

CITY OF WESTMINSTER			
PLANNING APPLICATIONS SUB COMMITTEE	Date 17 April 2018	Classification For General Release	
Report of Director of Planning		Ward(s) involved Hyde Park	
Subject of Report	Summit House, 27 Sale Place, London, W2 1PP,		
Proposal	Sub-division and use of existing ground floor for Class A2 (financial services) and B1 (office) space, including external alterations to the ground floor front and rear elevations and the installation of an Automatic Teller Machine (ATM) to Praed Street. (Site includes 27 Sale Place & 15-29 Praed Street).		
Agent	DP9		
On behalf of	DF Real Estate SA		
Registered Number	18/00036/FULL	Date amended/ completed	3 January 2018
Date Application Received	3 January 2018		
Historic Building Grade	Unlisted		
Conservation Area	Located outside of but adjacent to the Bayswater Conservation Area		

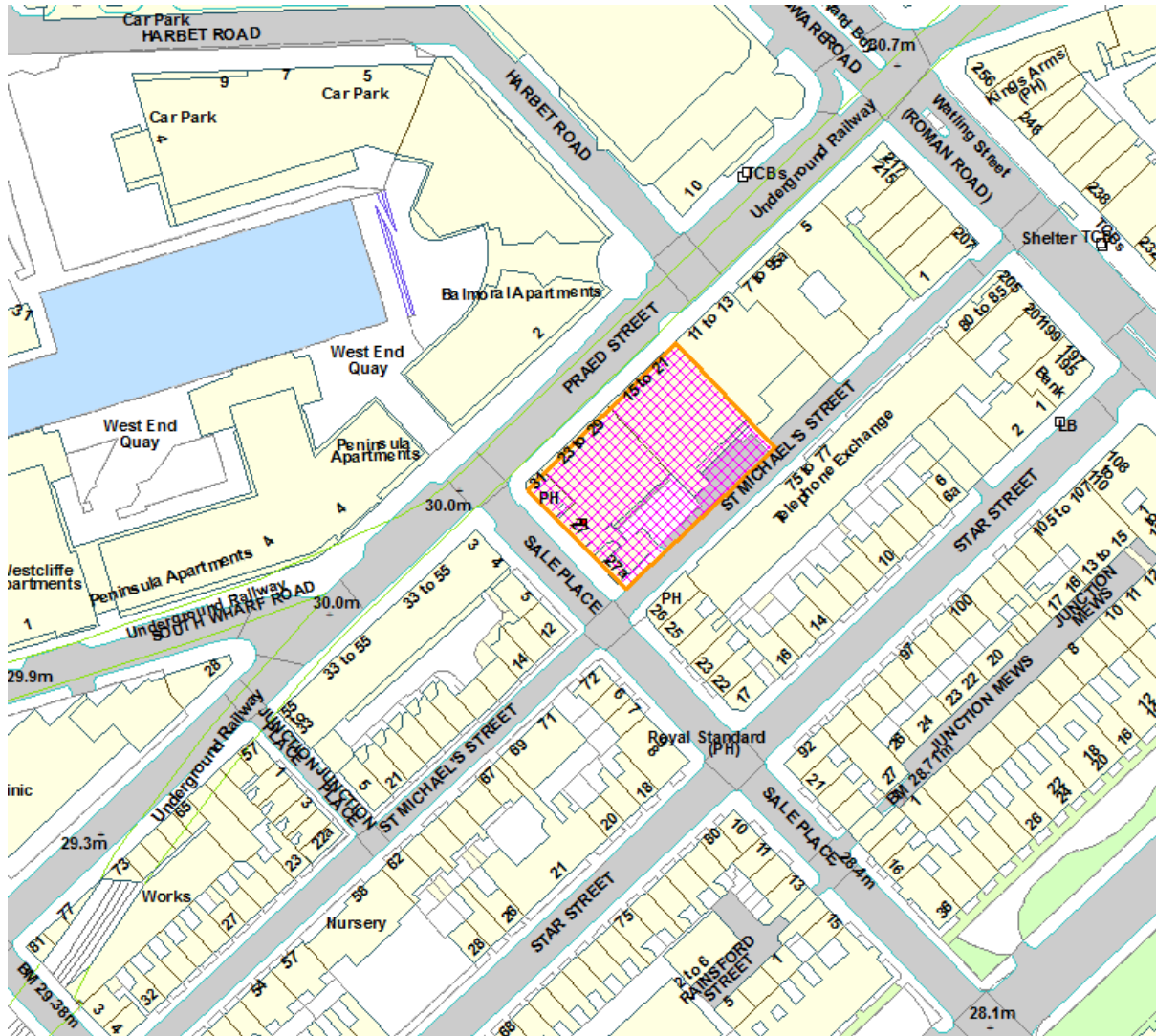
1. RECOMMENDATION

Refuse permission – loss of retail (Class A1)

2. SUMMARY

Permission is sought to use the vacant retail (Class A1) floor space as a Bank and Office floor space, together with associated external alterations to the ground floor elevations including the installation of an ATM. The proposal has the support of the Hyde Park Estate Association, South East Bayswater Residents Association, the Paddington BID and two local residents/businesses. A petition of 145 signatures in support of the proposal has also been received. Whilst the proposed uses are suitable for this location and would accommodate the relocation of HSBC from nearby, the proposal would result in the loss of viable retail floor space, of detriment to the viability and vitality and character and appearance of the Praed Street Shopping Centre. Whilst the local support for the proposal is acknowledged, it is not considered that it outweighs the policy conflict. As such, the proposal is recommended for refusal.

3. LOCATION PLAN



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4. PHOTOGRAPHS



Above: Pre implementation of 2011 planning permission.



Above: Post implementation of 2011 planning permission.

5. CONSULTATIONS

HYDE PARK ESTATE ASSOCIATION (HPEA)

Support. The proposals revitalise Praed Street at this end and it is good to retain the HSBC. The security issues that were raised regarding the ATM have been addressed. The art is an added bonus that fits in well with the existing space that is rather lacklustre. It is also excellent to see a local business invest so thoughtfully and sympathetically into the community.

SOUTH EAST BAYSWATER RESIDENTS ASSOCIATION (SEBRA)

Support. It enables the continuing presence in the local community of a branch of a major bank that, in its present location (which will be lost due to development), is needed and is much used both by residents and local businesses. Our initial concerns on detailed aspects such as space for delivery vehicles and access to ATMs are being addressed.

PADDINGTON BUSINESS IMPROVEMENT DISTRICT (Paddington BID)

Support. The proposals seek to bring this vital stretch of Praed Street to life, and improve levels of natural surveillance at St Michael's Street. Retaining the HSBC bank branch in Paddington is a top priority for businesses, who have seen the loss of several branches locally and are concerned about the loss of another at 50 Eastbourne Terrace. The neighbouring branch on Edgware Road does not offer business banking facilities. Whilst the original consent was for A1 here, we recognise the challenges in letting the space as retail in Praed Street, which is not a dynamic retail destination. We raised questions about the security of the ATM proposed location, and are pleased that these have been addressed in the application. The public art is welcomed, and is striking, lifting this corner currently lacking in character. JCDecaux has invested heavily in their Paddington assets, plays a vital role in the community and is committed to playing their part in place-making at Paddington.

HIGHWAYS PLANNING MANAGER

Objection, unacceptable transportation issues, ATM (impact on pedestrian flow), Alterations to on-street parking layout and introduction of on-street loading bay (conflict with bus stop and junction), servicing should be provided off street from the rear of the site.

CLEANSING MANAGER

Comment. Further details of the provision of waste and recycling required.

ADJOINING OWNERS/OCCUPIERS AND OTHER REPRESENTATIONS RECEIVED

No. Consulted: 21

Total No. of replies: 3

No. of objections: 0

No. in support: 3 (2 individual representations and one from HSBC)

Two individual representations in support on all or some of the following grounds:-

- Wonderful addition to east part of Praed Street closer to Edgware Road and is more helpful to local shops
- HSBC serves the local community
- Must preserve these essential services
- Would be dismayed to lose a local HSBC branch
- HSBC are keen to maintain a high street presence in the Paddington Area.

Petition of 145 signatures in support of HSBC relocating from Eastbourne Terrace to this site.

PRESS ADVERTISEMENT / SITE NOTICE: Yes

6. BACKGROUND INFORMATION

6.1 The Application Site

Summit House is a 6-storey unlisted building on the corner of Praed Street and Sale Place which extends to St Michaels Street at the rear, comprising of nos.15-29 Praed Street, and Nos.27 Sale Place, London W2. It is occupied by JC Decaux as their London Head Quarters.

The site is occupied for mixed-use purposes comprising three vacant retail (Class A1) shops fronting Praed Street, offices on the upper floors and residential uses to Sale Place. The rear curtilage of the site accommodates off street car parking and waste storage. The site falls within the designated North Westminster Economic Development Area (NWEDA) and the Mayors Central Activities Zone. Praed Street is designated as District Shopping Centre, which is all secondary shopping frontage.

The building has recently undergone works associated with planning permission which was granted in 2012 for extensions, alterations and refurbishment in connection with the continued use of building for retail use (Class A1) at ground floor level, with office (Class B1) on part ground floor and upper floors and residential on the corner of Sale Place and St Michael's Street. (11/08416/FULL).

Prior to the 2012 permission being implemented there were three retail shop units existing at ground floor level fronting Praed Street Food City Supermarket and two charity shops (Age Concern and Sue Ryder). The 2012 permission sought replacement retail (Class A1) floor space and it is this floor space, which is currently vacant and the subject of this application.

6.2 Recent Relevant History

Conditional planning permission was granted by the Planning Applications Sub-Committee on 30 March 2012 for the Refurbishment of 15-29 Praed Street and 27 Sale Place by the erection of extension to office (Class B1) on vacant plot at corner of Sale Place and Praed Street; reconstruction of sixth floor level with plant enclosure, green roof and photovoltaic panels at roof level; re-cladding / re-facing of elevations and associated external alterations. Continued use of refurbished building for retail use (Class A1) at ground floor level, with office (Class B1) on part ground floor and upper floors and residential on the corner of Sale Place and St Michael's Street. (11/08416/FULL).

This permission is governed by a legal agreement under Section 106 of the Town and Country Planning, Act 1990. The agreement relates to:-

- i) A financial contribution of £33,000 towards public realm improvements.,

- ii) ii) Cost of highways works immediately around the site necessary for the development to occur, including, any necessary re paving, reinstatement of redundant crossovers and alterations to on-street restrictions.,
- iii) iii) The provision of public art.

Permission was granted on 01.10.2014 for a Variation to Condition 16 of planning permission dated 30 March 2012 (RN:11/08416/FULL) for refurbishment of 15-29 Praed Street and 27 Sale Place by the erection of extension to office (Class B1) on vacant plot at corner of Sale Place and Praed Street; reconstruction of sixth floor level with plant enclosure, green roof and photovoltaic panels at roof level; re-cladding / re-facing of elevations and associated external alterations. Continued use of refurbished building for retail use (Class A1) at ground floor level, with office (Class B1) on part ground floor and upper floors and residential on the corner of Sale Place and St Michael's Street.; namely, to amend the wording of Condition 16 to allow the occupation of the office floorspace to take place prior to the installation of the public art. (14/06897/FULL).

Various Non Material Amendments and approval of details applications have also been approved (12/09318/NMA, 13/03900/NMA, 13/03902/ADFULL, 13/03907/ADFULL, 14/03268/ADFULL),

Other Non Material Amendments and approval of details applications have been refused or withdrawn 14/00061/ADFULL, 14/00598/ADFULL, 14/03264/NMA & 15/03496/FULL, 16/02906/FULL.

7. THE PROPOSAL

Planning permission is sought to change the use of the ground floor vacant retail (Class A1) floor space to allow the front portion of the ground floor (251m²) of the site to be used as a bank by HSBC (Class A2) and the rear area (420m²) to be used as offices, providing additional floor space to the existing use of the building by JC Decaux's as their London Head Quarters.

Associated external alterations are proposed to the ground floor shop front including the installation of an Automatic Teller Machine (ATM) and to the ground floor rear elevation involving fixed glazed panels and curtain walling.

During the course of the application revised drawings have been provided to remove the following from the application; proposed changes to the highway parking arrangements outside of the site and a proposed street lighting column and also to clarify the location of the ATM.

8. DETAILED CONSIDERATIONS

8.1 Land Use

Loss of retail use (Class A1)

Impact on shopping centre

The proposal would result in the loss of 671m² of lawful vacant retail ground floor floorspace (Class A1) from the Praed Street District Shopping Centre (Secondary Frontage). Policy SS6 of our Unitary Development Plan (UDP) states that proposals for

uses within A2, A3 or other non-A1 town centre uses will be permitted, where the following are met.

1. the proposal would not harm the vitality or viability, or character of function of the parade, frontage or centre
2. the total length of secondary frontage in non-A1 use at street level would not exceed 45%
3. the proposal must not lead to, or add to, a concentration of non-A1 units in any individual frontage or parade.
4. The proposal would not result in more than three non-A1 units located consecutively in a frontage
5. The proposal would not involve the loss of an A1 unit last used as a local convenience shop, or reduce the range of local convenience shops in the centre.

In this case, the proposal would fail to meet all of the above statements. The loss of such a significant amount of retail floor space within a central location would inevitably harm the vitality and viability and character and function of the centre. It would add to the concentration of non-A1 uses, resulting in more than three consecutive non-A1 uses in the secondary frontage, which already exceeds 45% and would result in the loss of a unit last used as a convenience shop (Food City). As such the proposal is contrary to policy SS6.

Viability of retail use

Notwithstanding the above, policy S21 of our City Plan states that existing retail (Class A1) uses will be protected throughout Westminster except where the council considers that the unit is not viable, as demonstrated by long-term vacancy despite reasonable attempts to let.

In this case, the units have been vacant since 2012. The applicant has submitted a marketing report by KLM in support of their proposed change of use from Retail to bank and offices. The report has been independently assessed on behalf of the City Council by GVA. It is acknowledged that the premises have been marketed for the required 18-month period. However, the independent assessment concludes that the premises could be attractive to a retail operator if offered on reasonable terms and that this may be a local trader or national brand, rather than a global brand. This is on the basis that the rents sought to date were high and that it was clear that a global brand rather than a local business was being sought. It is also understood that offers were made by EAT, itsu and HSBC and interest made by cycle surgery, although the latter were left with the impression that their brand was not good enough. Given this conclusion, it is considered that the applicant has not provided sufficient evidence to indicate that the premises would not be viable for retail (Class A1) use. Consequently, the proposal is contrary to policy S21 as insufficient justification has been provided to allow the loss on viability grounds.

Proposed Financial and Professional Use (Class A2)

Notwithstanding the unacceptable loss of retail (Class A1). Were its loss have been considered acceptable, then a bank (Class A2) (251m²) would be an appropriate town centre use within the Praed Street District Shopping centre. It is understood that HSBC would occupy the unit under a 10 year lease and that they would relocate from 50 Eastbourne Terrace, which is due to undergo redevelopment. As such the proposal

would see HSBC relocated in the vicinity of their current premises and maintain a presence in the local area.

Proposed Office use (Class B1)

Notwithstanding the unacceptable loss of retail (Class A1). Were its loss have been considered acceptable, then offices to the rear of the street frontage would be appropriate in this location within the NWEDA. The proposal would result in an increase in office (Class B1) floorspace of 420m² within the North Westminster Economic Development Area (NWEDA) and the applicant estimates that the overall number of employees at the site would as a result rise by 50 as part of JC Decaux Head Quarters. Class B1 uses are acceptable throughout the NWEDA and contribute to the increasing economic activity within the area in accordance with policy COM1 of our UDP and policies S12, S20 and S21 of our City Plan.

Land use conclusion

Given all of the above and taking into consideration the local support for the proposal, the applicant was asked to consider a more mixed use of the ground floor comprising offices, a smaller bank and a retail use. However, it is regrettable that such a proposal was not acceptable to the applicant.

It is evident from the local support for the proposal from SEBRA, HPEA and Paddington BID, two local representatives and a petition of 145 signatures, that the local community would like to see HSBC maintain a presence in the locality and that they support the proposal on this basis. However, the application must be assessed in land use terms and specifically the impact on the shopping provision within the Praed Street District Centre. It would also be unreasonable to restrict the use to a HSBC bank only.

As such, the proposed loss of retail (Class A1) floor space within the Praed Street District Centre is considered to be detrimental to the vitality and viability and character and function of the Praed Street District Shopping Centre contrary to policy SS6 of our UDP and S21 of our City Plan.

8.2 Townscape and Design

Minor external alterations are proposed to the ground floor shop front and ground floor rear elevation involving fixed glazed panels and curtain walling. These alterations to this unlisted building outside of the conservation area, would increase visibility into and out of the building and create a more active and interesting elevation to the rear, which would also improve natural surveillance. Furthermore, the installation of an ATM is commonplace with banks within the shopping centres. As such, policies DES1 and DES5 of our UDP are satisfied as is policy S28 of our City Plan.

It is acknowledged that the implementation of the 2011 permission has had a positive impact and has resulted in significant townscape improvements (public realm and local environment) to the site and that this will be furthered when the public art is installed in due course.

8.3 Residential Amenity

Due to the nature of the proposal, it does not raise amenity issues and satisfies ENV13 of our UDP and S29 of our City Plan are satisfied.

8.4 Transportation/Parking

The proposed use as a bank and offices does not raise transportation issues in themselves.

However, the application proposes the installation of an Automatic Teller Machine (ATM) within the Praed Street shopfront associated with the proposed use of part of the ground floor as a bank by HSBC. Notwithstanding that, the pedestrian footway is in excess of 2m wide outside of the site, the Highways Planning Manager has raised concern with respect to the potential impact of the use of the ATM and any associated queuing, on pedestrian flows along Praed Street, given its busy location and high volume of pedestrians, contrary to TRANS3 of our UDP. In order to seek to address these highways concerns, the applicant is seeking to provide further information on this aspect of their proposal and Committee will updated verbally.

Whilst the originally submitted drawing indicated what appeared to be the ATM sitting proud of the existing shopfront and overhanging the pedestrian highway, the applicant has advised that this indicates floor privacy markings. For the avoidance of doubt, the applicant has submitted a revised drawing making this clear.

The submitted drawings also showed proposed changes to the highway parking arrangements outside of the application site (and outside its red line boundary plan) on Praed Street, including the relocation of two car parking bays and the introduction of a loading bay. Following concerns regarding highway conflict with the junction and a bus stop, this element of the proposal has been withdrawn from the application.

Also indicated on the originally submitted drawings was the installation of a lighting column on the pedestrian highway. This forms part of the applicant's public art package and is the subject of a separate planning application. As such, it too has been removed from the drawings.

Insufficient information has been provide with respect to the provision of waste and recycling for the new office floorspace. Had the application been considered acceptable, then details would have been sought by condition.

8.5 Economic Considerations

No economic considerations are applicable for a development of this size

8.6 Access

No changes are proposed

8.7 Other UDP/Westminster Policy Considerations

Not applicable

8.8 London Plan

This application raises no strategic issues.

8.9 National Policy/Guidance Considerations

The City Plan and UDP policies referred to in the consideration of this application are considered to be consistent with the NPPF unless stated otherwise.

8.10 Planning Obligations

Planning obligations are not relevant in the determination of this application.

8.11 Environmental Impact Assessment

Environmental Impact Assessment is not relevant in the determination of this application.

8.12 Other Issues

Not applicable.

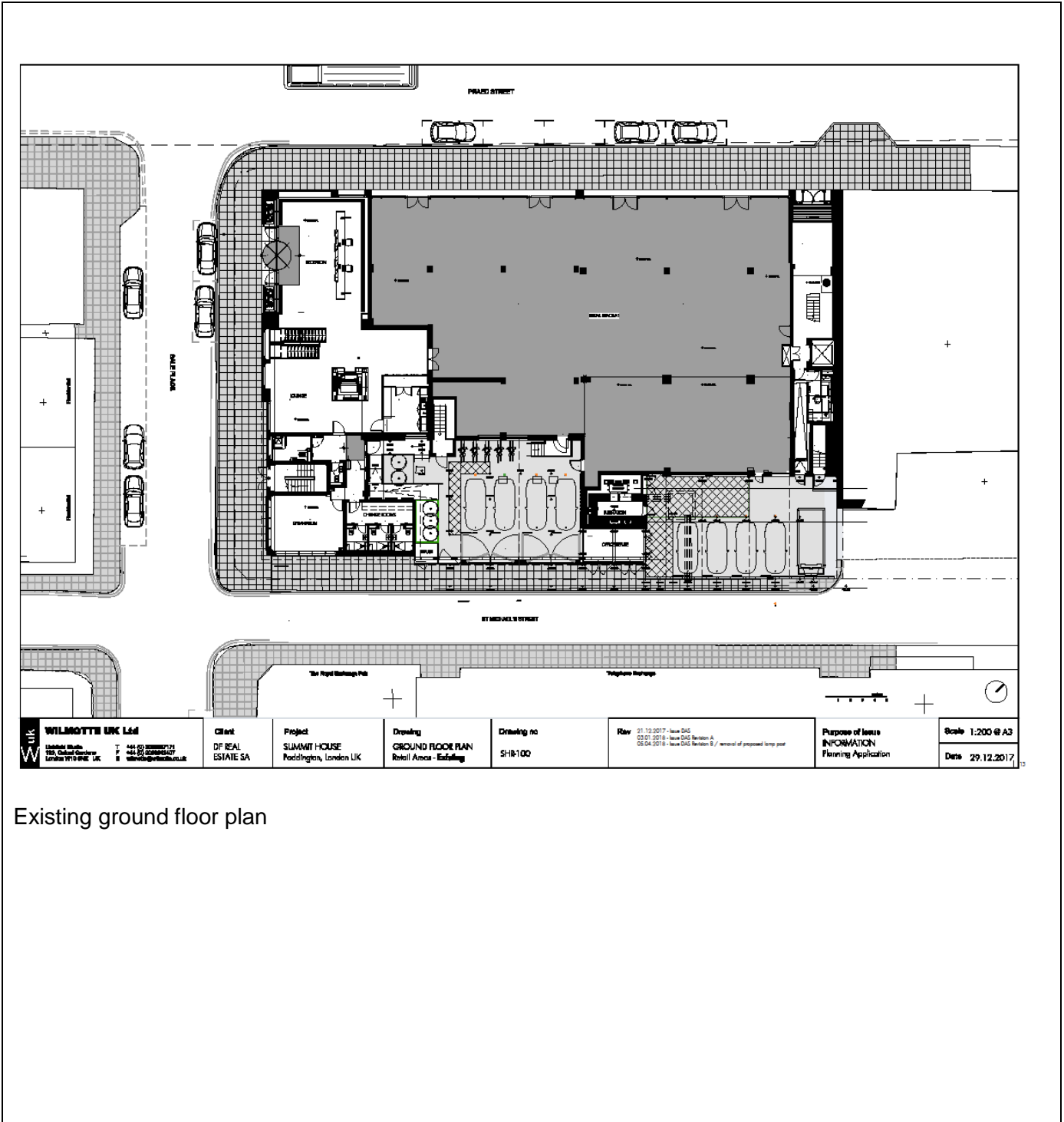
9. BACKGROUND PAPERS

1. Application form
2. Response from Hyde Park Estate Association, dated 7 February 2018
3. Response from South East Bayswater Residents Association dated 16 February 2018
4. Response from Paddington Business Improvement District (BID) dated 19 January 2018
5. Memo from Highways Planning dated 7 February 2018
6. Memo from Cleansing Manager dated 18 January 2018
7. Representation from HSBC dated 12 February 2018
8. Letter from occupier of 25 Radnor Place, London, dated 7 February 2018
9. Letter from occupier of 34 Norfolk Square, London, dated 29 January 2018
10. Petition with 145 signatures

(Please note: All the application drawings and other relevant documents and Background Papers are available to view on the Council's website)

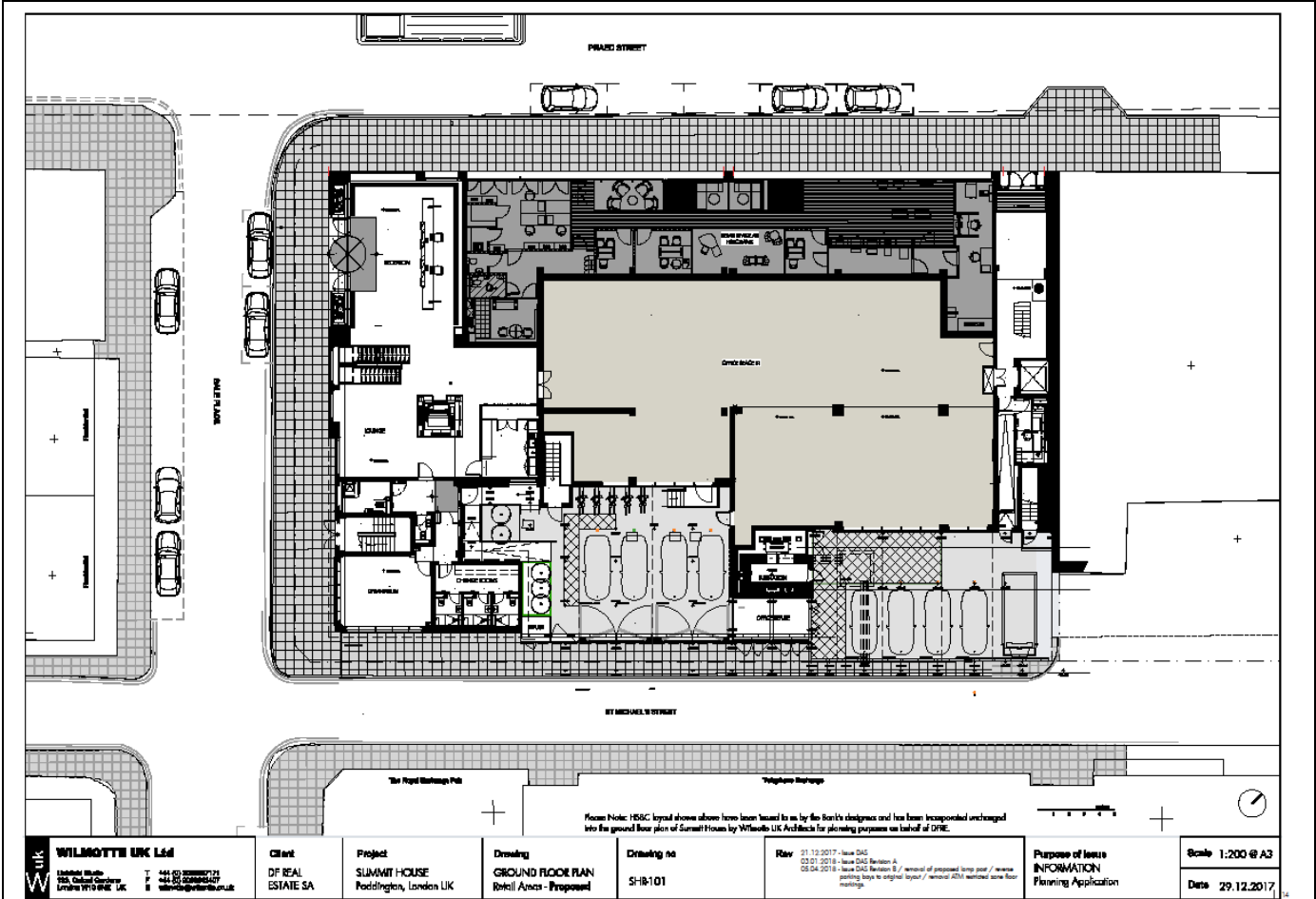
IF YOU HAVE ANY QUERIES ABOUT THIS REPORT PLEASE CONTACT THE PRESENTING OFFICER: SARAH WHITNALL BY EMAIL AT swhitnall@westminster.gov.uk

10. KEY DRAWINGS



WILMOTH UK Ltd 100, Oldfield Gardens London W10 6NE, UK T: +44 (0) 2030507174 F: +44 (0) 2030507407 info@wilmoth.co.uk	Client DF REAL ESTATE SA	Project SUMMIT HOUSE Paddington, London UK	Drawing GROUND FLOOR PLAN Retail Area - Existing	Drawing no SH100	Rev 01.12.2017 - Issue DAC 03.01.2018 - Issue DAC Revision A 05.04.2018 - Issue DAC Revision B // removal of proposed ramp post	Purpose of Issue INFORMATION Planning Application	Scale 1:200 @ A3 Date 29.12.2017
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Existing ground floor plan



Proposed ground floor plan

DRAFT DECISION LETTER

Address: Summit House, 27 Sale Place, London, W2 1PP,

Proposal: Sub-division and use of existing ground floor as a Class A2 (financial services) and B1 (office) space, including external alterations to the ground floor front and rear elevations including the installation of an Automatic Teller Machine (ATM) to Praed Street. (Site includes 27 Sale Place & 15-29 Praed Street).

Reference: 18/00036/FULL

Plan Nos: Site Location Plan, SHR-100B; 101B;210;300; Wilmotte UK Design and Access Statement,& revised page 8, Marketing Report, by KLM Retail; Parking Bay Re-location Technical Note, by Pell Frischmann; Planning Statement, by DP9; Statement of Community Involvement by Four Communications.

Case Officer: Sarah Whitnall

Direct Tel. No. 020 7641 2929

Recommended Conclusion(s) and Reason(s)

- Reasons:
- 1 The proposal would result in the loss of viable Retail (Class A1) floorspace within the Praed Street Shopping Centre (Second Frontage) and the North Westminster Economic Development Area. This is detrimental to the visual vitality and character and appearance of the Praed Street Shopping Centre, contrary to the aims of our Unitary Development Plan adopted January 2007 and S21 of our City Plan: Strategic adopted November 2016.

Please note: the full text for informative can be found in the Council's Conditions, Reasons & Policies handbook, copies of which can be found in the Council Chamber Room whilst the meeting is in progress, and on the Council's website.

