



# ECONOMIC STATEMENT

Prepared for and on behalf of  
Sentware Ltd

December 2020

1 Parson Street and  
3 Florence Street,  
Hendon, London,  
NW4 1QD

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## **1.0 Introduction**

- 1.1 As required by the London Borough of Barnet's Local Validation Requirements List, this Economic Statement has been prepared in support of an application for Full Planning Permission proposing the demolition of existing building (workshop/car repair garage and residential flat) and construction of part three/part four storey mixed use building comprising 9 residential units and 115.06 sqm of commercial (Class E(g)(i)) office floorspace at ground floor level.
- 1.2 This Report should be read in conjunction with the Application Form, Planning, Design & Access Statement, Application Drawings and other supporting documents. The information included in this Report is intended to assist the London Borough of Barnet in determination of the application proposal.
- 1.3 This Statement sets out the background to the application site, provides analysis of the existing and proposed uses and the need for the redevelopment of the site for alternative uses and also seeks to demonstrate the acceptability of the proposal in context of Barnet's Policy DM14 and other relevant local, regional and national policies.

## **2.0 Site Context and Surrounding Area**

- 2.1 The site is located in North West London within the administrative boundary of the London Borough of Barnet. The site comprises a building fronting Person Street and Florence Street. It is understood that the property comprises a workshop/car garage on the ground floor with ancillary gym and office space on the first floor. There is also a residential flat on the upper floor fronting Person Street.
- 2.2 The existing workshop/car repair garage Class B2 with the ancillary floorspace on the upper floor comprises 388.24 square metres (GIA). The existing commercial floorspace is depreciated and of poor quality.
- 2.3 The site forms part of the Brent Street Town Centre and is within a designated secondary retail frontage. There are no listed buildings on the site and the site is not located within a Conservation Area. The site is within flood Zone 1 with a low probability for flooding.
- 2.4 The site falls within an area of PTAL 2. There are a number of bus stops within walking distance from the site and Hendon Central Underground Station is within approximately 14 minutes walk from the site.
- 2.5 The immediate area is characterised by a mix of commercial and residential properties. Florence Street mainly contains two-storey residential terraces, whereas buildings on Person Street vary in terms of scale and use. Further north of the site there are two/three storey in height residential buildings and to the south, the area is predominantly commercial in nature.

### 3.0 Planning Policy Context

- 3.1 The relevant national, regional and local planning policy with regard to the economic context has been summarised below.

#### National Planning Policy

#### National Planning Policy Framework (NPPF)

- 3.2 The NPPF notes that the purpose of the planning system is to contribute to the achievement of sustainable development. In paragraph 8, the NPPF sets out three overarching objectives economic, social and environmental:

*“a) an economic objective – to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;*

*b) a social objective – to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering a well-designed and safe built environment, with accessible services and open spaces that reflect current and future needs and support communities’ health, social and cultural well-being; and*

*c) an environmental objective – to contribute to protecting and enhancing our natural, built and historic environment; including making effective use of land, helping to improve biodiversity using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy.”*

- 3.3 Section 6 of the NPPF sets out guidance in relation to building a strong, competitive economy. Paragraph 80 of the NPPF ensures that planning policies and decisions help create the conditions in which businesses can invest, expand and adapt. Paragraph 82 notes that *“planning policies and decisions should recognise and address the specific locational requirements of different sectors.”*
- 3.4 Paragraph 85 part f) ensures that planning policies recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.

#### Regional Planning Policy

#### The London Plan (March 2016)

- 3.5 Policy 4.1 promotes the continued growth and economic development of all parts of London. Part A(a1 of Policy 4.1 confirms that Mayor will work with partners to *“promote and enable the continued development of a strong, sustainable and increasingly diverse economy across all parts of London, ensuring the availability of sufficient and suitable workspaces in terms of type, size and cost, supporting infrastructure and suitable environments for larger employers and small and medium sized enterprises, including the voluntary and community sectors”*.

### Draft New London Plan

- 3.6 The New London Plan is in a draft form and is of a material consideration in planning decisions. The London Plan – Intend to Publish version was published in December 2019. The emerging Policy GG5 is of relevance and aims to conserve and enhance London’s global economic competitiveness and ensure that economic success is shared amongst all Londoners.

### Local Planning Policy

#### London Borough of Barnet Core Strategy

- 3.7 Policy CS1 confirms that *“Barnet’s place shaping strategy is to concentrate and consolidate housing and economic growth in well located areas that provide opportunities for development, creating a quality environment that will have positive economic impacts on the deprived neighbourhoods that surround them.”*
- 3.8 Policy CS6 promotes successful and vibrant town centres throughout Barnet to serve the needs of residents, workers and visitors.
- 3.9 Policy CS8 states that the Council will support businesses by:
- *“safeguarding existing employment sites that meet the needs of modern business in accordance with Policy DM14 New and Existing Employment Space;*
  - *encouraging development that improves the quality of existing employment provision;*
  - *encouraging new mixed use commercial floorspace in our priority town centres (Edgware, North Finchley, Finchley Church End and Chipping Barnet) where access to public transport is good;*
  - *in order to support small to medium sized enterprises new employment provision should include a range of unit sizes and types such as affordable and flexible workspaces and home working hubs;*
  - *through the Skills Development and Employability Group building an understanding about the experience of local businesses and their skills needs;*
  - *encouraging partnership working between providers of further and higher education and local business.”*

#### Barnet’s Local Plan Development Management Document Policies

Policy DM14 part a: ii confirms that *“loss of a B Class use will only be permitted where it can be demonstrated to the council’s satisfaction that a site is no longer suitable and viable for its existing or alternative business use in the short, medium and long term and a suitable period of effective marketing has been undertaken. Where this can be demonstrated the priority for re-use will be a mixture of small business units with residential use.”*

In part b: i, the policy goes on noting that all proposals for new office space should follow a sequential approach which considers town centre sites before edge of centre sites. The proposed office use is appropriately located within the Brent Street Town Centre which is in line with Policy DM14.

## **4.0 Existing and Proposed Floorspace**

- 4.1 The existing workshop/car repair garage (Class B2) with the ancillary floorspace (office and gym) on the upper floor comprises 388.24 square metres (GIA). The existing gym on the first floor comprises 15.93 square metres (GIA) and was set up for the staff for recreational purposes. The office floorspace is 19.85 square metres (GIA) and is primarily used as document storage by the car garage staff. Accordingly, the first-floor gym and office should be excluded from the assessment of the proposed loss of employment floorspace as the upper units have an ancillary function.
- 4.2 Although the existing commercial premises have been occupied as a vehicle repair garage for some 50 years (the current licence runs from April 2020 and is a 12-month contract), the building is poorly designed, run-down, obsolete, leaking & ecologically inefficient. Given the poor physical state of the property, it is evident that the building is no longer fit for purpose & its demolition will enable the redevelopment of the site to deliver new homes/office accommodation. It is important to note that the existing Class B2 general industrial use is not considered a town centre use and is better suited for designated industrial areas. In addition, industrial uses are considered to be more vulnerable to residential amenity whilst having harmful impacts in terms of noise and safety on immediate residential properties and their amenity. Given the residential nature of the neighbouring buildings, the proposed mix of uses is evidently more appropriate.
- 4.3 The application proposal comprises 9 residential units and 115.06 square metres (GIA) office floorspace Class E(g)(i) at ground floor level. The proposal will provide a high-quality office floorspace which will be laid out with a variety of workstations, a meeting room to encourage collaborative working, kitchen and toilet facilities. At the time of writing a potential tenant has not been identified. However, the floorspace has been designed so that it could be occupied flexibly to allow sufficient demand from a range of office occupiers including small or medium enterprises (SME's). For further details on the proposed development, please refer to the application form, drawings and Planning, Design & Access Statement.

## **5.0 Details of Job Loss and Creation**

- 5.1 It is understood that the existing workshop/car repair garage currently employs 4 members of staff. The ancillary uses at 1<sup>st</sup> fl do not generate any additional employment.
- 5.2 The proposal comprises 115.06 square metres (GIA) and 113.49 square metres (NIA) office floorspace Class E(g)(i) (former Class B1a). Based on the general office category of the Employment Densities Guide 3<sup>rd</sup> Edition (2015, Homes & Communities Agency), the proposed office floorspace would be expected to accommodate approximately 9-14 staff (full-time equivalent). It should be noted that the submitted Proposed Ground Floor Plan illustrates the potential employment capacity of the proposed office floorspace. In this regard, it is anticipated that the proposed office use has the potential to generate over 50% uplift in the employment provision compared to the existing situation at the site.
- 5.3 In addition to the above, the proposed development is expected to generate temporary employment during the demolition and construction process.

## 6.0 Demand and Availability

- 6.1 The London Office Policy Review (LOPR) 2017 suggests demand for 132,647 square metres (GIA) office floorspace in the Borough for the period between 2016-41.
- 6.2 London Borough of Barnet Employment Land Review (ELR) (2017) acknowledges that Barnet's office market is dominated by small firms. In this regard, the proposal under this application has been developed to address the local demand and has been designed to provide a modern office floorspace that will be well suited to small businesses and occupiers that may look to downsize as an effect of Covid-19 on office take-up.
- 6.3 With regard to the existing Class B2 use, a desktop research has been undertaken to locate alternative workshops/car repair services in close proximity to the site to demonstrate that the demand from users could be met elsewhere in the wider area. As a result of this, a number of nearby workshops/car repair businesses within 2 miles radius from the site have been identified and listed below.

Address of the premises	Approx. distance from the site
<b>Hendon Central Tyres:</b> 22a Parson Street, Hendon, London, NW4 1QB	131 ft from the site
<b>Hendon Service Centre:</b> 49 Victoria Road, Hendon, London, NW4 2RP	0.3 miles from the site
<b>R P M Autos Ltd:</b> 1 The Crest, Hendon, London, NW4 2HN	0.4 miles from the site
<b>BM Motors:</b> 24b Bell Lane, Hendon, London, NW4 2AD	0.4 miles from the site
<b>Mint Car Bodywork:</b> 22c Bell Lane, Hendon, London, NW4 2AD	0.4 miles from the site
<b>TK Motors:</b> 3b West Ave, Hendon, London, NW4 2LL	0.5 miles from the site
<b>Auto Action:</b> 143 Station Road, Hendon, London, NW4 4NH	0.7 miles from the site
<b>CarFix Garage - MOT and Car Servicing:</b> Unit 4, 30-100 Colindeep Lane, Hendon, London NW9 6HB	1.1 miles from the site
<b>DAS Automotives Ltd:</b> 213 West Hendon Broadway, Hendon, London NW9 7DG	1.4 miles from the site
<b>A.S Motors, A. S Motors:</b> Unit 12, 176 West Hendon Broadway, London NW9 7AA	1.5 miles from the site
<b>Tyre City:</b> 103 West Hendon Broadway, London, NW9 7BN	1.6 miles from the site
<b>Jem Garage Services &amp; MOT's:</b> Hyde Estate Road, London, NW9 6JX	1.8 miles from the site
<b>M1 Repairs:</b> 8 Adrian Avenue, London, NW2 1LX	2 miles from the site

## **7.0 Benefits of Proposed Development**

7.1 The identified economic benefits arising from the proposed development are as follows:

- It is considered that although the proposal will result in a reduction of employment floorspace, it will provide the commercial use of higher employment density with a substantial increase in the number of potential jobs generated (over 50% uplift in terms of job creation).
- The proposed uplift in job creation and also new residents in the local area arising from the residential part of the proposal will support local economic growth by an increase in local spending whilst boosting the economy of the Brent Street Town Centre and contributing to the vitality and vibrancy of the town centre.
- The proposed mix of residential and office use is considered more appropriate to its local context than the existing Class B2 general industrial use which is considered to have a negative visual impact on the retail frontage within the town centre and cause disruptions to residents of neighbouring residential properties.
- The proposed demolition of the existing building, which is obsolete, of poor physical state and not fit for purpose, will enable the re-use of the site for new homes and high-quality office accommodation.
- Given the number of alternative workshops/car repair services in close proximity to the site, it has been demonstrated that the demand from users could be met elsewhere in the wider area. As such, it is considered that the loss of the existing facility will have a neutral impact on the consumer experience.

## **8.0 Conclusion**

8.1 The application proposal is for the demolition of the existing building (workshop/car repair garage and residential flat) and construction of part three/part four storey mixed use building comprising 9 residential units and 115.06 sqm of commercial (Class E(g)(i)) office floorspace at ground floor level.

8.2 This Economic Statement has been prepared in support of an application for Full Planning Permission for the above proposal as required by the London Borough of Barnet's Local Validation Requirements List.

8.3 In conclusion, this report has demonstrated the support for redevelopment of the existing Class B2 employment use to alternative uses. In particular, it has been evidenced that the proposed office floorspace will generate a better employment offer resulting in up to 50% uplift in job creation compared to the existing employment provision on the site. It has been also evidenced that the loss of the existing B2 use would have a neutral impact on consumer experience and demand for such uses, given a number of the nearby workshops/car repair businesses within 2 miles radius from the application site. As such, the proposal provides an opportunity to introduce a higher density employment use that would contribute to the viability and vitality of the town centre in compliance with the relevant local, regional and national planning policy.