#### DC/2017/01391

# CHANGE OF USE OF THE FIRST FLOOR FROM OFFICES (USE CLASS B1A) TO FOUR FLATS (USE CLASS C3)

#### **4 WESLEY BUILDINGS, CALDICOT**

#### **RECOMMENDATION: APPROVE**

Case Officer: Kate Young Date Registered: 14/12/17

#### 1.0 APPLICATION DETAILS

1.1 The premises, a modern red-brick building is located at 4 Wesley Buildings in the Caldicot town centre. The site currently consists of a two-storey building with four retail units on the ground floor and offices on the first floor. The unit is part of a larger building complex. This full planning application seeks the change of use from offices to 4 residential units (2no.one-bedroom units and 2no. two-bedroom flats). Refuse/recycling will be situated to the rear of the building and cycle storage is provided on the ground floor at the main entrance to the flats. The alterations are mainly internal but there will be some alterations to the fenestration. The site, which is adjacent to a public car park, is located within the Central Shopping Area of the town and is part of the primary shopping frontage.

#### 2.0 RELEVANT PLANNING HISTORY

M/8619 Change of use from retail to financial services – Approved 10/07/2003

#### 3.0 LOCAL DEVELOPMENT PLAN POLICIES

Strategic Policies

- S1 Special Distribution of New Housing Provision
- S4 Affordable Housing Provision
- S6 Retail Hierarchy
- S16 Transport

**Development Management Policies** 

H1 Residential Development in Main Towns, Severnside Settlements and Rural Secondary settlements

H9 Flat Conversions

RET1 Primary Shopping Frontage

- RET2 Central shopping Areas
- MV1 Proposed Developments and Highway Considerations

#### 4.0 **REPRESENTATIONS**

4.1 <u>Consultation Replies</u>

Caldicot Town Council – Refuse; parking concerns – no spaces provided.

MCC Highways -\_The proposed development involves the change of use of a first floor office (Use Class B1a) to four flats (Use Class C3).

The Design and Access Statement refers to providing local on-street parking within the local residential area and further off street parking on Jubilee Way and Woodstock Way. Currently the local area suffers from on-street parking stress from local residents and businesses. The addition of four residential dwellings will likely require an additional four spaces to service the dwellings, and in this instance, private parking has not been provided to service the dwellings, which is in contravention of the Monmouthshire Parking Standards.

Therefore, in view of the above, the Highway Authority objects to the proposed development due to the lack of parking provisions provided.

Dwr Cymru-Welsh Water – No objection.

MCC Housing and Communities - It is a basic principle of Local Development Plan Policy S4 that all residential developments (including at the scale of a single dwelling) should make a contribution to the provision of affordable housing in the local planning area. As this site falls below the threshold at which affordable housing is required on site, the calculation of the financial contribution that will be required is set out in the table below [not supplied].

The calculator does not assess whether or not the scheme can afford the policy compliant amount of affordable housing. Should there be issues of viability a full viability assessment would need to be undertaken.

#### 4.2 Neighbour Notification

One letter of objection received

No parking provision; this will exacerbate existing parking problems in the area.

#### 4.3 <u>Other Representations</u>

Jessica Morden MP has been contacted by constituents who are concerned about the plan to turn the first floor offices at the Wesley Buildings (Newport Road, Caldicot, NP26 4LY) into residential flats.

One constituent who has been in touch with the MP argues that the developers here (London & Cambridge) have deliberately kept the office spaces empty by keeping rents high. He argues that this in turn has strengthened their case to turn the offices into residential spaces in order to allow the developers to make a substantial profit, even at the expense of taking away an attractive site for a business looking to operate in Caldicot town centre – with a detrimental impact on the local economy.

#### 5 EVALUATION.

#### 5.1 <u>Principle of the proposed development</u>

5.1.1 The site is located within the Caldicot Development Boundary within which there is a presumption in favour of new residential development subject to detailed planning considerations. The proposal is therefore in accordance with Policy S1 of the LDP. Policy H1 specifically states that the re-use of accommodation such as vacant upper floors in town centres will be permitted. The conversion of vacant upper floors into residential use is consistent with the objectives of the Development Plan to steer new residential development towards the urban areas and overall the Council encourages the use of upper floors in town centres to be used for residential purposes. Not only is this a sustainable location but residential use can add to the vitality and viability of the town centre. In addition Policy H9 of

the LDP allows for the conversion of properties into flats within town development boundaries, provided that: i) they do not affect the character of the street scene; ii) they do not adversely affect the appearance of the building to be converted or the amenity of the occupiers of adjoining properties, and iii) that sufficient car parking can be provided. As there are no physical alterations proposed to the building except for some minor changes to the fenestration criteria a), b) and c) of Policy H9 are met. The parking issue will be considered separately in this report. The principle of converting the first floor from offices into residential flats is therefore policy compliant. There are residential flats above the retail units on the opposite side of Newport Road so the precedent for residential units at first floor level is already set.

## 5.2 Loss of Office Accommodation

5.2.1 Wesley Buildings are in the centre of Caldicot Town Centre within the designated Primary Shopping Frontage and a Central Shopping Area. Therefore Policy RET1 and RET2 are relevant. Both seek to retain retail and office use on the ground floor of buildings and this is to protect the vitality and viability of town centres. Neither of these policies refers to or puts restrictions on the use of upper floors. There are in any case several vacant office units within this area of Caldicot. Policy E1 refers to the protection of existing employment land including B1 Uses. This policy states that the loss of existing business sites or premises will only be permitted if the premises are no longer suitable or well located for employment use. The fact that these and many other office sites within Caldicot remain vacant would indicate that there is limited demand for such premises in this location. It is more beneficial for the vitality of the town centre to have occupied residential units at first floor level than it is to have a range of vacant commercial units. The loss of these office buildings would not be prejudicial to the aim of creating a balanced local economy given the variety of industrial and commercial facilities that are currently vacant in the area.

#### 5.3 Parking Provision

5.3.1 The adopted Monmouthshire Parking Guidelines require that one off street parking space be provided per bedroom up to a maximum of three and makes no allowance for sustainable urban locations in its application. In this case, six parking spaces would be required for the proposed development but none is being provided. LDP Policy MV1 states that development proposals will be expected to satisfy the adopted parking standards but that in town centres, if the parking provision cannot be reasonably achieved on site, suitable alternative provision should be made. Here, the flats will be located in a town centre location adjacent to a public car park. There are several other public car parks within walking distance of the site. It would be unreasonable, given the town centre location to expect the flats to have designated private parking provision. It could be argued that the offices, when in use would have generated parking demand during the day time and the increase in parking generated by the flats would be partly offset by the required parking provision for the offices.

MCC Highways have identified that the local area suffers from on street parking stress from local residents and businesses. This area of Caldicot Town Centre however benefits from an abundance of town centre parking in the form of public car parks. It is considered that the limited increase in demand for parking resulting from this development will not be so great as to justify refusal of this application, especially as the previous office use of these units would have generated a similar parking demand. Arguably, the office use would have generated more parking demand in the daytime when the majority of shops and services are also available and staff parking demand is higher.

#### 5.4 <u>Affordable Housing</u>

5.4.1 It is a basic principle of Local Development Plan Policy S4 that all residential developments should make a contribution to the provision of affordable housing in the local

planning area. As this site falls below the threshold at which affordable housing is required on site a financial contribution will be required this can be secured through a s.106 agreement. In this case, it has been calculated that the financial contribution should be £36,715. The developers challenged this figure and stated that the scheme was not viable if a financial contribution for affordable housing was provided. They submitted a viability assessment undertaken by U.L.L Property on behalf of their developer client. This assessment was then independently reviewed by the District Valuer who concluded that:

"My appraisal as detailed above for a fully open market scheme returns a residual land value of some £92,500. This is significantly below the adopted benchmark land value of £165,000 and suggests that the scheme is unviable even without the provision of any S106 sums. This would suggest that the scheme may be undeliverable unless significant cost savings are found or profit expectations lowered.

If the authority are minded to grant permission on the basis of no contributions we would suggest that a definitive time scale for delivery is agreed which if not met triggers a viability review to ensure the site's deliverability."

The full report is available for Members to review.

Given the findings of the independent assessment by the District Valuer, officers consider that it is not appropriate to seek any financial contribution from this scheme in respect of affordable housing.

### 5.5 <u>Economic Development Implications</u>

5.5.1 The loss of office accommodation has been discussed in detail above. Given that these offices have been vacant for some time, this proposal will not result in a loss of employment opportunities. One local resident argues that the developers have deliberately kept the office spaces empty by keeping rents high. He argues that this in turn has strengthened their case to turn the offices into residential space that allows the developers to make a substantial profit, even at the expense of taking away an attractive site for a business looking to operate in Caldicot town centre – with a detrimental impact on the local economy. The issue of the level of rents is a private matter between landlord and tenant and not a material consideration to this case. There are many vacant office units in this area of Caldicot.

5.5.2 In any case, the provision of much needed smaller housing units on the first floor provides homes in a sustainable location without compromising the commercial unit maintained at the ground floor of the premises. This would maintain the vitality and viability of the town centre.

## 5.6 Response to the Representations of the Community/ Town Council

5.6.1 Caldicot Town Council has raised concerns about the lack of parking provision for the proposal and this has been addressed in full in the main body of the report.

## 5.7 <u>Well-Being of Future Generations (Wales) Act 2015</u>

5.7.1 The duty to improve the economic, social, environmental and cultural well-being of Wales has been considered, in accordance with the sustainable development principle, under section 3 of the Well-Being of Future Generations (Wales) Act 2015 (the WBFG Act). In reaching this recommendation, the ways of working set out at section 5 of the WBFG Act have been taken into account and it is considered that this recommendation is in accordance with the sustainable development principle through its contribution towards one or more of the Welsh Ministers' well-being objectives set out in section 8 of the WBFG Act.

## 6.0 **RECOMMENDATION: APPROVE**

## Conditions:

- 1. Five years in which to commence development.
- 2. Development shall be carried out in accordance with the listed approved plans.