



## Epsom Town Centre Office to Residential Article 4 Direction Study



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## **1. Introduction**

- 1.1 This Study has been prepared by the Council as direct response to the Secretary of State's decision to extend and expand the changes to the permitted regime that allow the conversion of office buildings to residential use without the need for a planning application.
- 1.2 The permitted development regime is a very important component of the planning system. Development that is thereby automatically approved by Government order can have a significant effect on the Council's ability to control development and a consequent impact on the built and natural environment. The impact of such development has a bearing on many of the Council's key priorities including economic vitality, quality of life, visual appearance and sustainability.
- 1.4 The Council previously applied for an exemption for the whole of Epsom Town Centre but was unsuccessful. In order to retain an ability to intervene the Borough Council served Article 4 Directions removing permitted development rights on three office buildings and sites assessed as being at greatest risk from being lost to residential use. A similar study to this one was prepared to provide supporting evidence. This Study builds upon that initial study, taking advantage of a wider evidence and knowledge base, developed since the original changes to the Permitted Development Regime were made.
- 1.5 The Council believes that new Article 4 Directions are justified on the basis that this will provide an appropriate level of intervention in order to:
  - Manage proposals that seek a change of use from office to residential to ensure that there is no adverse impact upon the economic vitality and viability on Epsom Town Centre or the Borough's wider employment offer;
  - Manage the local office/ employment market's transition, following the recent periods of economic instability, in order to ensure that other commercial/ employment uses are fully considered prior to releasing buildings/ sites to residential use; and to ensure that mixed-use options are also fully considered; and
  - Ensure that use of the Town Centre's/ Borough's most sustainable employment sites is optimized.
- 1.6 The Study will be submitted as part of a report to the Council's Licensing and Planning Policy Committee recommending the introduction of further Article 4 Directions on specific buildings and sites located in and around Epsom Town Centre.
- 1.7 Following this the Study will be used to inform the preparation of future planning policy. It is likely that it will also be used to inform other

Council economic development initiatives seeking to maintain and enhance the employment offer across the Town Centre.

## **2. Objectives**

2.1 The Study seeks to meet the following objectives:

- To establish how the Borough Council can maintain its corporate and local plan strategy for qualitative sustainable economic/ commercial growth following further changes to the permitted development regime;
- To establish whether there is any merit in serving additional Article 4 Directions on office buildings and/ or employment sites located in and around Epsom Town Centre in order to manage proposals to change their use;
- To identify those key office properties/ sites located in and around Epsom Town Centre that remain valued for their employment potential and which are now at risk from unmanaged changes in use following further changes to the Permitted Development regime; and
- To identify specific sites upon which to serve Article 4 Directions removing the permitted development right to change use from office to residential, should this course of action been deemed necessary.

2.2 The principle output from the Study will be to provide the supporting evidence for site specific Article 4 Directions that will remove the permitted development right to change the use of an office building (Use Class B1) into residential accommodation (Use Class C3). This will include the proposed permitted development right allowing demolition and replacement of existing office uses with new residential uses.

## **3. Policy Context**

3.1 The following section provides a brief overview of the national and local planning policy context for the Study.

3.2 The National Planning Policy Framework (NPPF) provides the basic planning policy framework for preparing local plans and for decision making within the context of the development management process. NPPF Para 21 states that planning authorities should:

*“support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate needs not anticipated in the plan and to allow a rapid response to changes in economic circumstances;”*

3.3 In the case of Epsom Town Centre's office stock, our local plan evidence base and annual monitoring data demonstrates that our local office market has contracted (following the sustained periods of recession). Nevertheless, Epsom Town Centre remains a highly accessible and sustainable location for employment and other commercial activities. Taking account of Borough-wide employment land supply, it continues to be an appropriate location for employment uses.

3.4 The NPPF continues by stating that:

*"Planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose. Land allocations should be regularly reviewed. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities."*

3.5 The Council regularly monitors the Borough's employment sites. This is primarily done through the local plan annual monitoring process. Since 2007, employment land studies have also helped to inform the local plan process. Since the introduction of the changes to the permitted development regime (in 2013) the Council has carefully monitored office portfolio – with the specific objective of retaining its best office stock. This approach reflects national policy. The Study reflects this through its conclusions (on individual sites) and recommendations.

3.6 In terms of planning for town centres, the NPPF sets out a town centre first approach, something which the Council has taken forward in the development of local planning policy. The NPPF, under Paragraph 23, makes the following key statements, which are relevant to the Study:

*"Planning policies should be positive, promote competitive town centre environments and set out policies for the management and growth of centres over the plan period. In drawing up Local Plans, local planning authorities should:*

- recognise town centres as the heart of their communities and pursue policies to support their viability and vitality;*
- retain and enhance existing markets and, where appropriate, re-introduce or create new ones, ensuring that markets remain attractive and competitive;*

- *allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, office, tourism, cultural, community and residential development needed in town centres. It is important that needs for retail, leisure, office and other main town centre uses are met in full and are not compromised by limited site availability. Local planning authorities should therefore undertake an assessment of the need to expand town centres to ensure a sufficient supply of suitable sites;*
- *recognise that residential development can play an important role in ensuring the vitality of centres and set out policies to encourage residential development on appropriate sites; and*
- *where town centres are in decline, local planning authorities should plan positively for their future to encourage economic activity.”*

3.7 As stated above the Council has taken a positive town centre first approach, which is reflected in the Sustainable Community Strategy, the Core Strategy and Plan E. The Council's visions and strategies for the Town Centre focus upon meeting the identified retail, housing and business needs of local communities; these being firmly rooted in evidence of demand. In order to meet these needs the Council has, through Plan E, identified and where necessary allocated sites for these specific uses. The Council's approach is entirely consistent with national planning policy.

3.8 Whilst the Council has not allocated specific employment areas in Epsom Town Centre, it has set out a series of Visions for the areas that comprise the Town Centre (within Plan E). These clearly set out how areas such as East Street and Ashley Avenue function as the Town Centre's main business districts, and how they will be maintained and enhanced during the plan period. Again, this is a positive approach to planning for sustainable commercial growth, which is consistent with national planning policy.

3.9 The Council recognises that its local office market has been subject to restructuring during the recent period of economic recessions. There is also an understanding that there is limited market demand for lower grade office stock (either within Epsom or the wider South West London market). Nevertheless, Epsom Town Centre remains the most sustainable location within the whole Borough for high density employment growth. By taking measures to safeguard those sites that remain valuable for sustainable employment growth and are at most risk from the recent changes to the permitted development regime the Council are taking positive measures to plan for future growth in accordance with national planning policy.

- 3.10 In 2013 the government amended the General Permitted Development Order to allow the change of use of offices falling under Use Class B1(a) to residential uses falling under Use Class C3. This change of use is subject to a mechanism known as “Prior Approval”, whereby the Council must assess the impact of the change of use on transport and highways, as well as the contamination risks and flooding risks at the site before allowing the change of use. This Permitted Development Right was allowed for a three year period between May 2013 and May 2016.
- 3.11 Prior to making the amendment to the Order, the government invited applications for exemption from the changes for defined areas of land. The Borough Council applied for an exemption covering the whole of Epsom Town Centre as defined in Plan E; however, we were unsuccessful. Subsequently, the Borough Council pursued the introduction of Article 4 Directions on three office buildings on East Street that were deemed to be at greatest risk from conversion under Permitted Development Rights. The Council’s approach of assessing risk, targeting the specific sites at greatest risk and then serving Article 4 Directions has proved successful and in accordance with national planning policy and legislation.
- 3.12 In April 2015 the General Permitted Development Order was consolidated and several new Permitted Development Rights were introduced. Currently, the right to change from B1 (a) office to C3 residential use remains in effect temporarily until May 2016. However, the government is known to be preparing to make these rights permanent. They will also be extended to include necessary external works and to allow the demolition of existing office buildings and their replacement with new build residential, as announced in the statement of the Housing and Planning Minister Brandon Lewis of 13 October 2015. The timeframe for this is expected to become clearer after the Housing and Planning Bill, currently going through parliament, is passed. In anticipation of these changes, Officers have prepared this Study to assess the potential risk to the Borough’s remaining Town Centre office stock.
- 3.13 The Council’s corporate and Local Plan strategies are predicated on Epsom Town Centre remaining the most appropriate and sustainable location for commercial activity in the whole of the Borough. The following documents provide the local policy context for seeking to safeguard office buildings/ sites that continue to be important to our employment strategy – our [Corporate Plan](#); our [Sustainable Community Strategy](#); the [Epsom & Ewell Core Strategy](#); [Plan E Epsom Town Centre Area Action Plan](#); and [Development Management Policies Document](#).

#### **4. Impact of Permitted Development Regime Changes on Epsom Town Centre**

- 4.1 The Council unsuccessfully applied to the Secretary of State for an exemption from the changes to the permitted development regime during February 2013. The Council's application was made on the grounds the changes would undermine adopted strategies relating to employment and Epsom Town Centre. The Council noted that employment land supply within the Borough is heavily constrained and it is unlikely that we would be able to identify suitable and sustainable new employment sites to make-good any losses that would result from this loss of control. The Council's strategy has been to optimise existing stock and sites, which are already in the most sustainable locations rather than to seek new sites.
- 4.2 Within its application the Council also highlighted its strong housing delivery performance, having had in excess of ten years available housing land supply.
- 4.3 Consequently, the Council's case of exempting Epsom Town Centre from the new permitted development regime was made on the basis of the following points:
- a) There would inevitably be a significant loss of employment floor space in Epsom Town Centre due to commercial pressures. This would fundamentally damage the employment-base of the Borough and strengthen less-sustainable patterns of development and make the Borough even more dependent upon outward-commuting. Towns such as Epsom, within close proximity to London, are particularly vulnerable to this. When prospects improve, many of the best employment sites may have been lost.
  - b) The Council has an established strategy for focussing economic growth on Epsom Town Centre, which continues to be the most sustainable location for commercial and economic activity in the Borough. This approach is key to the Council's corporate and planning policies and is being actively pursued with partners. This approach is consistent with national planning policy, particularly in respect of the "town centre first" approach;
  - c) The Town Centre is practically the only location in the Borough where there is a supply of available employment land; either in terms of developable sites or vacant premises. The constraints that envelop the Borough (including the Green Belt) limit the potential supply of new sites, which otherwise wouldn't be in the Town Centre and would be less sustainable; and

- d) The Council has a very healthy supply of deliverable and developable housing sites and consequently we don't need to release additional sources of supply – especially sources that will not contribute towards meeting our affordable housing target.

- 4.5 From the outset the Council considered another option, namely the introduction of an Article 4 Direction on all or part of East Street. In order to support this approach the Council prepared the East Street Epsom Article 4 Direction Study (2013), which assessed the risk (as it was understood at the time) of loss of existing office stock to residential uses. That previous Study identified three office buildings/ sites that would benefit from Article 4 Directions - the three sites being Adelphi Court, Bradford House and Crossways House.
- 4.6 The previous Study formed the basis of a Report to the Council's Planning Policy Committee recommending the immediate serving of Article 4 Directions upon these buildings/ sites. This action was confirmed during October 2013. As per the Regulations, the Secretary of State was informed of the Article 4 Directions but chose not to intervene.
- 4.7 Since serving of the three Article 4 Directions, the Council has considered and determined an application to comprehensively redevelop the Crossways House and Bradford House site for a mixed-use development comprised of student accommodation (C1 use class) and commercial uses (ground floor). This is in the process of being partially implemented on the Crossways House site; Bradford House currently remaining available as office accommodation. Adelphi Court, which had been identified as being at high risk, continues to provide viable office accommodation and is fully occupied. The Council considers the three Article 4 Directions to have been a success.
- 4.8 Since the introduction of the changes to the Permitted Development Regime, the Council has been monitoring the wider impacts to the Town Centre's office stock. The latest assessment of the impacts is included under Appendix A. A table setting out all of the office buildings and sites across the Borough lost through the Permitted Development Regime is included under Appendix B. The locations of office buildings lost through the Permitted Development Regime and through planning permissions are identified under Map 1.

- 4.9 The latest assessment identifies that the Council's local plan policies are being undermined by developments coming forward through the Permitted Development regime. This suggests that although successful, the initial Article 4 Directions were too narrowly focused. The assessment notes that whilst the overall number buildings lost has been limited, the office stock has generally been good quality, located in the Town Centre rather than poorer quality, high vacancy properties. The Borough Council did not anticipate the changes to the Permitted Development Regime having such a harmful impact upon viable good quality office stock. As a consequence the current Study needs to be expanded in scope, taking account of the potential threat to the remaining sources of employment floorspace.
- 4.10 It is noted that whilst the lost office sites have yielded new residential accommodation it has typically taken the form of high-value units that do not fully meet local needs. These new residential units have not included any affordable units, which is an acute area of local need. Our evidence also demonstrates that the Council has experienced a reduction in revenue from business rates due to the loss of viable office accommodation.
- 4.11 Elsewhere in the Gatwick Diamond area<sup>1</sup>, intelligence suggests that Crawley is experiencing a similar situation to Epsom; namely, the loss of high quality office stock to residential accommodation. Whilst Crawley is markedly different from Epsom in many respects it shares some similarities; most notably that it has limited sources of supply of new employment land/ floorspace. The Borough Council understands that Crawley Borough Council is considering serving Article 4 Directions. It is noted that the Gatwick Diamond Initiative supports the introduction of Article 4 Directions to manage the retention of viable office stock.
- 4.12 In conclusion, in order to successfully implement the Borough Council's local plan growth strategy, particularly the improvements identified in Plan E Epsom Town Centre Area Action it will become even more important to have quality office stock to attract and retain business in the Town Centre. Without it the Town Centre's vitality and viability will be significantly eroded. The introduction of new Article 4 Directions, served upon buildings and sites assessed as being at risk provides an appropriate mechanism to manage change and ensure the successful delivery of growth.

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<sup>1</sup> The Gatwick Diamond Initiative is a business led economic area partnership that sites at the heart of the Coast to Capital Local Enterprise Partnership area.

## **5. Methodology**

- 5.1 The Study has followed a relatively straightforward methodology. The first stage of the Study is to identify an initial area of search. The previous Article 4 Office Study focussed upon East Street, Epsom. This was because of the known concerns around office building vacancy rates, which had been highlighted by the Epsom Office Market Demand Assessment (March 2013). Evidence collated by the Borough Council since the serving of those initial Article 4 Directions demonstrates that a significantly wider range of office buildings are now at risk of being lost to residential uses. In particular, evidence demonstrates that viable, Grade A or high grade stock is at greatest risk. This includes buildings that are currently occupied. On that basis the Study covers a wider area – that includes sites falling within the Plan E Epsom Town Centre Boundary and its immediate hinterland.
- 5.2 Other intelligence, including recent planning history/ applications, pre-application enquiries and data on buildings/ sites known to be subject to active marketing was utilised to identify buildings/ sites for site survey visits. This initial stage of the process took the form of a desktop exercise.
- 5.3 The next stage of the process saw Officers visit the sites identified during the initial stage of the Study. The individual site surveys sought to establish the condition and quality of the building/ sites. The site visits also sought to establish the redevelopment potential of the individual sites, specifically how adaptable the buildings are in terms of conversion within the constraints of the permitted development regime. Officers made judgements on the convertibility of buildings based on a number of criteria including their condition, external design (specifically access and fenestration) and where possible their internal layout. Officers also made complimentary assessments on whether the buildings and sites remain fit-for-purpose as employment sites, either in their current form or through comprehensive redevelopment.
- 5.4 The outputs from the site survey stage were in the main recorded on-site. Additional details, such as those relating to parking, marketing, building floor area and proximity to public transport were completed through on-line research and the use of GIS. A photographic record of each site was made during the course of the site visits.

5.5 The Council has sought to develop the methodology used in the original study in order to provide a more comprehensive assessment of risk. In order to provide a greater focus for potential sites for Article 4 Directions the following additional criteria were considered when identifying sites. To ensure that the Study's outcomes are robust and defensible it was agreed that all sites needed to meet at least two of the above criteria to qualify for assessment for an Article 4 Direction:

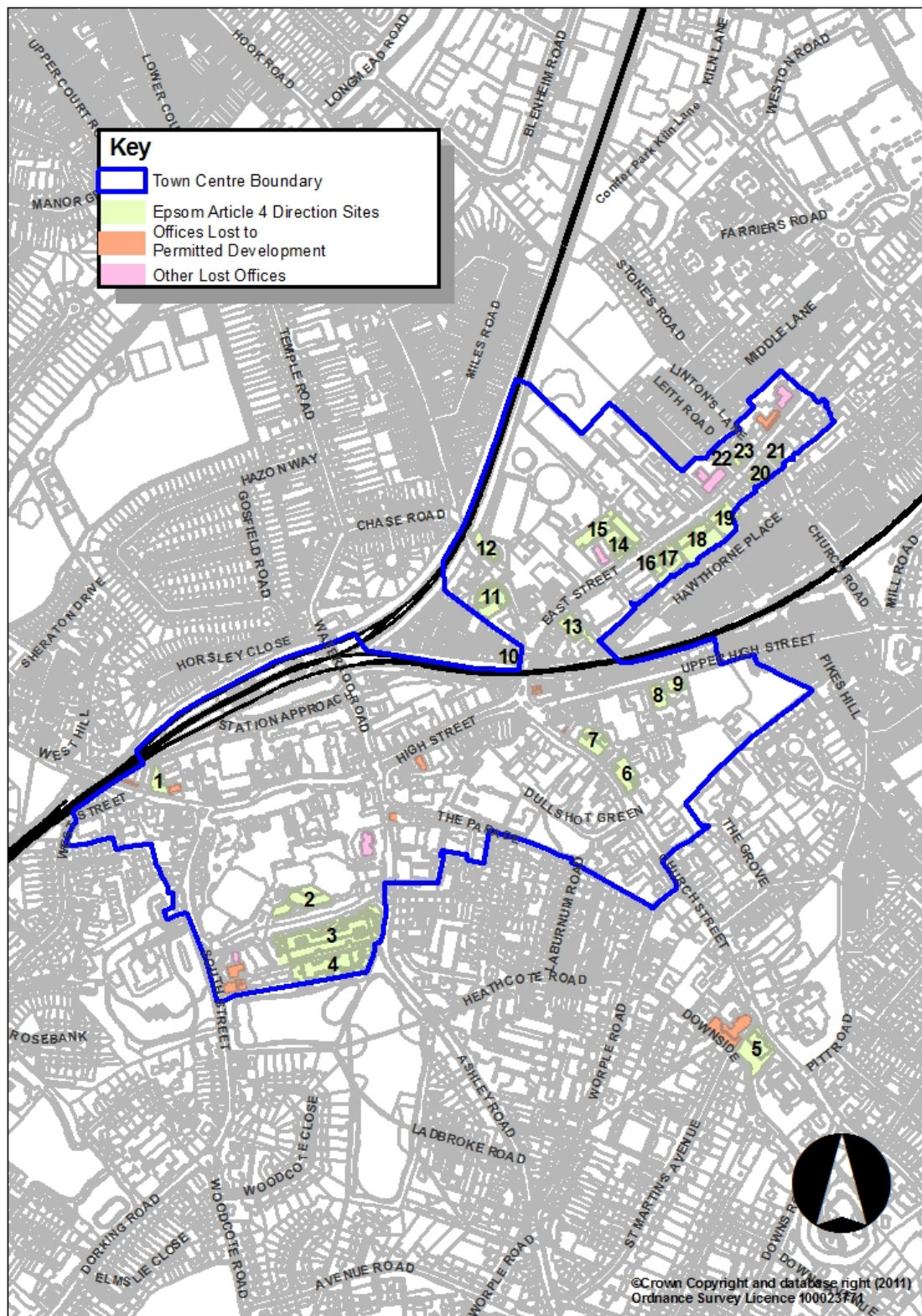
- The office site is occupied and in active use – the Study has sought to establish the extent of ownership; particularly whether it is owner occupied; and the remaining length of tenancies. Where a candidate office is vacant, the Study identifies whether it is being actively marketed and for what uses it is being marketed. The latter may feed into intelligence as to whether it is at risk of loss to residential uses.
- The office site is rated as either good or Grade A stock – the Study has access to Co-Star<sup>2</sup> and other sources data (including information provided by local agents and marketing literature) to establish the quality of the stock, and whether it remains as viable, fit-for-purpose accommodation.
- The location of the site – specifically how sustainable the site is as a location for office uses. Given the high levels of accessibility available to sites located in Epsom Town Centre this criterion is met by most of the sites surveyed by this study.
- The site has been identified as an important employment location – the Study takes note of the Town Centre 'visions' identified in Plan E Epsom Town Centre Area Action Plan, and their collective contribution to the Town Centre's continued economic vitality and viability. For example, this criterion applies to sites located along East Street and in the Ashley Avenue/ Ashley Road area.
- The office site is known to be at risk – the Study takes account of intelligence available to the Council.
- Whether the site has previously been the subject of an Article 4 Direction - the Study seeks to re-assess whether the sites previously served with Article 4 Directions should be served with fresh Directions.

5.6 The Study was led and validated by the Council's Planning Policy Manager, who has in excess of twenty years' experience in the preparation of planning policy related studies.

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<sup>2</sup> This is an established commercial property database that is used by both the public and private sector.

- 5.7 The map below sets out the sites surveyed during the course of the site visits. The corresponding data for each site follows in numerical order.



**Map 1: Epsom Town Centre Offices**

## 6. Building/ Site Survey Form

### Site1

<b>Site Address:</b> Oaks House 16 – 22 West Street Epsom	<b>Marketing Details:  (if applicable)</b> Stiles Harold Williams
<b>Proximity to Station:</b> About 250m <b>Proximity to Public Transport:</b> Directly opposite bus stop	<b>Number of on-site parking spaces:</b> Underground parking available
<b>Length of time vacant/ subject to marketing</b> Partially occupied. 2 vacant suites of 2,000 and 2,600 sq ft currently being advertised for rent.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 17,330 sq ft. Typical floor size: 4,332 sq ft. Site area approx. 650 sq m	
<b>Condition of Building:</b> Externally the building is in good condition. The building is a modern refurbished office that is partially occupied. It is in a prominent position at the corner of West Street and Station Approach. The building's current Co-Star rating is unknown.  Accommodation is over four floors and the building benefits from comfort cooling, suspended ceilings with Category II lighting, lift and three compartment perimeter trunking.	
<b>Employment/ Commercial Potential:</b> Very High. The building is in a highly sustainable location in the heart of the Town Centre and is partially occupied. There is no basis to suggest it is not fit for continuing commercial use.	
<b>Potential for Conversion into Residential and possible yield:</b> Medium-High. The building could conceivably be converted to residential use as it exists with minimal external alterations, although the ground floor does not lend itself to easy conversion.  If converted, this building could conceivably yield at least 20 units, possibly more with a higher density scheme.	
<b>Level of risk of conversion under PD Regime:</b> High. Although presently the ground floor does not lend itself to easy conversion there appears to be higher potential for the upper floors to be lost. However, if the principle of conversion were established via the granting of Prior Approval, the Council may struggle to resist the loss of this site.  If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.	



**Image 1. Oaks House, West Street, Epsom: modern office accommodation, located in the heart of Epsom Town Centre. This sustainable office building remains a viable employment site and merits consideration for an Article 4 Direction to protect it from loss through the permitted development regime to residential uses.**

## Site 2

<b>Site Address:</b> Global House Ashley Avenue Epsom	<b>Marketing Details:  (if applicable)</b> N/A
<b>Proximity to Station:</b> About 500m <b>Proximity to Public Transport:</b> Approximately 350m to bus stops on High Street	<b>Number of on-site parking spaces:</b> 75
<b>Length of time vacant/ subject to marketing</b> N/A - Serviced offices managed by City Skyline at least partially occupied	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 60,300 sq ft. Typical size of 15,075 sq ft. Site size approx. 1,500 sq m	
<b>Condition of Building:</b> Fair. The building has a Co-Star rating of 3. Externally it appears in reasonable condition although may benefit from refurbishment having been built in 1981.	
<b>Employment/ Commercial Potential:</b> High. The site is in a highly sustainable location within the Town Centre and is close to public transport links. It is at least partially occupied and leased to tenants via City Skyline. Facilities include 24 hour access; meeting and conference rooms; lifts; comfort cooling.	
<b>Potential for Conversion into Residential and possible yield:</b> Whilst it is possible to envisage conversion, this appears difficult without external works to the building. There may also be access issues given that the building sits above the Ashley Centre and adjoins the Centre's car park.  If converted, the site could conceivably deliver in around 80-100 units.	
<b>Level of risk of conversion under PD Regime:</b> At present the risk appears low due to the building's design and access issues. It would take significant external work to make the building fit for residential use.  However, if the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.	



**Image 2 Global House, Ashley Avenue, Epsom: this building provides modern serviced office accommodation in a highly sustainable central location. Conversion to residential appears unlikely. However, recent evidence from schemes that have come forward through the permitted development regime suggests that it could still be at risk. The government's proposal to expand the permitted development regime to include alterations and even demolition suggest that this site merits consideration for an Article 4 Direction.**

### Site 3

<b>Site Address:</b> Epsom Gateway Ashley Avenue Epsom	<b>Marketing Details:  (if applicable)</b> N/A
<b>Proximity to Station:</b> About 500m <b>Proximity to Public Transport:</b> Approximately 350m to bus stops on High Street	<b>Number of on-site parking spaces:</b> Underground parking available
<b>Length of time vacant/ subject to marketing</b> N/A – occupied by Atkins and Nuffield Health.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 80,000 sq ft. Typical Floor Size: 20,000 sq ft. Site size approx. 4,500 sq m	
<b>Condition of Building:</b> Good. The building has a Co-Star rating of 4. The building was renovated in 2012.	
<b>Employment/ Commercial Potential:</b> High – the site is fully occupied by two large employers. It is in a highly sustainable location in the Town Centre and close to public transport links. It also benefits from underground parking on-site.	
<b>Potential for Conversion into Residential and possible yield:</b> At present the risk of conversion appears low. The building's design does not easily lend itself to conversion as it exists currently. The ground floor and roof areas would need to be substantially altered to make the building fit for purpose as residential accommodation.  If converted, the site could conceivably deliver in excess of 100 units.	
<b>Level of risk of conversion under PD Regime:</b> At present the risk appears low due to the building's design. It would take significant external work to make the building fit for residential use.  However, if the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.	



**Image 3 Epsom Gateway, Ashley Avenue: this building provides modern office accommodation, for two significant local employers, in a highly sustainable central location. Conversion to residential appears unlikely. However, recent evidence from schemes that have come forward through the permitted development regime suggests that it could still be at risk. The government's proposal to expand the permitted development regime to include alterations and even demolition suggest that this site merits consideration for an Article 4 Direction.**

#### Site 4

<b>Site Address:</b> Parkside House Ashley Avenue Epsom	<b>Marketing Details:  (if applicable)</b> CBRE
<b>Proximity to Station:</b> About 550m <b>Proximity to Public Transport:</b>	<b>Number of on-site parking spaces:</b> 188
<b>Length of time vacant/ subject to marketing</b> Partially occupied by Aon. 2 <sup>nd</sup> Floor currently available (approx. 11,728 sq ft).	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 34,454 sq ft. Typical Floor Size: 11,515 sq ft. Total Site size approx. 3,500 sq m	
<b>Condition of Building:</b> Good. The building has a Co-Star rating of 3. The building was built in 1990 and benefits from air conditioning; fully accessible raised floors; suspended ceilings with Category II lighting; lifts. Externally it appears in good condition.	
<b>Employment/ Commercial Potential:</b> High. This site is in a Town Centre location and close to public transport. It is partially occupied and the building is in good condition.	
<b>Potential for Conversion into Residential and possible yield:</b> High. The building's setting away from the highway and its external design appear to lend themselves to residential conversion. There may be some external works required.  If converted, the site could conceivably yield around 50 units.	
<b>Level of risk of conversion under PD Regime:</b> High. The building's setting away from the highway and its external design appear to lend themselves to residential conversion. There may be some external works required but it would appear these would be minimal and the Council would struggle to resist this building's loss to residential use.  Similarly, if the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.	



**Image 4 Parkside House, Ashley Avenue: this building provides modern office accommodation in a highly sustainable central location. Conversion to residential appears likely given its setting and the apparent flexibility of the building's design. This sustainable office building remains a viable employment site and merits consideration for an Article 4 Direction to protect it from loss through the permitted development regime to residential uses.**

**Site 5**

<b>Site Address:</b> Ebbisham House 30 Church Street Epsom	<b>Marketing Details:  (if applicable)</b> N/A
<b>Proximity to Station:</b> About 950m <b>Proximity to Public Transport:</b> About 640m to bus stop on High Street	<b>Number of on-site parking spaces:</b> 20-25
<b>Length of time vacant/ subject to marketing</b> N/A – Occupied by National Counties Building Society	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 12,110 sq ft. Typical Floor Size: 5,865 sq ft. Total Site size approx.1,900 sq m.	
<b>Condition of Building:</b> Good. The building has a Co-Star rating of 2. Externally the building appears in good condition.	
<b>Employment/ Commercial Potential:</b> High – the building is fully occupied despite being in a more peripheral location outside the Town Centre.	
<b>Potential for Conversion into Residential and possible yield:</b> High. The design, setting and location of the building all lend themselves to residential use.	
<b>Level of risk of conversion under PD Regime:</b> Zero. This is a Grade II* Listed Building and therefore cannot be converted under the PD Regime.	



**Image 5 Ebbisham House, Church Street: this building provides good quality office accommodation. It continues to provide viable employment floorspace. As a Grade II\* Listed Building it is not at risk of loss to residential through the permitted development regime.**

## Site 6

<b>Site Address:</b> The Kirkgate Church Street Epsom	<b>Marketing Details:  (if applicable)</b> N/A
<b>Proximity to Station:</b> About 550m <b>Proximity to Public Transport:</b> About 230m to bus stop on High Street	<b>Number of on-site parking spaces:</b> Underground parking available – 92 spaces
<b>Length of time vacant/ subject to marketing</b> N/A – occupied by multiple employers including TNS and Kantar Retail.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 26,713 sq ft. Typical Floor Size: 6,678 sq ft. Total site size approx. 1,400 sq m.	
<b>Condition of Building:</b> Good. The building has a Co-Star rating of 4. Externally the building appears in good condition.	
<b>Employment/ Commercial Potential:</b> High – the building is occupied and is in a highly sustainable Town Centre location.	
<b>Potential for Conversion into Residential and possible yield:</b> High – the design of the building lends itself to conversion with limited external works needed.  If converted to residential use, the site could conceivably yield around 20 units.	
<b>Level of risk of conversion under PD Regime:</b> Very High – there is known to be interest in converting this building to residential use using the Permitted Development regime. The building's design lends itself to conversion with little or no external work required.  If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.	



**Image 6 The Kirkgate, Church Street: this building provides modern office accommodation, for a number of notable local employers, in a highly sustainable central location. It is fully occupied and remains a viable source of employment floorspace. It merits consideration for an Article 4 Direction to protect it from loss through the permitted development regime to residential uses.**

## Site 7

<b>Site Address:</b> The Wells Church Street Epsom	<b>Marketing Details:  (if applicable)</b> N/A
<b>Proximity to Station:</b> About 500m <b>Proximity to Public Transport:</b> About 180m to bus stop on High Street	<b>Number of on-site parking spaces:</b> Basement level parking at rear.
<b>Length of time vacant/ subject to marketing</b> The building is currently fully occupied by Atkins.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 20,138 sq ft. Typical Floor Size: 6,712 sq ft. Total site size approx. 1,200 sq m.	
<b>Condition of Building:</b> Good. The building has a Co-Star rating of 4. Externally the building appears in fairly good condition.	
<b>Employment/ Commercial Potential:</b> High – the building is currently fully occupied in a highly sustainable Town Centre location.	
<b>Potential for Conversion into Residential and possible yield:</b> Medium-High. The ground floor does not appear conducive to conversion as currently constituted, but there is higher potential for the upper storeys.  If converted the building could conceivably yield around 15 units.	
<b>Level of risk of conversion under new PD Regime:</b> Medium-High. Although some external works would be required to reconfigure the ground floor, the rest of the building lends itself to conversion. The building has been sold fairly recently and was advertised as having residential potential through the Permitted Development route. It would be difficult for the Council to resist the loss of this site if a Prior Approval were granted for the change of use.  If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.	



**Image 7 The Wells, Church Street: this building provides modern office accommodation, for a notable local employer, in a highly sustainable central location. It is fully occupied and remains a viable source of employment floorspace. It merits consideration for an Article 4 Direction to protect it from loss through the permitted development regime to residential uses.**

## Site 8

<b>Site Address:</b> Horizon House 28 Upper High Street Epsom	<b>Marketing Details:  (if applicable)</b> N/A
<b>Proximity to Station:</b> About 550m <b>Proximity to Public Transport:</b> Approx. 250m to bus stop on High Street	<b>Number of on-site parking spaces:</b> 59
<b>Length of time vacant/ subject to marketing</b> N/A – appears to be fully occupied.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 17,992 sq. ft. Typical Floor Size: 4,480 sq. ft. Total site size 800 sq m.	
<b>Condition of Building:</b> Fair. The building was built in 1993 and has a Co-Star rating of 3.	
<b>Employment/ Commercial Potential:</b> High – the building appears fully occupied and is in a highly sustainable Town Centre location.	
<b>Potential for Conversion into Residential and possible yield:</b> Medium – the design of the building as it exists does not easily lend itself to conversion, but it may be possible with minimal external alterations.  If converted, the site could conceivably yield around 10-15 units.	
<b>Level of risk of conversion under PD Regime:</b> Medium. Although the building's design does not appear to lend itself to easy conversion it may be possible with minimal external alterations.  If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.	



**Image 8 Horizon House, Upper High Street: this building provides modern office accommodation in a sustainable central location. It is fully occupied. Conversion to residential appears likely given its setting and the apparent flexibility of the building's design. This sustainable office building remains a viable employment site and merits consideration for an Article 4 Direction to protect it from loss through the permitted development regime to residential uses.**

**Site 9**

<b>Site Address:</b> 30 – 38 Upper High Street Epsom	<b>Marketing Details:  (if applicable)</b> Stiles Harold Williams
<b>Proximity to Station:</b> About 600m <b>Proximity to Public Transport:</b> About 290m to bus stop on High Street	<b>Number of on-site parking spaces:</b> 34
<b>Length of time vacant/ subject to marketing</b> The building is partially occupied by A-Plan Insurance on the ground floor. One part of the ground floor is undergoing refurbishment and the upper floors are currently unoccupied but believed to be under offer.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 11,720 sq ft. Typical Floor Size: 5,625 sq ft. Total site size: 600 sq m	
<b>Condition of Building:</b> The building is in good condition and is currently undergoing partial refurbishment. It currently has a Co-Star rating of 4.	
<b>Employment/ Commercial Potential:</b> High – The site is partially occupied and is undergoing partial refurbishment. It is in a sustainable Town Centre location.	
<b>Potential for Conversion into Residential and possible yield:</b> Whilst it appears possible to convert the building as it currently exists, external works may be required to make the building suitable for residential use.  If converted the building could conceivably yield between 5 and 10 units.	
<b>Level of risk of conversion under PD Regime:</b> Medium. Some external works may be required to convert the building to residential use. It is also likely that the ground floor occupier constitutes an A2 rather than B1(a) use, meaning that the building could not be converted in its entirety using the Permitted Development Regime.  If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.	



**Image 9 30 – 38 Upper High Street: this building provides modern office accommodation in a sustainable central location. It is fully occupied. Conversion to residential appears likely given its setting and the apparent flexibility of the building's design. This sustainable office building remains a viable employment site and merits consideration for an Article 4 Direction to protect it from loss through the permitted development regime to residential uses.**

## Site 10

<b>Site Address:</b> Adelphi Court 1 – 3 East Street Epsom	<b>Marketing Details:  (if applicable)</b> Instant Offices
<b>Proximity to Station:</b> About 339 metres  <b>Proximity to Public Transport:</b> About 100 metres to nearest bus stop on High Street	<b>Number of on-site parking spaces:</b>  Very small number of spaces to the rear of the property (1 - 2 spaces).
<b>Length of time vacant/ subject to marketing:</b> The building is marketed as managed workspace by Instant Offices.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 5,428 sq ft. Typical Floor Size: 1,466 sq ft. Total site area: 260 sq m	
<b>Condition of Building:</b> Externally, the building appears to be in good and solid condition. The building is distinctive being brick clad, with accommodation over three storeys, inclusive of accommodation in its mansard roof space. The internal condition and layout of the building is unknown. However, it is understood that the ground floor is comprised of a central corridor that leads to a stairwell and lift at the rear end of the building. The building has a Co Star rating of 3.	
<b>Employment/ Commercial Potential:</b> The building appears to be a good well-maintained condition. There is no evidence to suggest that it is no longer fit-for-purpose and as such it remains viable employment floorspace.  Given the building's location and close proximity to rail and public transport opportunities and to the facilities and service available within the Town Centre, this is considered an ideal location for office and other commercial uses.	
<b>Potential for Conversion into Residential and possible yield:</b> High – The building lends itself to easy conversion without the need for external works.  If converted, the building could conceivably yield between 5 and 8 units.	
<b>Level of risk of conversion under PD Regime:</b> High. The building's design lends itself to internal conversion to residential use with limited or no external works.  The Council has already placed an Article 4 Direction on this site to prevent it being converted via the PD Regime. Currently the HSE major hazard site safeguarding zone partially covers this site, which restricts Permitted Development rights.	



**Image 10 Adelphi Court, East Street: this building provides flexible serviced office accommodation for smaller businesses. It was assessed as being a valuable asset that merited protection through an Article 4 Direction by the previous Study. It is currently fully occupied and remains a viable source of employment floorspace. It and merits consideration for a new Article 4 Direction to protect it from loss through the permitted development regime to residential uses.**

### Site 11

<b>Site Address:</b> Epsom Chase 1 Hook Road Epsom	<b>Marketing Details:  (if applicable)</b> N/A
<b>Proximity to Station:</b> About 500m <b>Proximity to Public Transport:</b> About 180m to bus stop on High Street	<b>Number of on-site parking spaces:</b> Unknown – underground and surface parking on site
<b>Length of time vacant/ subject to marketing</b> N/A – the building is fully occupied by Bunzl.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 15,393 sq ft. Typical Floor Size: 7,696 sq ft. Total site size: 1,700 sq m	
<b>Condition of Building:</b> Good. The building appears in good physical condition. It has a Co-Star rating of 3.	
<b>Employment/ Commercial Potential:</b> High. The building is fully occupied and the site is in a highly sustainable Town Centre location.	
<b>Potential for Conversion into Residential and possible yield:</b> High – The building’s design lends itself to residential conversion with little or no external works required.  If converted the building could conceivably yield at least 20 units.	
<b>Level of risk of conversion under PD Regime:</b> High – The building appears to lend itself to easy conversion with minimal external works required. There would be little chance of preventing the loss of this site if a Prior Approval application were made.  Similarly, if the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.  However, currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.	



**Image 11 Epsom Chase, Hook Road: this building provides modern office accommodation, for a notable local employer, in a highly sustainable central location. It is fully occupied and remains a viable source of employment floorspace. It has been assessed as being at high risk of loss through conversion due to the flexibility of the building's design. It merits consideration for an Article 4 Direction.**

## Site 12

<b>Site Address:</b> Sollis House 20 Hook Road Epsom	<b>Marketing Details:  (if applicable)</b> N/A
<b>Proximity to Station:</b> About 550m <b>Proximity to Public Transport:</b> About 250m to bus stop on High Street	<b>Number of on-site parking spaces:</b> 10
<b>Length of time vacant/ subject to marketing</b> N/A – site is fully occupied by The Sollis Partnership	
<b>Size of Building/ site area:</b> Site area: 350 sq m	
<b>Condition of Building:</b> The building appears in good condition. Its Co Star rating is unknown.	
<b>Employment/ Commercial Potential:</b> High – The building is fully occupied and is in a sustainable Town Centre location.	
<b>Potential for Conversion into Residential and possible yield:</b> High – The building appears to lend itself to reasonably easy conversion requiring limited or no external works.  If converted this site could conceivably yield between 1 and 5 units.	
<b>Level of risk of conversion under PD Regime:</b> High – the building’s design appears to lend itself to easy conversion with limited or no external works. It could even conceivably come forward as a single residential unit.  Similarly, if the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.  However, currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.	



**Image 12 Sollis House, Hook Road: this building provides modern office accommodation, for a notable local employer, in a highly sustainable central location. It is occupied and remains a viable source of employment floorspace. It has been assessed as being at high risk of loss through conversion due to the flexibility of the building's design. It merits consideration for an Article 4 Direction.**

### Site 13

<b>Site Address:</b> Emerald House East Street Epsom	<b>Marketing Details:  (if applicable)</b> Stiles Harold Williams
<b>Proximity to Station:</b> About 400 metres  <b>Proximity to Public Transport:</b> About 175 metres to nearest bus stop (on southern side of East Street)	<b>Number of on-site parking spaces:</b> Parking to the rear accessed from the side of the building. Parking comprised of provision at surface, undercroft and basement level.  55 car parking spaces.
<b>Length of time vacant/ subject to marketing:</b> The building is currently vacant and has been for some 2 years. It is being actively marketed as office accommodation.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 17,245 sq ft. Typical Floor Size: 5,481 sq ft. Total site area: 1,000 sq m	
<b>Condition of Building:</b> Externally, the building appears to be a modern office in very good and solid condition. The building is brick clad, with accommodation over three - four storeys. The internal condition and layout of the building is unknown.  The building is noted as having an energy performance rating of E, raised floors, one passenger lift and air condition. It has a Co Star rating of 3.	
<b>Employment/ Commercial Potential:</b> The building appears to be modern and in a good well-maintained condition. There is no evidence to suggest that it is no longer fit-for-purpose and as such it remains viable employment floorspace.	
<b>Potential for Conversion into Residential and possible yield:</b> There has been no interest from the market in converting the building to residential.  Conversion to a purely residential use may be possible but is likely to require and external works. For example works to the buildings fenestration may be required to provide it with a residential appearance.  If converted, the building could conceivably yield around 30 units.	

**Level of risk of conversion under PD Regime:**

Medium. The building's design does not readily lend itself to straightforward conversion and would require external works. However, if a Prior Approval application were granted the Council would struggle to prevent its loss to residential use.

If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.

Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.



**Image 13 Emerald House, East Street: this building provides modern quality office accommodation in a highly sustainable central location. Although this building has been vacant since 2013 there has to date been interest in its conversion. However, its central location and the availability of on-site parking provision make it an ideal candidate for conversion. Consequently, it merits consideration for an Article 4 Direction.**

#### Site 14

<b>Site Address:</b> Bradford House 39A East Street Epsom	<b>Marketing Details: (if applicable)</b> Stiles Harold Williams
<b>Proximity to Station:</b> About 500 metres.  <b>Proximity to Public Transport:</b> About 140 metres to bus stop on northern side of East Street	<b>Number of on-site parking spaces:</b>  Located to side and rear of building.  20 car parking spaces.
<b>Length of time vacant/ subject to marketing:</b> Building is currently vacant, having been unoccupied for about three years.	
<b>Size of Building/ site area:</b> Total area – 730 sq m (7,840 sq ft)	
<b>Condition of Building:</b> Externally, the building appears to be in good, albeit ageing condition. Some external features, such as fenestration suggest that modernisation/ refurbishment may be required. However, the building is in a pleasant setting being surrounded by mature planting and landscaping. The internal condition of the building is unknown.  The building is noted as having accommodation over four floors, an energy performance rating of B, raised flooring and a security system.	
<b>Employment/ Commercial Potential:</b> The building is ageing and its condition may well be deteriorating due to continued vacancy. However, on the basis of its external condition it still appears solid and fit-for commercial occupation. It may not be suitable as Grade A office stock but may still be able to provide accommodation for other commercial activities.  The site has planning permission together with the adjacent Crossways House to come forward as a mixed-use development, with commercial uses at ground floor level and associated residential accommodation located on the upper floors. The redevelopment of Crossways House is already being undertaken.	
<b>Potential for Conversion into Residential and possible yield:</b> The site has planning permission together with the adjacent Crossways House to come forward as a mixed-use development, with commercial uses at ground floor level and associated residential accommodation located on the upper floors. The redevelopment of Crossways House is already being undertaken.	
<b>Level of risk of conversion under PD Regime:</b> High. The Council has already placed an Article 4 Direction on this site to prevent it being converted via the PD Regime. Whilst the redevelopment of the building has not yet been carried out this Article 4 Direction is still in effect.  However, currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.	



**Image 14 Bradford House, East Street: It was assessed as being a valuable employment site that merited protection through an Article 4 Direction by the previous Study. The building is currently vacant and forms part of wider permitted proposal to develop it and the adjoin Crossways House (which is also the subject of a historic Article 4 Direction) into student accommodation (a C1 use class). In spite of the permitted proposal it merits consideration for a new Article 4 Direction so that the Borough Council retains the ability to manage development on this part of East Street.**

## Site 15

<b>Site Address:</b> Newplan House 41 East Street Epsom	<b>Marketing Details:  (if applicable)</b> Stiles Harold Williams
<b>Proximity to Station:</b> About 510 metres  <b>Proximity to Public Transport:</b> About 130 metres to bus stop on northern side of East Street	<b>Number of on-site parking spaces:</b>  Located to side and rear of building.  62 car parking spaces.
<b>Length of time vacant/ subject to marketing:</b> The building is partially occupied and only the third floor is currently available to let (5,730 sq ft).	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 23,060 sq ft. Typical Floor Size: 5,765 sq ft. Total site size: 850 sq m	
<b>Condition of Building:</b> The building is modern stock in good condition. Accommodation is laid out over four storeys.  The building is noted as having an energy rating of E, two passenger lifts, air conditioning and a security system. The building has a Co Star rating of 3.	
<b>Employment/ Commercial Potential:</b> The building is modern and in good condition. There is no evidence to suggest that it is no longer fit-for-purpose and as such it remains viable employment floorspace.	
<b>Potential for Conversion into Residential and possible yield:</b> The design of the building does not appear to readily lend itself to any easy conversion to residential use. Conversion to a residential use may be possible but is likely to require significant external works.  If converted, the building could conceivably yield about 30-40 units.	
<b>Level of risk of conversion under PD Regime:</b> Medium. Although this building would require significant external works to be converted to residential use, the Council may struggle to prevent its loss if a Prior Approval application were made and subsequent planning applications were then submitted once Prior Approval was obtained to approve the external works.  If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.  However, currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.	



**Image 15 Newplan House, East Street: this building provides modern office accommodation, for two significant local employers, in a highly sustainable central location. Conversion to residential appears unlikely. However, recent evidence from schemes that have come forward through the permitted development regime suggests that it could still be at risk. The government's proposal to expand the permitted development regime to include alterations and even demolition suggest that this site merits consideration for an Article 4 Direction.**

## Site 16

<b>Site Address:</b> Nightingale House 46 – 48 East Street Epsom	<b>Marketing Details:  (if applicable)</b> None
<b>Proximity to Station:</b> About 560 metres  <b>Proximity to Public Transport:</b> Bus stop immediately outside	<b>Number of on-site parking spaces:</b>  Rear parking accessed from side of building, via neighbouring Job Centre car park.
<b>Length of time vacant/ subject to marketing:</b> Building is currently occupied in its entirety by four employers.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 3,247 sq ft. Typical Floor Size: 811 sq ft. Total site area: 125 sq m	
<b>Condition of Building:</b> Externally, the building appears to be a modern office in good and solid condition. The building is brick clad, with accommodation over three storeys. The internal condition and layout of the building is unknown.	
<b>Employment/ Commercial Potential:</b> The building appears to be modern and in good condition. There is no evidence to suggest that it is no longer fit-for-purpose and as such it remains viable employment floorspace.	
<b>Potential for Conversion into Residential and possible yield:</b> There has been no interest from the market in converting the building to residential.  Conversion to a purely residential use may be possible but is likely to require internal and external works, which will require planning permission. Access to the on-site parking provision is via the neighbouring office block's car park and presents an obstacle to conversion, which will require the neighbour's agreement to achieve a resolution.  If converted, the scheme could potentially yield around 5-10 units.	
<b>Level of risk of conversion under PD Regime:</b> Medium. The building's design does not readily lend itself to straightforward conversion and would require external works. However, if a Prior Approval application were granted the Council would struggle to prevent its loss to residential use.  If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.  Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.	



**Image 16 Nightingale House, East Street: this building provides modern office accommodation, for four local employers, in a sustainable central location. Conversion to residential appears unlikely. However, recent evidence from schemes that have come forward through the permitted development regime suggests that it could still be at risk. The government's proposal to expand the permitted development regime to include alterations and even demolition suggest that this site merits consideration for an Article 4 Direction.**

<b>Site Address:</b> Colevin Interiors 42 – 44 East Street Epsom	<b>Marketing Details:  (if applicable)</b> Ground floor available to let via Colevin Interiors (landowner)
<b>Proximity to Station:</b> About 560 metres  <b>Proximity to Public Transport:</b> Bus stop immediately outside	<b>Number of on-site parking spaces:</b>  None
<b>Length of time vacant/ subject to marketing:</b> Building is currently part occupied by Colevin Interiors with the ground floor available to let.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 1,419 sq ft. Total site area: 125 sq m	
<b>Condition of Building:</b> Externally, the building appears to be a very well maintained office converted from a former residential property. The building appears to be historic and has a distinctive character, in an area that is otherwise characterised by modern office buildings. The internal condition and layout of the building is unknown. The building's Co Star rating is unknown.	
<b>Employment/ Commercial Potential:</b> The building appears to be well-maintained and in good condition. There is no evidence to suggest that it is no longer fit-for-purpose and as such it remains viable employment floorspace.	
<b>Potential for Conversion into Residential and possible yield:</b> There has been no interest from the market in converting the building to residential. However, conversion back to a residential use would appear to be relatively straightforward as externally the building remains in a residential configuration. The lack of on-site parking provision may render conversion unattractive.  If converted, this build could potentially yield 1-4 units.	
<b>Level of risk of conversion under PD Regime:</b> Zero. Although the building's design lends itself to a straightforward internal conversion, this is a Grade II Listed Building. Consequently it does not benefit from Permitted Development Rights to convert from office to residential use.  Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.	



**Image 16 Colevin Interiors, East Street: this modest office building continues to provide viable employment floorspace. As a Grade II Listed Building it is not at risk of loss to residential through the permitted development regime.**

### Site 17

<b>Site Address:</b> Job Centre 50 East Street Epsom	<b>Marketing Details:  (if applicable)</b> None
<b>Proximity to Station:</b> About 570 metres.  <b>Proximity to Public Transport:</b> Bus stop immediately outside.	<b>Number of on-site parking spaces:</b> Rear parking accessed from front of building – approximately 25 to 30 spaces.
<b>Length of time vacant/ subject to marketing:</b> Building is currently occupied in its entirety by a single employer.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 8,460 sq ft. Typical Floor Size: 2,115 sq ft. Total site area: 410 sq m	
<b>Condition of Building:</b> Fair. Externally, the building appears to be in good and solid, albeit ageing condition. The building is brick clad, with accommodation over three storeys. The internal condition and layout of the building is unknown, although the design and placement of its fenestration suggests large open plan office layouts. The building has a Co Star rating of 2.	
<b>Employment/ Commercial Potential:</b> The building is relatively modern and appears to be in good albeit ageing condition. There is no evidence to suggest that it is no longer fit-for-purpose and as such it remains viable employment floorspace.	
<b>Potential for Conversion into Residential and possible yield:</b> There has been tentative interest from the market in potentially converting the building to residential use. Conversion to a purely residential use may be possible but is likely to require significant external works, which will require planning permission. For example works to the buildings fenestration may be required to provide it with a residential appearance and to make best use of the internal floorspace.  If converted, the building could conceivably yield 20-25 units.	

**Level of risk of conversion under PD Regime:**

Low. The building's design does not readily lend itself to straightforward conversion and would require external works.

As the building is occupied by a Job Centre, the lawful use of the building falls under the A2 (financial and professional services) use class. As an A2 use, the Prior Approval route could still be sought to convert the building to residential use under Class M of the General Permitted Development Order 2015. However, this would be a more onerous process for a developer than the Prior Approval mechanism for the conversion of B1(a) office use to residential, as the Council would have to assess the impact of the proposal on adequate provision of services in the area.

Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.



**Image 17 Job Centre, East Street: the building is relatively modern and appears to be in good albeit ageing condition. There is no evidence to suggest that it is no longer fit-for-purpose and as such it remains viable employment floorspace. Recent intelligence indicates that the building may soon become available to the market. As an A2 use, any conversion of the Job Centre to residential use would need to take a more onerous route under Class M of the General Permitted Development Order 2015.**

### Site 18

<b>Site Address:</b> Eastleigh House 52 - 60 East Street Epsom	<b>Marketing Details:  (if applicable)</b> None
<b>Proximity to Station:</b> About 614 metres.  <b>Proximity to Public Transport:</b> About 52 metres to bus stop on southern side of East Street	<b>Number of on-site parking spaces:</b>  Rear parking accessed from front of building.
<b>Length of time vacant/ subject to marketing:</b> Building is currently occupied in its entirety by Premium Credit.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 23,310 sq ft. Typical Floor Size: 5,827 sq ft. Total site area: 750 sq m	
<b>Condition of Building:</b> Externally, the building appears to be in fair and solid condition. The building is brick clad, with accommodation over four storeys – inclusive of accommodation in a mansard roofspace. The internal condition and layout of the building is unknown. The building has a Co Star rating of 2.	
<b>Employment/ Commercial Potential:</b> The building is modern and in fair condition. There is no evidence to suggest that it is no longer fit-for-purpose and as such it remains viable employment floorspace.	
<b>Potential for Conversion into Residential and possible yield:</b> There has been no interest from the market in converting the building to residential.  Conversion to a purely residential use may be possible but is likely to require significant internal and external works, which will require planning permission. For example works to the buildings fenestration may be required to provide it with a residential appearance.  If converted, the building could conceivably yield around 50 units.	

**Level of risk of conversion under PD Regime:**

Medium. The building's design does not readily lend itself to straightforward conversion and would require external works. However, if a Prior Approval application were granted the Council would struggle to prevent its loss to residential use.

If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.

Given the age of the building and its continued employment use, it can be safely assumed that it remains a viable employment site. Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.



**Image 18 Eastleigh House, East Street: this building provides modern office accommodation, for a major local employer, in a sustainable central location. Conversion to residential appears unlikely. However, recent evidence from schemes that have come forward through the permitted development regime suggests that it could still be at risk. The government's proposal to expand the permitted development regime to include alterations and even demolition suggest that this site merits consideration for an Article 4 Direction.**

## Site 19

<b>Site Address:</b> Towers Watson 64 – 74 East Street Epsom	<b>Marketing Details:  (if applicable)</b> 70Seventy (www.seventyepsom.co.uk)
<b>Proximity to Station:</b> About 664 metres  <b>Proximity to Public Transport:</b> About 65 metres to bus stop on southern side of East Street	<b>Number of on-site parking spaces:</b>  Rear parking accessed from side of building.  80 parking spaces on site.
<b>Length of time vacant/ subject to marketing:</b> Building is currently vacant but has undergone a recent substantial refurbishment and is being marketed as office accommodation.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 16,454 sq ft. Typical Floor Size: 4,113 sq ft. Total site area: 640 sq m	
<b>Condition of Building:</b> Externally, the building appears to be a modern Grade A office in good and solid condition. The building is brick clad, with accommodation over four storeys – inclusive of accommodation in the roofspace. The building has recently undergone extensive refurbishment and is being marketed for office use. Its current Co Star rating is unknown.	
<b>Employment/ Commercial Potential:</b> The building is modern and in very good condition. There is no evidence to suggest that it is no longer fit-for-purpose and as such it remains viable employment floorspace.	
<b>Potential for Conversion into Residential and possible yield:</b> There has been no interest from the market in converting the building to residential. Conversion to a purely residential use may be possible but is likely to require significant internal and external works, which will require planning permission. For example it would appear that additional fenestration would be required to make the best use of the internal space. The building follows an open plan layout internally and its subdivision would result in the need for more windows.  If converted the building could potentially yield approximately 30 units.	
<b>Level of risk of conversion under PD Regime:</b> Low. The building's design does not readily lend itself to a straightforward internal conversion through the permitted development process and will require planning permission. Given that the building has undergone a recent refurbishment and is being actively marketed for employment use, it can be safely assumed that it remains a viable employment site.  Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.	



**Image 19 Towers Watson, East Street: this vacant office building has recently been refurbished to provide good quality accommodation and is actively being marketed as such. On that basis it would be unsound business practise for the landowner to pursue seek a change to residential uses through the permitted development regime at this point in time. On that basis it is considered that the building would not currently benefit from an Article 4 Direction.**

## Site 20

<b>Site Address:</b> Epsom Point 84 – 90 East Street Epsom	<b>Marketing Details:  (if applicable)</b> None
<b>Proximity to Station:</b> About 686 metres  <b>Proximity to Public Transport:</b> About 93metres to bus stop on southern side of East Street	<b>Number of on-site parking spaces:</b>  Basement level parking accessed from side of building.  26 parking spaces on site.
<b>Length of time vacant/ subject to marketing:</b> Building is currently vacant, having been unoccupied for a period of about two – three years. The building was previously occupied by the County and Magistrates' Courts. These uses were consolidated to larger sites at Guildford and Kingston. Whilst the building is unoccupied it is not being actively marketed.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 7,273 sq ft. Total site area: 540 sq m	
<b>Condition of Building:</b> Externally, the building appears to be in fair and solid condition. The building is distinctive being brick clad, with accommodation over three storeys. The internal condition and layout of the building is unknown. The building has a Co Star rating of 2.	
<b>Employment/ Commercial Potential:</b> The building is ageing and its condition is deteriorating due to continued vacancy. The building structure appears to be solid and there is no evidence to suggest that it is no longer fit-for-purpose as office accommodation. The availability of on-site parking makes this an attractive option. However, the building's internal layout is unknown; it is possible that reconfiguration of court rooms will be required and that this may render its return to commercial use unviable.	
<b>Potential for Conversion into Residential and possible yield:</b> There has been no interest from the market in converting the building to residential. Conversion to a purely residential use may be possible but is likely to require significant internal and external works, which will require planning permission.  If converted to residential this building could yield about 18-25 units. An alternative student scheme could yield up to 80 student beds.	
<b>Level of risk of conversion under PD Regime:</b> Low. The building's condition and design does not readily lend itself to a straightforward internal conversion through the permitted development process and will require planning permission. As a former Court, the site does not fall under B1(a) office use but is classified as Sui Generis. This means that any conversion would require planning permission.	



**Image 20 Epsom Point, East Street: the Study notes that this building is aging and is deteriorating due to continued vacancy. The building structure appears to be solid and there is no evidence to suggest that it is no longer fit-for-purpose as office accommodation. The availability of on-site parking makes this an attractive opportunity. The established use of the site is a County/ Magistrates' Court and such it falls within the Sui Generis use class. Consequently, it is not at risk of being lost to residential uses through the Permitted Development Regime.**

## Site 21

<b>Site Address:</b> Glen House 100 East Street Epsom	<b>Marketing Details:  (if applicable)</b> N/A
<b>Proximity to Station:</b> About 860m <b>Proximity to Public Transport:</b> About 100m to bus stop on East Street	<b>Number of on-site parking spaces:</b> Parking at rear of the site.  6 parking spaces available.
<b>Length of time vacant/ subject to marketing:</b> N/A – Occupied by Harbord & Co Solicitors	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 2,480 sq ft. Typical Floor Size: 800 sq ft. Total site area: 240 sq m	
<b>Condition of Building:</b> Externally the building appears to be in fair albeit ageing condition. The building has a Co Star rating of 2.	
<b>Employment/ Commercial Potential:</b> As an occupied site, it can be assumed that it remains a viable employment location for a small or medium sized business.	
<b>Potential for Conversion into Residential and possible yield:</b> High. The building adjoins an existing residential block which has the same design, indicating its potential for conversion with little or no external works. As a small office building in a more peripheral location than the prominent office stock along East Street the site could struggle to attract new tenants if vacated.	
<b>Level of risk of conversion under PD Regime:</b> Unknown. As the building is occupied by a Solicitors, the lawful use of the building could be either A2 (financial and professional services) or B1(a) office. This would need to be established before a Prior Approval application could be considered. The lawful use of the building is unknown at this point.  If it were considered to be in A2 use, the Prior Approval route could still be sought to convert the building to residential use under Class M of the General Permitted Development Order 2015. However, this would be a more onerous process for a developer than the Prior Approval mechanism for the conversion of B1(a) office use to residential, as the Council would have to assess the impact of the proposal on adequate provision of services in the area.	



**Image 21 Glen House, East Street: as an occupied site, it is assumed that it remains a viable employment location for a small or medium sized business. The level of risk is potentially very high as the building would appear to require little in the way of external works to convert into residential accommodation. However, there is some uncertainty over the established lawful use of the building. Should the building fall under the A2 use class conversion to residential accommodation will not be possible through the Permitted Development Regime.**

## Site 22

<b>Site Address:</b> 69 – 71 East Street Epsom	<b>Marketing Details:</b> (if applicable) N/A
<b>Proximity to Station:</b> About 850m <b>Proximity to Public Transport:</b> About 100m to bus stop on East Street	<b>Number of on-site parking spaces:</b>
<b>Length of time vacant/ subject to marketing</b> N/A – Occupied by Hakim Fry Chartered Accountants	
<b>Size of Building/ site area:</b> Site area: Approx. 300 sq m	
<b>Condition of Building:</b> Externally the building appears to be in a fair condition. It is currently fully occupied and as such remains a viable employment site.	
<b>Employment/ Commercial Potential:</b> High – The building is fully occupied. Although it is towards the far end of East Street it is still close to public transport. The building is currently occupied by a firm of chartered accountants and this type of use continues to be suitable for the building's size and location.	
<b>Potential for Conversion into Residential and possible yield:</b> Medium-High – it appears possible to convert the building with little or no external works required.  If converted, this site could conceivably yield 4-5 units.	
<b>Level of risk of conversion under PD Regime:</b> Unknown. As the building is occupied by a Chartered Accountants, the lawful use of the building could be either A2 (financial and professional services) or B1(a) office. This would need to be established before a Prior Approval application could be considered. The lawful use of the building is unknown at this point.  If it were considered to be in A2 use, the Prior Approval route could still be sought to convert the building to residential use under Class M of the General Permitted Development Order 2015. However, this would be a more onerous process for a developer than the Prior Approval mechanism for the conversion of B1(a) office use to residential, as the Council would have to assess the impact of the proposal on adequate provision of services in the area.	

### Site 23

<b>Site Address:</b> Victoria House 73-77 East Street Epsom	<b>Marketing Details: (if applicable)</b> N/A
<b>Proximity to Station:</b> About 850m <b>Proximity to Public Transport:</b> About 125m to bus stop on East Street	<b>Number of on-site parking spaces:</b> 8
<b>Length of time vacant/ subject to marketing</b> N/A – building is occupied by the Core Wellness Centre.	
<b>Size of Building/ site area:</b> Total Rentable Building Area: 3,850 sq ft. Typical Floor Size: 1,925 sq ft. Total site size: 400 sq m	
<b>Condition of Building:</b> Fair – The building has a Co-Star rating of 2. Externally the building appears in reasonable condition.	
<b>Employment/ Commercial Potential:</b> High – The building is fully occupied. Although it is towards the far end of East Street it is still close to public transport. The building is occupied by a D1 user and this type of use continues to be suitable for the building's size and location.	
<b>Potential for Conversion into Residential and possible yield:</b> Medium-High. The building appears convertible with limited or no external works required.  If converted, this site could potentially yield 10-15 units.	
<b>Level of risk of conversion under PD Regime:</b> Low. The building is occupied by a D1 user. Consequently it is highly likely that the lawful use of the building does not fall into B1(a) office use and therefore there is no Permitted Development Right to convert to residential use.	



**Image 23 Victoria House, East Street: the building appears to be in good condition, and is currently occupied. On that basis it is considered to be viable as employment floorspace. The building has the potential to be converted to residential accommodation. However, the current occupier utilises the building under the D1use class. Consequently, conversion to residential accommodation will not be possible through the Permitted Development Regime.**

## **7. Conclusions**

### **7.1 The Study identified the following conclusions:**

- The original Article 4 Directions served on Adelphi Court, Bradford House and Crossways House has been successful in managing proposals to change the use of these important office/ employment sites. Adelphi Court remains a viable, fully occupied office building. Bradford House although currently unoccupied remains available to the market and could still come forward for employment uses. Proposals to change the use of Crossways House to a mixed use scheme comprised of student accommodation (C1 use class) and commercial floorspace were positively considered by the Council. That proposal is currently being implemented.
- The serving of new Article 4 Directions on viable office buildings/ sites, located in or around Epsom Town Centre, that have been assessed as being at risk is considered to be an appropriate intervention to help manage change. Such an intervention will help ensure that the Borough Council can continue to implement a strategy for sustainable growth.
- The Town Centre remains a highly sustainable location to do business and for new employers to locate. This is evidenced by the viability and quality of the office stock surveyed by the Study and the levels of occupancy.
- Since the implementation of the original changes to the Permitted Development Regime, Epsom Town Centre has witnessed the loss of a number of notable quality office buildings, which could have continued to provide viable employment floorspace. This is contrary to the stated objectives behind the changes to the Permitted Development Regime, which sought the release of older stock no longer fit-for-purpose. There are strong indications that this trend will continue.
- The new residential accommodation yielded by the conversion of lost office space has not met local needs. In the main, the new residential accommodation has been high value – which is a contributing factor in the rise in local house prices, which are making the Borough a less affordable place to live.
- The loss of office buildings to residential accommodation has resulted in a reduction in revenue from business rates.

- The further proposed changes being introduced through the Housing and Planning Bill to extend and expand Permitted Development Rights pose a significant risk to Epsom Town Centre's remaining office stock. A worst-case scenario envisages the loss of most of our remaining stock within the next five years. This would result in the majority of current employers based in the Town Centre leaving the Borough, because there are no alternative sites available. This would have a significant impact upon the medium-long term vitality and viability of the Town Centre as a retail and commercial location. It would also have an adverse impact upon the Borough Council's strategy for sustainable growth and would undermine the infrastructure investment being directed at Epsom Town Centre and the Longmead and Nonsuch employment areas<sup>3</sup>.
- Epsom Town Centre's remaining office stock is relatively diverse in terms of size, age and overall quality. The majority of the stock surveyed for the Study was assessed as being viable, with a proportion being either Grade A or of good quality.
- The Town Centre is a highly accessible and sustainable location for office and other employment activities being well located in relation the railway station, public transport and other transport networks.
- Whilst the HSE major hazard site safeguarding zone, centred upon the Utilities site on East Street, currently provides a degree of protection to many of the remaining office buildings in that locality, it cannot be relied upon as a long term intervention. The decommissioning of the gas holders and potential relocation of the utility provider (Scotia Gas) suggest that at the very least the extent of the zone may be reduced to cover a smaller area<sup>4</sup>. On that basis, the Study advises that precautionary action be taken to ensure that those buildings/ sites at potential risk benefit from Article 4 Directions.
- A small number of the office buildings surveyed as part of the Study fall within other use classes – such as A2 Financial and Professional Services and D1 Non-residential Institutional uses. For those buildings in A2 use the Prior Approval route could still be sought to convert the building to residential use under Class M of the General Permitted Development Order 2015. However, this would be a more onerous process for a developer than the Prior Approval mechanism for the conversion of B1(a) office use to residential, as the Council would have to assess the impact of the proposal on adequate provision of services in the area. The Council may still decide that these buildings would benefit from Article 4 Directions.

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<sup>3</sup> This specifically relates to the Kiln Lane Link major scheme. The business case for the Kiln Lane Link is in part predicated upon securing an up-lift in employment opportunities, by improving accessibility). The unmanaged loss of office stock through the Permitted Development Regime would undermine the future viability of such an up-lift; through the loss of the very sites that could be enhanced by that proposal.

<sup>4</sup> Although the gas holders have been decommissioned, the site continues to function as a major gas distribution utility and it is logical that some form of safeguarding zone will remain.

- Other office buildings in Epsom Town Centre, including examples not surveyed for the purposes of the Study, are included as heritage assets on the statutory National List. There is currently no risk of these being lost to residential uses through the Permitted Development Regime.

7.2 The following table sets out the Study's assessment of risk from conversion for the individual surveyed buildings and sites.

**Table 1: Levels of risk from conversion to residential through permitted development**

Site	Commentary
<b>High Risk</b>	
Site 1 Oaks House 16 – 22 West Street Epsom	<p>High. Although presently the ground floor does not lend itself to easy conversion there appears to be higher potential for the upper floors to be lost. However, if the principle of conversion were established via the granting of Prior Approval, the Council may struggle to resist the loss of this site.</p> <p>If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p>
Site 4 Parkside House Ashley Avenue Epsom	<p>High. The building's setting away from the highway and its external design appear to lend themselves to residential conversion. There may be some external works required but it would appear these would be minimal and the Council would struggle to resist this building's loss to residential use.</p> <p>Similarly, if the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p>
Site 6 The Kirkgate Church Street Epsom	<p>Very High – there is known to be interest in converting this building to residential use using the Permitted Development regime. The building's design lends itself to conversion with little or no external work required.</p> <p>If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p>
Site 7 The Wells Church Street Epsom	<p>Medium-High. Although some external works would be required to reconfigure the ground floor, the rest of the building lends itself to conversion. The building has been sold fairly recently and was advertised as having residential potential through the Permitted Development route. It would be difficult for the Council to resist the loss of this site if a Prior Approval were granted for the change of use.</p> <p>If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p>

Site 10 Adelphi Court 1 – 3 East Street Epsom	<p>High. The building's design lends itself to internal conversion to residential use with limited or no external works.</p> <p>The Council has already placed an Article 4 Direction on this site to prevent it being converted via the PD Regime. Currently the HSE major hazard site safeguarding zone partially covers this site, which restricts Permitted Development rights.</p>
Site 11 Epsom Chase 1 Hook Road Epsom	<p>High – The building appears to lend itself to easy conversion with minimal external works required. There would be little chance of preventing the loss of this site if a Prior Approval application were made.</p> <p>Similarly, if the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p> <p>However, currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.</p>
Site 12 Sollis House 20 Hook Road Epsom	<p>High – the building's design appears to lend itself to easy conversion with limited or no external works. It could even conceivably come forward as a single residential unit.</p> <p>Similarly, if the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p> <p>However, currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.</p>
Site 14 Bradford House 39A East Street Epsom	<p>High. The Council has already placed an Article 4 Direction on this site to prevent it being converted via the PD Regime. Whilst the redevelopment of the building has not yet been carried out this Article 4 Direction is still in effect.</p> <p>However, currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.</p>
Medium Risk	
Site 2 Global House Ashley Avenue Epsom	<p>At present the risk appears low due to the building's design and access issues. It would take significant external work to make the building fit for residential use.</p> <p>However, if the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p>
Site 3 Epsom Gateway Ashley Avenue Epsom	<p>At present the risk appears low due to the building's design. It would take significant external work to make the building fit for residential use.</p> <p>However, if the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p>
Site 8 Horizon House 28 Upper High Street Epsom	<p>Medium. Although the building's design does not appear to lend itself to easy conversion it may be possible with minimal external alterations.</p> <p>If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p>
Site 9 30 – 38 Upper High Street Epsom	<p>Medium. Some external works may be required to convert the building to residential use. It is also likely that the ground floor occupier constitutes an A2 rather than B1(a) use, meaning that the building could not be converted in its entirety using the Permitted Development Regime.</p>

	<p>If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p>
<p>Site 13 Emerald House East Street Epsom</p>	<p>Medium. The building's design does not readily lend itself to straightforward conversion and would require external works. However, if a Prior Approval application were granted the Council would struggle to prevent its loss to residential use.</p> <p>If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p> <p>Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.</p>
<p>Site 15 Newplan House 41 East Street Epsom</p>	<p>Medium. Although this building would require significant external works to be converted to residential use, the Council may struggle to prevent its loss if a Prior Approval application were made and subsequent planning applications were then submitted once Prior Approval was obtained to approve the external works.</p> <p>If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p> <p>However, currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.</p>
<p>Site 16 Nightingale House 46 – 48 East Street Epsom</p>	<p>Medium. The building's design does not readily lend itself to straightforward conversion and would require external works. However, if a Prior Approval application were granted the Council would struggle to prevent its loss to residential use.</p> <p>If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p> <p>Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.</p>
<p>Site 18 Eastleigh House 52 - 60 East Street Epsom</p>	<p>Medium. The building's design does not readily lend itself to straightforward conversion and would require external works. However, if a Prior Approval application were granted the Council would struggle to prevent its loss to residential use.</p> <p>If the permitted development regime was changed to include external alterations and/or demolition there would appear to be little the Council could do to prevent the loss of this site to residential use.</p> <p>Given the age of the building and its continued employment use, it can be safely assumed that it remains a viable employment site. Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.</p>
Low Risk	
<p>Site 5 Ebbisham House 30 Church Street Epsom</p>	<p>Zero. This is a Grade II* Listed Building and therefore cannot be converted under the PD Regime.</p>

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Site 16 Colevin Interiors 42 – 44 East Street Epsom	<p>Zero. Although the building's design lends itself to a straightforward internal conversion, this is a Grade II Listed Building. Consequently it does not benefit from Permitted Development Rights to convert from office to residential use.</p> <p>Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.</p>
Site 17 Job Centre 50 East Street Epsom	<p>Low. The building's design does not readily lend itself to straightforward conversion and would require external works.</p> <p>As the building is occupied by a Job Centre, the lawful use of the building falls under the A2 (financial and professional services) use class. As an A2 use, the Prior Approval route could still be sought to convert the building to residential use under Class M of the General Permitted Development Order 2015. However, this would be a more onerous process for a developer than the Prior Approval mechanism for the conversion of B1(a) office use to residential, as the Council would have to assess the impact of the proposal on adequate provision of services in the area.</p> <p>Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.</p>
Site 19 Towers Watson 64 – 74 East Street Epsom	<p>Low. The building's design does not readily lend itself to a straightforward internal conversion through the permitted development process and will require planning permission. Given that the building has undergone a recent refurbishment and is being actively marketed for employment use, it can be safely assumed that it remains a viable employment site.</p> <p>Currently the HSE major hazard site safeguarding zone covers this site, which restricts Permitted Development rights.</p>
Site 20 Epsom Point 84 – 90 East Street Epsom	<p>Low. The building's condition and design does not readily lend itself to a straightforward internal conversion through the permitted development process and will require planning permission. As a former Court, the site does not fall under B1(a) office use but is classified as Sui Generis. This means that any conversion would require planning permission.</p>
Site 22 69 – 71 East Street Epsom	<p>Unknown. As the building is occupied by a Chartered Accountants, the lawful use of the building could be either A2 (financial and professional services) or B1(a) office. This would need to be established before a Prior Approval application could be considered. The lawful use of the building is unknown at this point.</p> <p>If it were considered to be in A2 use, the Prior Approval route could still be sought to convert the building to residential use under Class M of the General Permitted Development Order 2015. However, this would be a more onerous process for a developer than the Prior Approval mechanism for the conversion of B1(a) office use to residential, as the Council would have to assess the impact of the proposal on adequate provision of services in the area.</p>
Site 23 Victoria House 73-77 East Street Epsom	<p>Low. The building is occupied by a D1 user. Consequently it is highly likely that the lawful use of the building does not fall into B1(a) office use and therefore there is no Permitted Development Right to convert to residential use.</p>

## **8. Recommendations**

8.1 On the basis of the conclusions set out above the following recommendations are suggested to the Council:

- i. That the Council considers the immediate introduction of Article 4 Directions on those office buildings and sites that remain important and viable sources of employment land and are at risk from loss through conversion. These buildings and sites are:
  - Oaks House
  - Parkside House
  - The Kirkgate
  - The Wells
  - Adelphi Court
  - Epsom Chase
  - Sollis House
  - Bradford House
  - Global House
  - Epsom Gateway
  - Horizon House
  - 30 – 38 Upper High Street
  - Emerald House
  - Newplan House
  - Nightingale House
  - Eastleigh House
- ii. That consideration is given to serving additional Article 4 Directions to manage the two sites identified as falling under the A2 use class, namely;
  - The Job Centre, East Street; and
  - 69 – 71 East Street
- iii. That the Council continues to monitor proposals coming through the Permitted Development regime, particularly those buildings and sites not currently included under the proposed Article 4 Directions. Subject to any monitoring outcomes and where it is appropriate the Council should in the future consider options to serve additional Article 4 Directions to include other buildings and sites when it becomes necessary to afford them protection.

- iv. The Council must continue to develop its evidence base in relation to employment uses across the Town Centre. This is particularly important in relation to providing evidence that demonstrates that the reasonable prospect of buildings and sites continuing in employment use<sup>5</sup>.
- v. The Council must continue to work and engage with landowners and their agents to secure the enhancement and regeneration in accordance with local plan policy.

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<sup>5</sup> National planning policy, under NPPF Paragraph 22 sets out the test for affording sites long term protection through local plan policies.

## **Appendix A: Epsom & Ewell Borough Council – PDCOU Commercial Office Space to Residential Use**

### **Background**

Legislation was introduced in May 2013 making it possible to convert office floorspace to residential use without requiring planning permission until the end of May 2016. There are proposals for these to be made permanent.

This permitted development right is subject to prior approval by the local planning authority. The matters for Prior Approval are transport and highways impact on the development; contamination risks on the site; flooding risks on the site.

Within Epsom & Ewell a small designated area on East Street is exempt from the temporary permitted development right under Article 4 Direction. This Direction was made in 2013 in response to the Government's changes to Permitted Development rights and covers three sites that are considered to be of significant strategic importance because of their central location in the town centre. No other commercial sites in the borough benefit from this exemption.

### **The Impact of Prior Approval for Conversion of Offices to Residential In Epsom & Ewell**

The schedule accompanying this report sets out details of all of the applications for prior approval to convert office floorspace to residential use. The rest of this note provides a brief commentary on the data.

#### **a) Scheme Detail**

From 31<sup>st</sup> May 2013 to 31<sup>st</sup> October 2015 (29 months) a total of 20 prior approval applications have been permitted totalling at least 100 units. Seventeen schemes are in Epsom town centre; three in Ewell and one in Woodcote.

Of the approved units, the majority are for one and two bedroom flats. One site (Charles Stuart House) will contain four three bedroom units.

At the end of October 2015 the total amount of office floorspace that could potentially be lost, if all current prior notifications/approvals are implemented totals at least 5,036.86m<sup>2</sup>. This amounts to approx. 4.8% of the Borough's office stock<sup>6</sup>.

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<sup>6</sup> This percentage is calculated using the 2012 Rateable Value Statistics which indicate that there is 104506 sq m of office space in the Borough.

None of these proposals are required to make affordable housing contributions even if they are providing over ten new units. There is also no way of securing on site infrastructure through the s106 process. The new units will still be liable for the Community Infrastructure Levy (CIL) if the site has not been occupied for six months within the last three years (but where they have been they are not CIL liable as there is no new floorspace in a conversion).

#### **b) Type of office floorspace being lost**

Much of the Borough's established office market is located in and around Epsom town centre and it is of concern that a number of the office buildings to be converted to residential under permitted development relate to medium sized, good quality office buildings in the town centre. Most notably Rutland House, a grade A modern building located on South Street and in close proximity to Nuffield Health and Atkins, has been subject to prior approval with over 30 units developed in the 1335.86m<sup>2</sup> office floorspace.

Outside the town centre an older but sizeable (1298 m<sup>2</sup>) serviced office building has been subject to prior notification approval affecting a number of businesses.

#### **c) Loss of firms:**

We have no evidence of local firms having to move out of the area as a result of office floorspace changing to residential use. Around a third of the premises were wholly vacant before the prior notification was submitted. However, almost all buildings identified are good quality and in close proximity to the town centre amenities, offering opportunities for business expanding or moving into the area.

Anecdotally we are aware of tenants within serviced office accommodation being evicted and some businesses being relocated into 19 West Street, Epsom.

### **Local Impact**

#### **(1) Contribution to the supply of new homes.**

The prior approval process has so far yielded a potential 70 new dwellings, around 40% of the year's new housing requirement.

Moreover, the process is providing a supply of 1 and 2 bed flats for which there is a need. Around two thirds of the dwellings approved to date are for 1 bedroom flats

which could be considered to be at the less expensive end of the housing market. However, having viewed recent marketing material for some of the conversions they appear to be being marketed at the higher end of the housing market, as exclusive high- end properties priced as highly as £675,000 for a two bedroomed unit. This is certainly not considered an 'affordable' price.

## **(2) Impact on business rates, Council tax**

From the list of approved schemes, ten business rate properties have been lost from the Valuation List with a total reduction in business rate income in 2015/16 of £214,309.

### **Overall conclusions.**

The Council's planning policies are being undermined by the PDCOU legislation. Whilst the overall number of PD applications has been limited in the borough the buildings affected have generally been good quality, town centre located schemes rather than poorer quality, high vacancy properties. This is in direct contrast to neighbouring Mole Valley that has lost around 30% of its office space, but the majority to date has been lower quality and vacant.

As the Plan E programme of improvements begins it will become even more important to have quality office stock to attract and retain business in the town centre.

## **Article 4 Direction**

Following the Government's recent extension of the policy Epsom & Ewell Borough Council is looking to gain PDR exemption for key employment sites in the town centre. The buildings identified offer the opportunity to provide space for existing and new business to expand, create jobs and deliver economic growth.

The Plan E vision states that 'over the next 20 years East Street will establish itself as the main business district for both Epsom and the wider borough'. It also seeks to deliver 6000 – 7000 sq m of new employment floor space within the town centre up to 2026. Under this policy loss of existing employment uses within the Town Centre will be resisted.

Last week the Gatwick Diamond Executive Director reported to Epsom business leaders that there is a major shortage of modern office space in the Gatwick Diamond area. It has been difficult to identify appropriate space for inward

investment enquiries and the lack of small business start up and grow on space is even more acute, despite strong demand.

Similarly Surrey County Council has reported that the **Outer London and M25 Office sector**, known as the 'doughnut', has experienced the highest rental growth since 2000, according to a new report from CBRE. The latest CBRE Monthly index has seen rental values for offices in the 'doughnut' grow by 1.0% in the last month, the fastest monthly rate since July 2000 (1.4%) and growth of 4.2% since January.

Demand from service orientated SMEs is likely to increase fuelled by the projected increase in the Borough population. The options to accommodate this requirement are limited, and therefore critical to protect what we have. Once commercial space and employment land loses its status and is converted to residential it is gone forever. As is its local wealth creation potential.

### **Buildings identified for Article 4 Direction**

Buildings have been selected because they meet at least two of the following criteria:

- Occupied
- Known at risk
- Good quality / Grade A stock
- Town centre
- Highly sustainable location
- Previously served
- Important employment designation

The town centre is a location where high quality premises are demanded from a variety of occupiers such as creative, financial, business and professional services. Epsom is an attractive and conveniently located to London & the South East with good transport links. It is a location of choice for a growing business community that adds to the vibrancy of the town centre. Over the last couple of years we have seen planning approval given to Atkins to develop its flagship Epsom campus, already housing the largest concentration of employees in the UK. Nuffield Health chose Epsom town centre for its UK headquarters, as it had offered good quality office

stock, close to rail and town centre facilities as well as nearby green space. Macdermott expanded its offices within Global House and German cyber security company Cyclax selected Epsom as a base for its first UK office. The town centre was also being seriously considered by Lidl for its new HQ operation, narrowly losing out to Kingston on transport factors.

#### **Article 4 Direction by other authorities**

We understand that Mole Valley is looking into Article 4 Direction now that the legislation has been made permanent. Whilst the early applications have related to smaller, lower quality stock there is concern that if major employers in Mole Valley decide to rationalise operations and relocate landlords may take the opportunity to realise a residential value of their office floorspace or major sites.

Richmond has seen the highest number of prior notifications of any London borough with 400 applications received. This could result in potentially losing 71,000 sq m / 24% of office space. Richmond Council has removed PD rights within 12 areas which are key office locations in the Borough, including parts of Richmond, Twickenham and Teddington town centres using Article 4 Direction. The Council did so on the basis that remaining space for commercial offices in the Borough will see a huge rental increase whilst losing local jobs.

Crawley is also looking to put Article 4 Direction in place in the Manor Royal business district. Through the PDR process the borough has already lost quarter of a million sq ft of employment space. It is looking to safeguard the rest of the business space as well as support those businesses that have been affected and displaced.

Brighton & Hove City Council has also identified and served Article 4 Direction in certain areas of the city to safeguard key employment sites.

**Julia Owen**  
**November 2015**

## Appendix B Commercial Property to Residential November 2015

Application No	Address	Ward	Submission Date	Decision Date	Decision	Completion Date	Units Proposed	Net Change	Currently occupied or vacant (IF KNOWN)	M2 B1 lost (m2)	Rateable Value	BR Income	Description
14/01219	Ryebrook Studios, Woodcote Site, Epsom	Woodcote	21/11/2014	29/12/2014	Prior Approval not required		12F		NOW VACANT	1298	118,975	15/16 £47,229 14/15 £46,244 13/14 £45,275	modern, managed office space - closed Jan 2015
14/00724	19 Church Road, Epsom	Town	31/10/2014	01/12/2014	Prior Approval not required		C3			185	6,800	15/16 £3,264 14/15 £3,203 13/14 £3,142	From Google - Sweet Chariot Leisure located at the Clubhouse, 19 Church Road KT17 4DZ. From street view looks residential
14/00638	Ground Floor (Front Of) Charles Stuart House 28 Church Street Epsom Surrey KT17 4QP	Town	08/08/2014	25.09.2014	Prior Approval not required	completed - residential marketing material available	1Fx3B	1	OCCUPIED	187	19,000	15/16 £9,367 14/15 £9,158 13/14 £8,949	Grade A office space - brochure available
14/00637	Ground Floor (Rear Of) Charles Stuart House 28 Church Street Epsom Surrey KT17 4QP	Town	08/08/2014	25.09.2014	Prior Approval not required	completed - residential marketing material available	1Fx3B	1	OCCUPIED	167	14,000	15/16 £6,720 14/15 £6,594 13/14 £6,468	Grade A office space - brochure available
13/01082	Nelson House, 1A Church Street, Epsom KT17 4PF	Town	19/11/2013	13/01.2014	Prior Approval not required	under construction	3F	32	OFFICE SPACE VACANT, GROUND FLOOR CURRENTLY RETAIL		17,800	15/16 £8,544 14/15 £8,384 13/14 £8,224	
13/01553	Second Floor (rear) Charles Stuart House, 28 Church Street, Epsom, KT17 4QP	Town	21/03/2014	09/05/2014	Prior Approval Not Required	completed - residential marketing material available	1Fx3B	1	OCCUPIED	181	14,500	15/16 £6,960 14/15 £6,830 13/14 £6,699	Grade A office space - brochure available
13/01552	Second Floor (front) Charles Stuart House, 28 Church Street, Epsom, KT17 4QP	Town	21/03/2014	09/05/2014	Prior Approval Not Required	completed - residential marketing material available	1Fx2B	1	OCCUPIED	169	14,250	15/16 £6,840 14/15 £6,712 13/14 £6,584	Grade A office space - brochure available
13/01550	First Floor (front) Charles Stuart House, 28 Church Street, Epsom, KT17 4QP	Town	21/03/2014	09/05/2014	Prior Approval Not Required	completed - residential marketing material available	1Fx2B	1	OCCUPIED	181	34,250	15/16 £16,885 14/15 £16,508 13/14 £16,132	Grade A office space - brochure available
13/01548	First Floor (Rear) Charles Stuart House, 28 Church Street, Epsom, KT17 4QP	Town	21/03/2014	09/05/2014	Prior Approval Not Required	completed - residential marketing material available	1Fx3B	1	OCCUPIED	194	included in above		Grade A office space - brochure available
14/01522	Rutland House, 57 - 59 South Street, Epsom, KT18 7PR	Town		30.01.15	Prior Approval not Required	completed - residential marketing	26F X 1B, 6 x 2B		VACANT	133.86	165,000	15/16 £81,345 14/15 £79,530 13/14 £77,715	High quality office space - brochure available

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						material available							
13/00617	7 - 7A Ashley Road, Epsom, KT18 5AQ	Town	09/08/2013	31/03/2015	Allowed At Appeal	completed - residential market ing material available	3F x 2B	3	OCCUPIED	235	33,250 deleted 26.06.14	14/15 £3,820 13/14 £15,661	ex retail, converted to office to expedite PDCOU?
13/00886	Deeburn, 15 Depot Road, Epsom, KT17 4RJ	Town	07/10/2013	03/12/2013	Permit Prior Approval		1F x 1B	1	VACANT	Unsure	4,300 deleted 06.06.14	0	modern 1990s building - looks residential. Now shown as one Band C dwelling
13/00656/PDCOU	33 High Street, Ewell, KT17 1SA	Ewell	19/08/2013	14/10/2013	Permit Prior Approval	25/07/2014	1Fx2B	0	UNKNOWN	79	11,300	0	Mid 18thC shop originally built as double fronted house
14/01240	Headway House, 15 - 17 Chessington Road, Ewell, KT17 1TS	Ewell	21/11/2014	09/01/2015	Prior Approval not required		11	11	VACANT	825	55,000	15/16 £27,155 14/15 £26,510 13/14 £25,905	Originally Bytes House - appears on appeal withdrawn list too
15/00308	Office above Cadogan House, 4-6 High Street, Epsom	Town	08/04/2015	20/05/2015	Prior Approval not required	outstanding permission	6Fx1B 1F x2B						
15/00592	69-71 High Street, Epsom	Town	12/08/2015	29/09/2015	Prior Approval not required	outstanding permission	2F	2					
15/00548	Brookland House, 2B West Street, Ewell	Ewell	09/07/2015	03/09/2015	Prior Approval not required	outstanding permission	1F	1	OCCUPIED				Shop? BPS Interiors
15/00520	Apex House, 10 West Street, Epsom	Town	09/07/2015	26/08/2015	Prior Approval not required	outstanding permission	4F	4	OCCUPIED				Estate Agents - Huggins, Edwards and Sharp
15/00494	Felix House, 83-85 East Street	Town	30/06/2015	18/08/2015	Prior Approval not required	outstanding permission	16F	16	OCCUPIED				Oracle Group - PR and marketing agency
14/01920	24-28 West Street	Town	08/04/2015	20/05/2015	Prior Approval not required	outstanding permission	C3		OCCUPIED?				Estate Agents - Fine and Country
14/00504	Novellus Court, 61 South Street, Epsom, KT18 7PX	Town			Prior Approval not required	under construction	C3		Under construction	1224	82,000	15/16 £40,426 14/15 £39,524 13/14 £38,622	
Refusals / Withdrawn													
14/00780	6-7 Market Parade, High Street, Ewell	Ewell	29/08/2014	03/10/2014			C3				25,250	15/16 £12,448 14/15 £12,171 13/14 £11,893	
14/00540	Apex House, 10 West Street, Epsom, KT18 7RG	Town	01/08/2014	09/09/2014	Refused		4Fx1B, 3Fx2B	7	UNKNOWN	524.5	29,500	15/16 £14,544 14/15 £14,219 13/14 £13,895	
14/00180	127 East Street, Epsom, KT17 1EJ	Town	23/05/2014	26/06/2014	Prior Approval Required and Refused		1Fx2B	1	UNKNOWN	70	unable to identify		
13/00468	Admark House, 2 West Street, Ewell, KT17 1UU	Ewell	09/07/2013	16/09/2013	Refused		1F x 1B, 1F x 2B	2	OCCUPIED	No info	22,200	15/16 £10,656 14/15 £10,456 13/14 £10,256	

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13/00774	Rosebery House, 55 East Street, Epsom, KT17 1BP	Town	12/09/2013	08/11/2013	Prior Approval Required and Refused		24x 1B, 11 x 2B	?	VACANT	1595	213,000	15/16 £105,009 14/15 £102,666 13/14 £100,323	
13/00441	16A East Street, Epsom, KT17 1HH	Town	04/07/2013	29/08/2013	Prior Approval Required and Refused		2F	2	VACANT	No info	8050 deleted 05/01/15	14/15 £3,820 13/14 £2,898	
13/00894	1 High Street, Ewell, KT17 1SB	Ewell	08/10/2013	04/12/2013	Refused		No not specified	?			13,250	15/16 £6,532 14/15 £6,387 13/14 £6,241	
13/00894	21 High Street, Ewell, KT17 1SB	Ewell	08/10/2013	04/12/2013	Prior Approval Required and Refused		No not specified	?	UNKNOWN	147.5	6,500	15/16 £3,120 14/15 £3,062 13/14 £3,003	