each building

Pre-Occupation

6. Travel Plan and Waste Management Plan.

Appendix 1 – Drawing Schedule

(Drawings): EAE-001 EAE-002 **EAE-003 EAE-004 EAE-005 EAE-006** EAE-007 **EAE-008 EAE-009 EAE-010 EAE-011** EAE-012 EAI-001 **EAI-002** EAI-003 EAI-00B EAI-01 **EAI-010** EAI-011 **EAI-012** EAI-04 EAI-05 EAI-06 **EAI-09** P001 PAE-001 D PAE-002 D PAE-003 D PAE-004 C PAE-005 C **PAE-006 C** PAE-007 C **PAE-008 C** PAE-009 C PAE-010 C **PAE-011 C** PAE-012 C PAI-010 C **PAI-011 C** PAI-012 PAI-04 C PAI-05 C

(Other supporting documents):

PAI-06 C PAI-09 PE1-01 Rev C Cover Letter, dated 07 July 2022 (Savills)
Economic Benefits Assessment, dated June 2022 (Savills)
Marketing Report, dated 19 May 2022 (CBRE / allsop)
Marketing Report update, dated 04 October 2022 (CBRE / allsop)
Stack Plans

Transport Statement (ref: 22959214), dated July 2022 (Steer) Travel Plan Statement (ref: 22959214), dated July 2022 (Steer)

Appendix 2 - Plans

Figure 1 – Location Plan

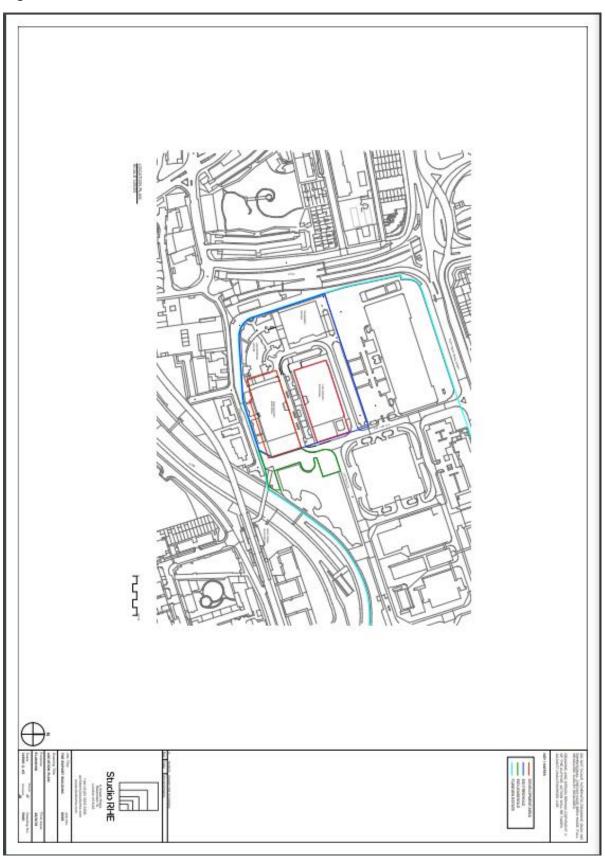


Figure 2 – Basement Plan (Export Building)

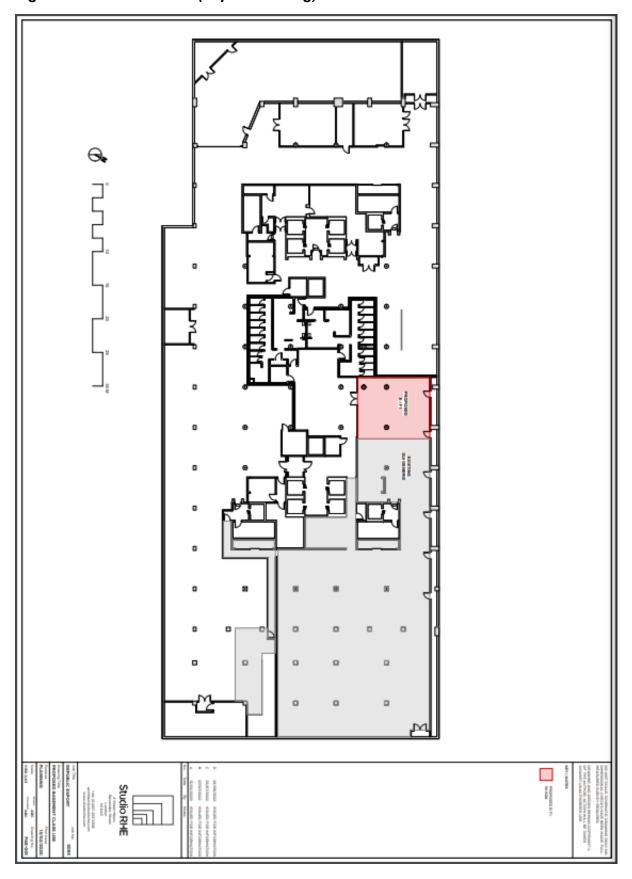


Figure 3 – Ground Floor Plan (Export Building)



Figure 4 – First Floor Plan (Export Building)

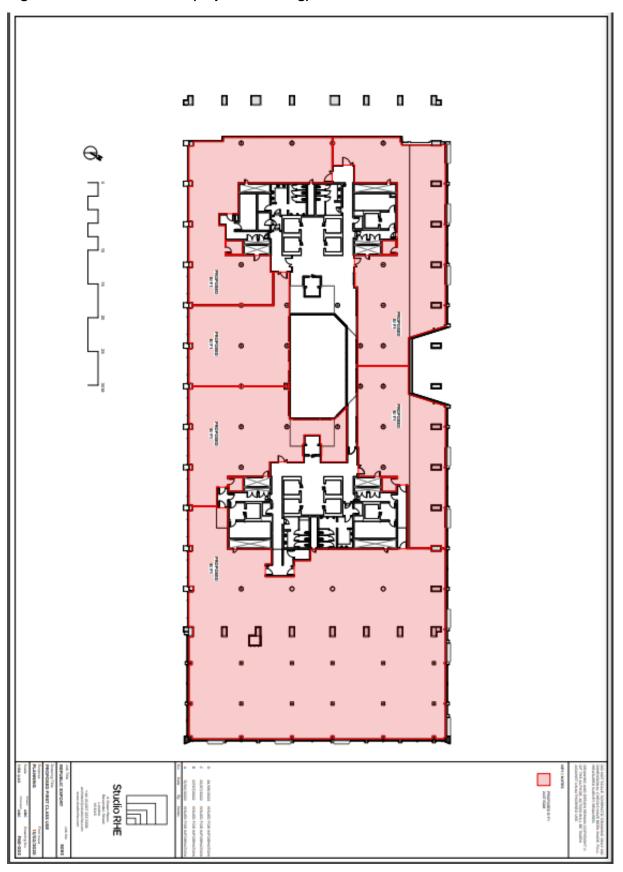


Figure 5 – Second Floor Plan (Export Building)

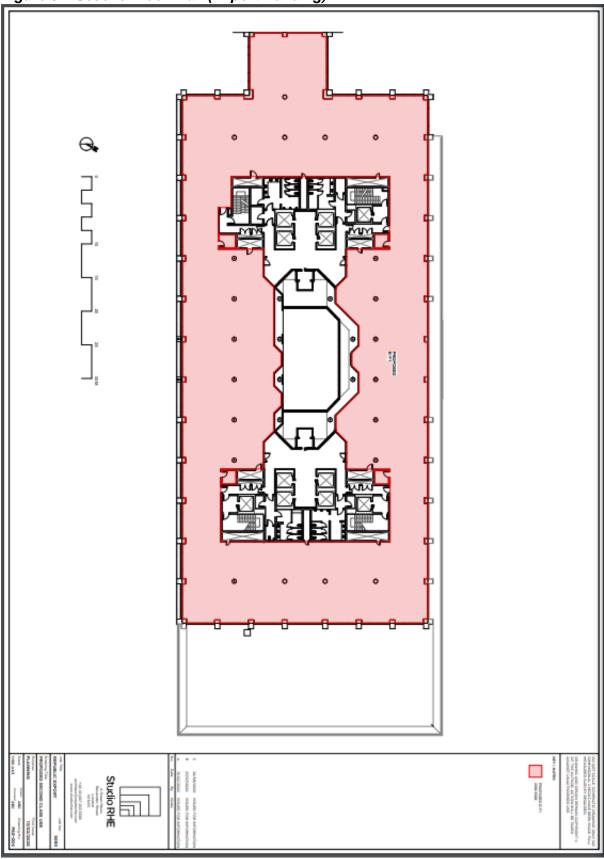


Figure 6 – Third Floor Plan (Export Building)

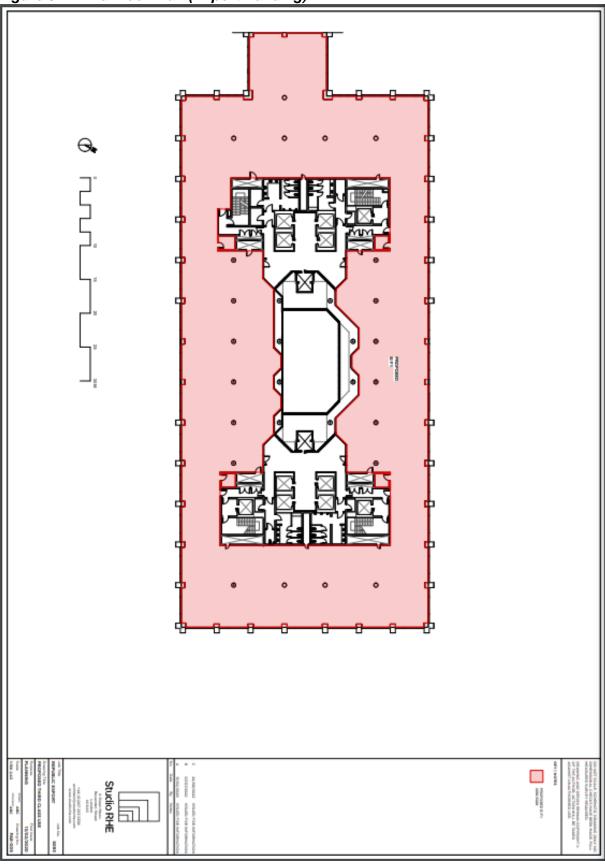


Figure 7 – Fourth Floor Plan (Export Building)

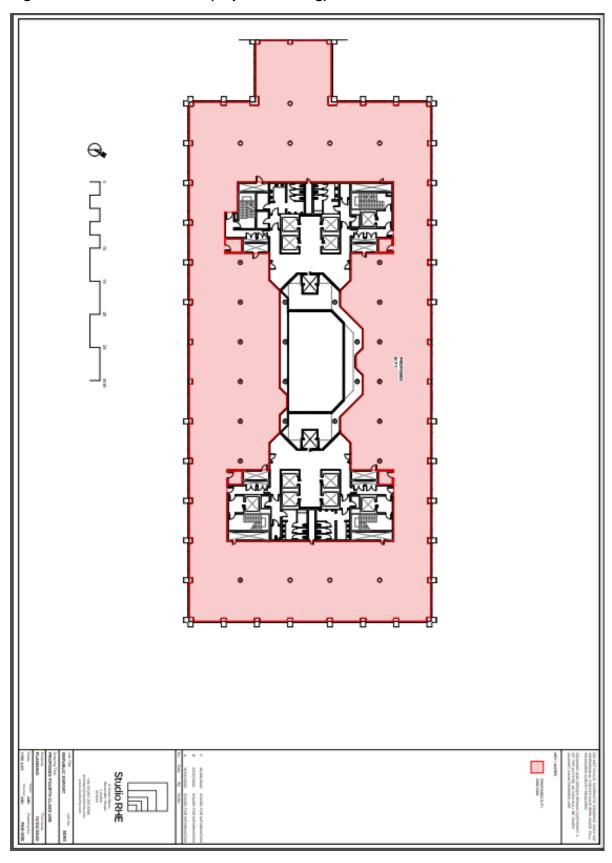


Figure 8 – Fifth Floor Plan (Export Building)

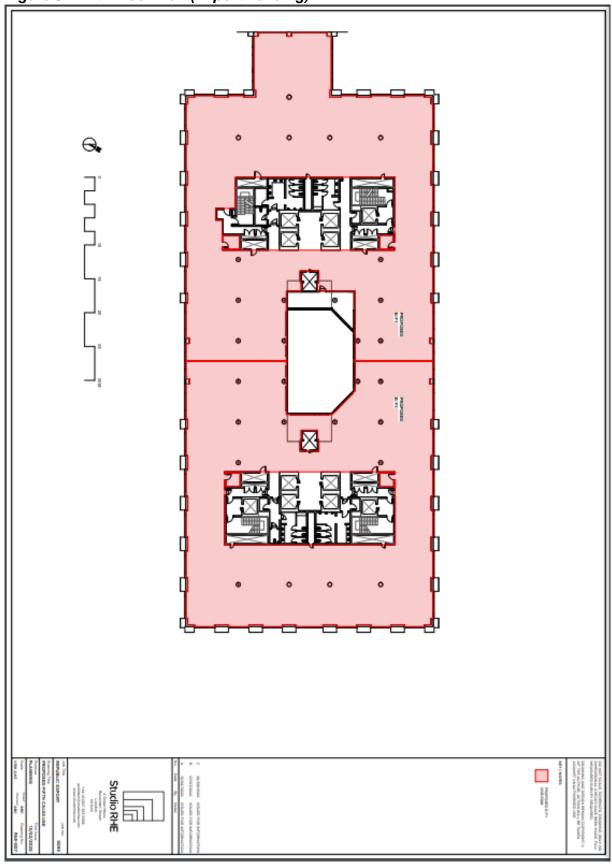


Figure 9 – Sixth Floor Plan (Export Building)

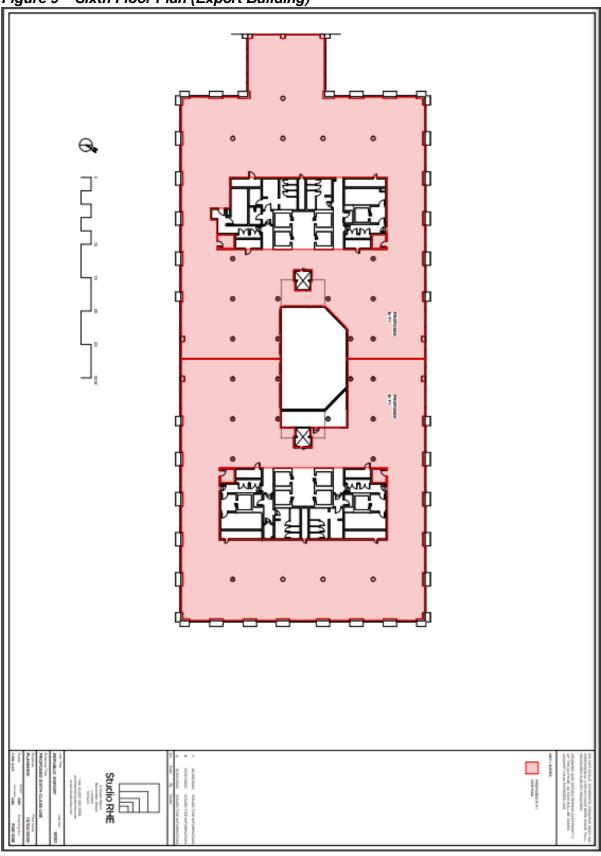


Figure 10 – Seventh Floor Plan (Export Building)

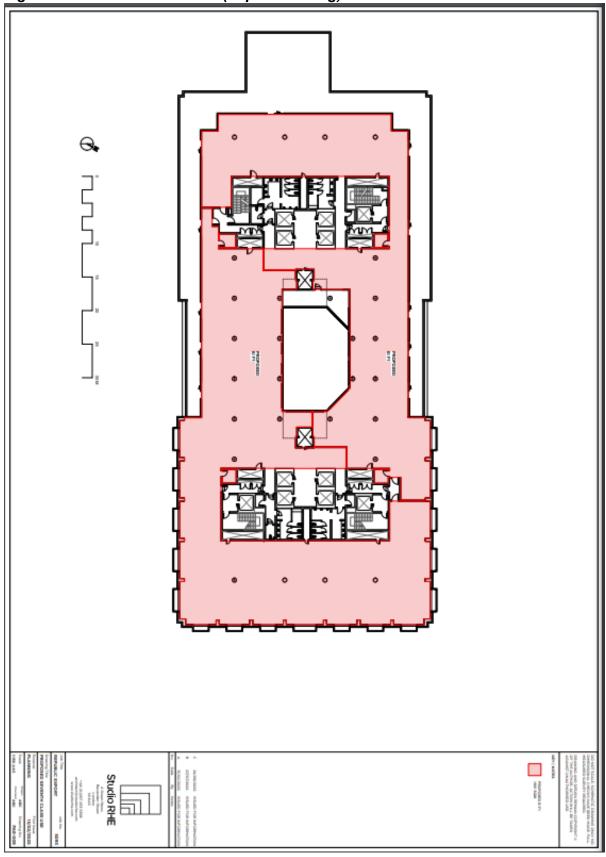


Figure 11 – Eighth Floor Plan (Export Building)

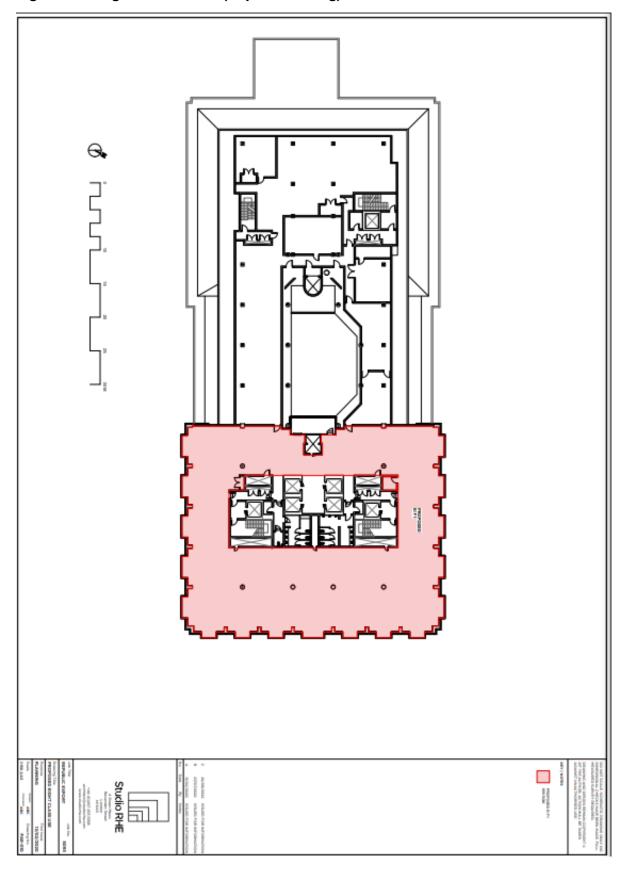


Figure 12 – Ninth Floor Plan (Export Building)

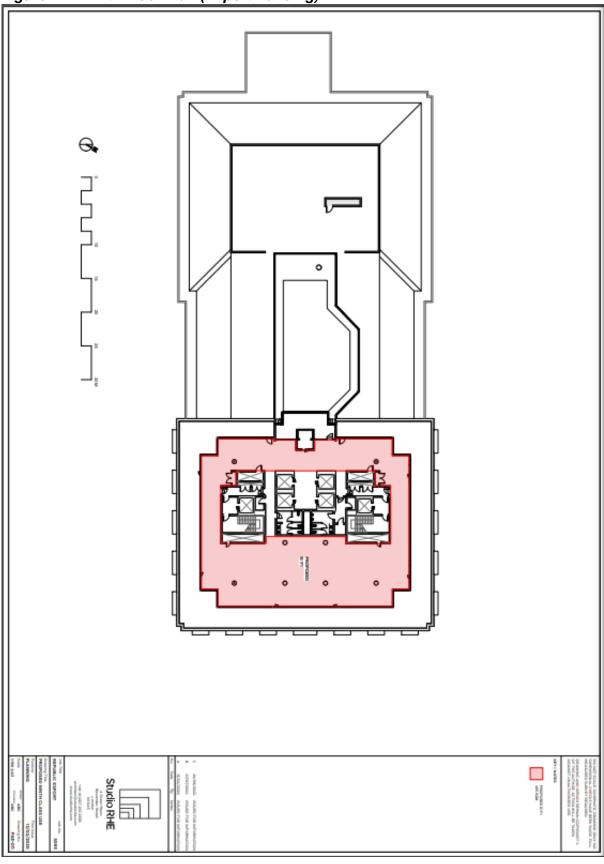


Figure 13 – Tenth Floor Plan (Export Building)

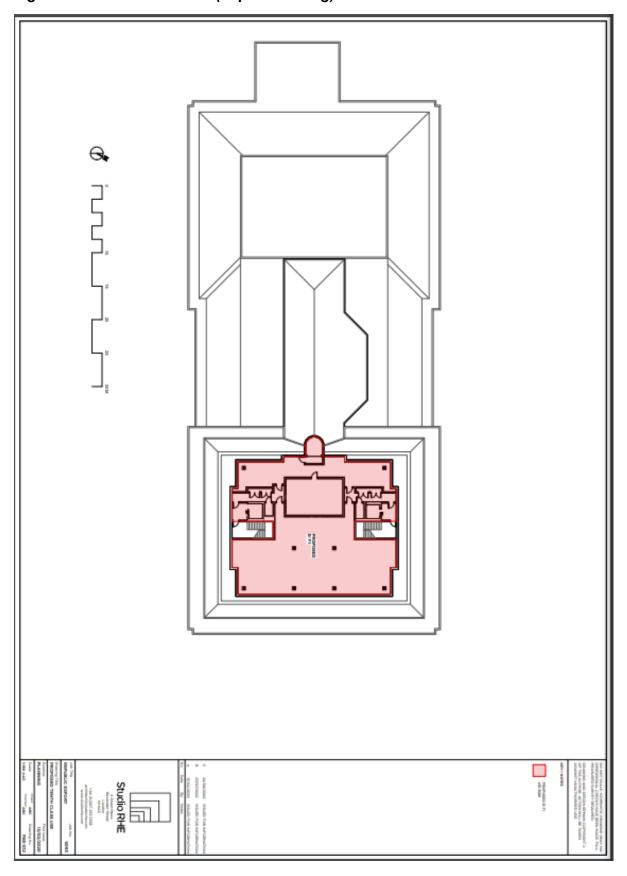


Figure 14 – Ground Floor Plan (Import Building)



Figure 15 – First Floor Plan (Import Building)

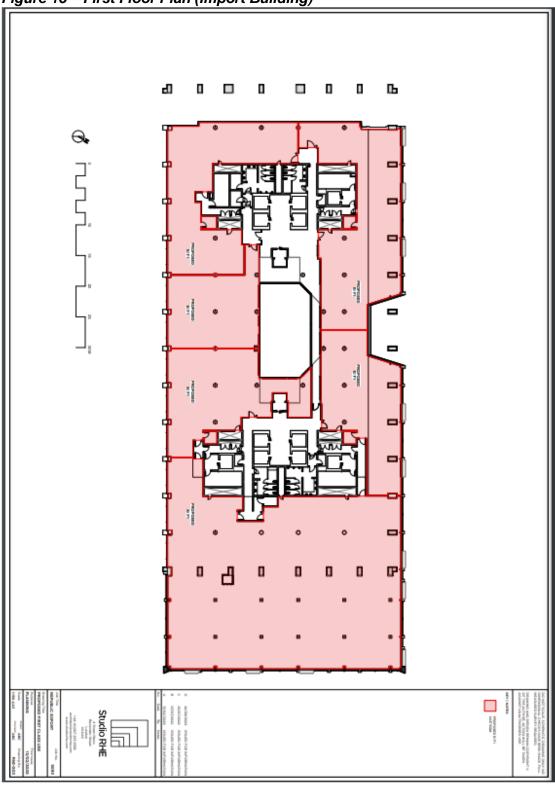


Figure 16 – Second Floor Plan (Import Building)

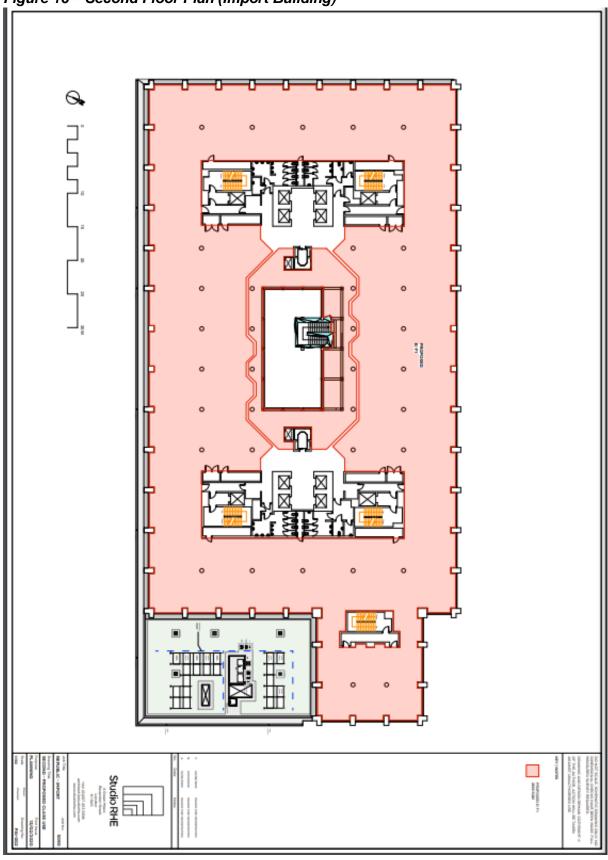


Figure 17 – Third Floor Plan (Import Building)

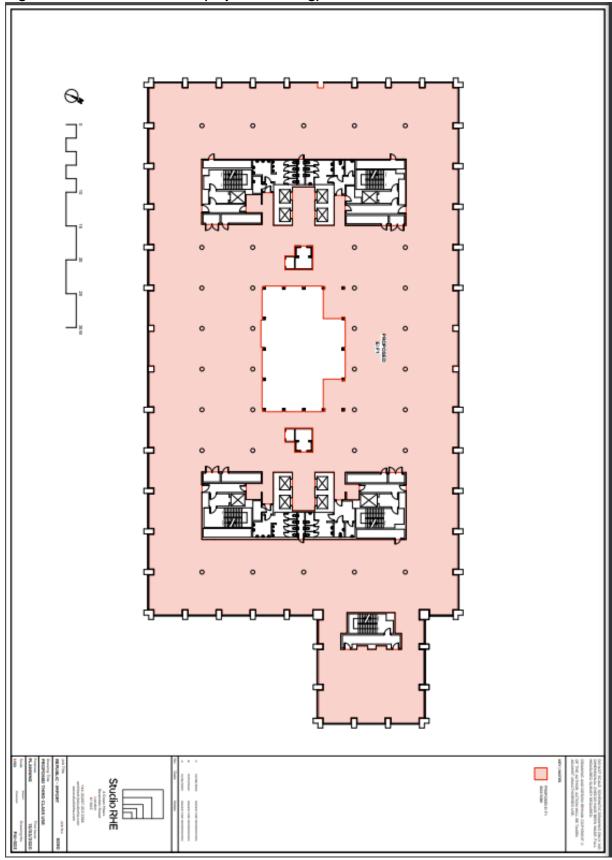


Figure 18 – Fourth Floor Plan (Import Building)

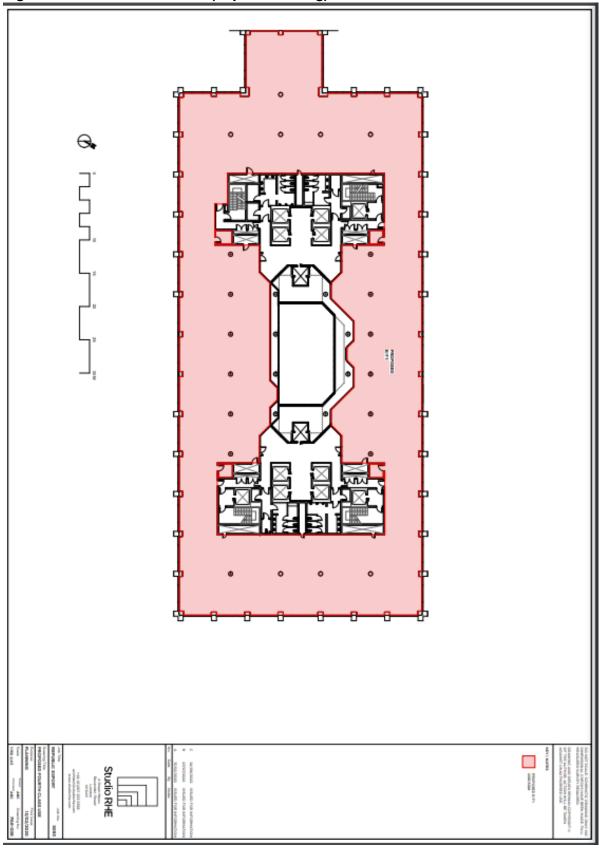


Figure 19 – Fifth Floor Plan (Import Building)

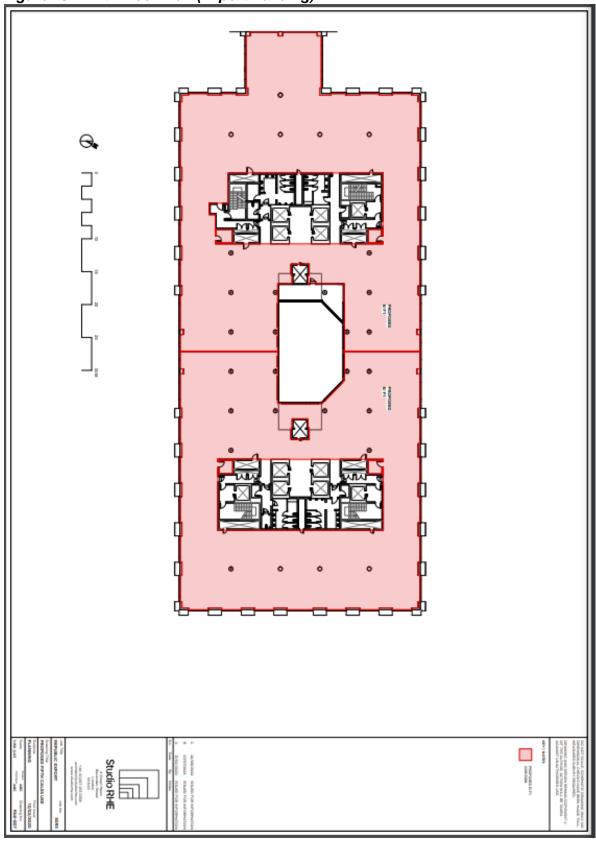


Figure 20 – Sixth Floor Plan (Import Building)

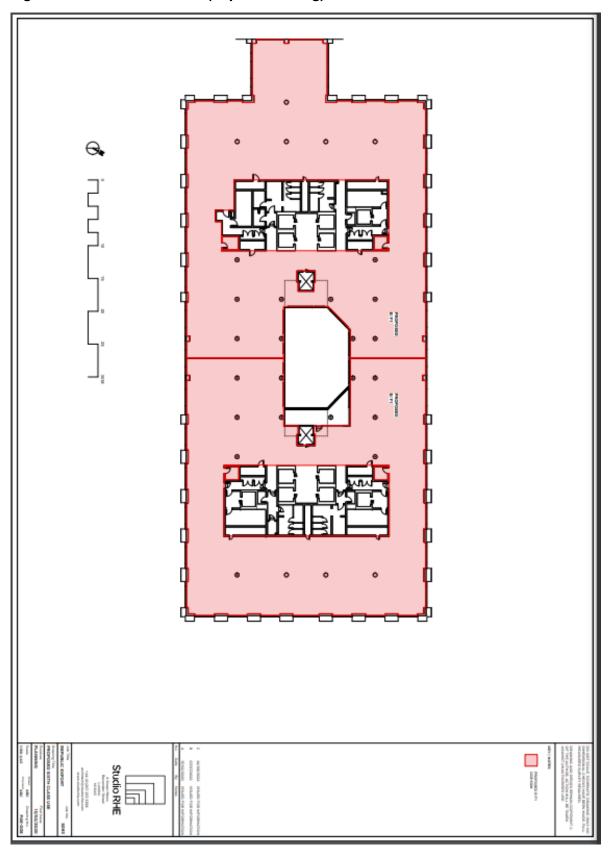


Figure 21 – Seventh Floor Plan (Import Building)

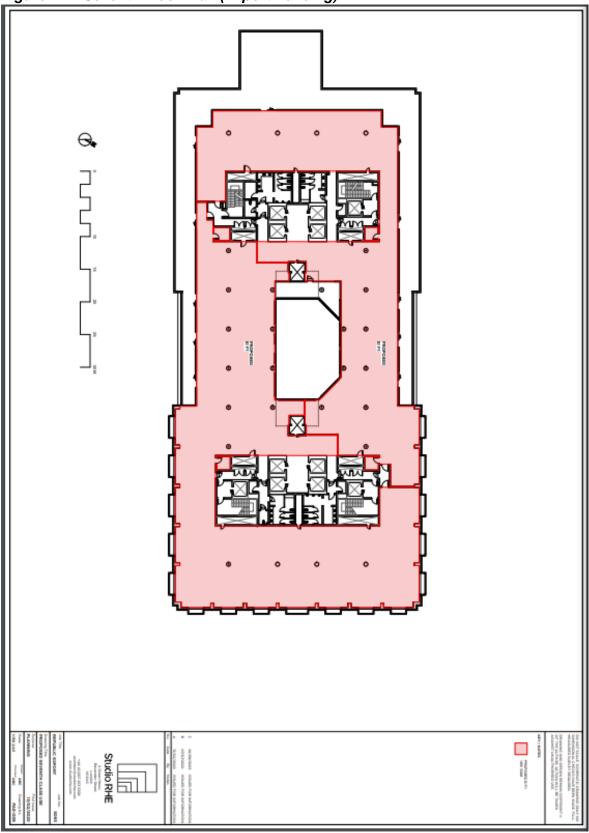


Figure 22 – Eighth Floor Plan (Import Building)

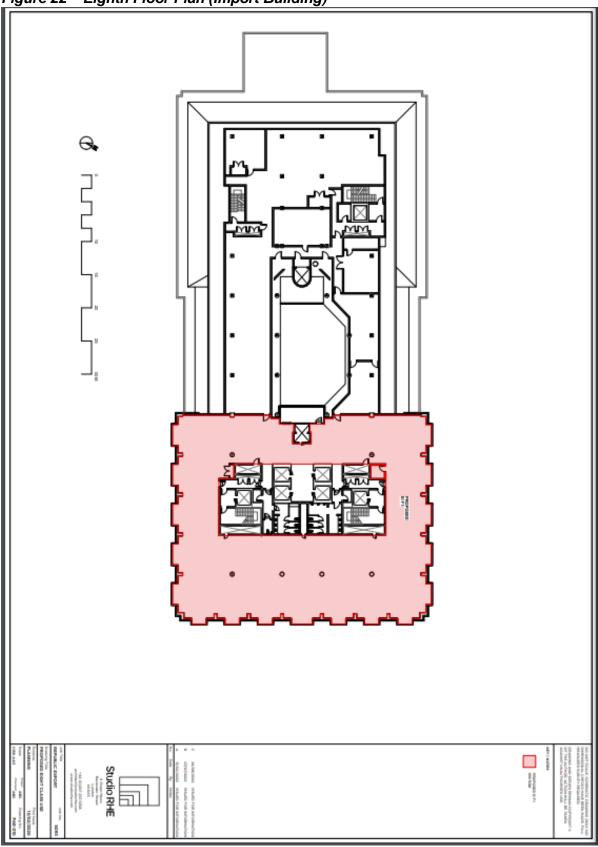


Figure 23 – Ninth Floor Plan (Import Building)

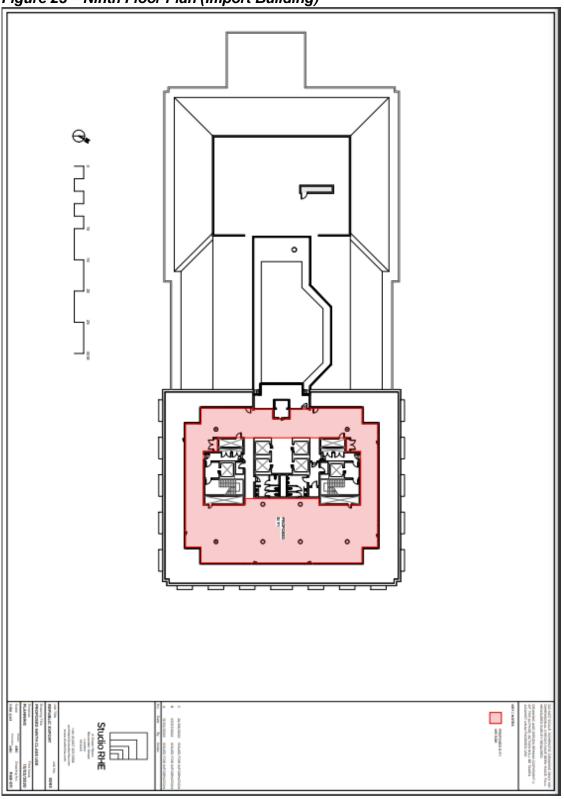


Figure 24 – Tenth Floor Plan (Import Building)

