

The Rt Hon Eric Pickles MP
Secretary of State for Communities &
Local Government
Eland House
Bressenden Place
London
SW1E 5DU

Please ask for/reply: Tony Newman

Your Ref:
Our Ref: TN/maf
Date: 29 July 2014

Dear Mr Pickles,

Office to Residential Permitted Development

I am writing to request that you reconsider an exemption to permitted development rights in the centre of Croydon and the wider Opportunity Area Planning Framework area.

Central Croydon is a significant office location, with just under 8m square feet of office floorspace, it is the largest in the Capital outside Central London (i.e. the West End, City & Canary Wharf). Much of the stock was provided in the 1960s and is now in need of renewal to bring it up to modern standards. Demand for office floorspace is strong and is currently around 25% above average levels for the centre. We have seen steady interest in the market in responding to this with speculative developments being built and high-quality refurbishments taking place in recent years.

The Council is also planning to significantly expand the residential offer in Central Croydon and has statutory plans in place (Croydon Local Plan and London Mayor's Opportunity Area Planning Framework) to support the provision of over 7,000 additional homes. These will be a mixture of new build and office conversions, as the plans recognise that there is both a surplus of office floorspace and some offices located in sub-optimal locations. This strategy has the strong support of the local development community and significant optimism was building in the market that there was a clear vision and deliverable plan for the largest centre in outer London.

The introduction of the office to residential permitted development has significantly disturbed this strategy. There has been a flood into the market of people buying office buildings – both occupied and vacant. Businesses are being forced out of current accommodation and are not able to find suitable alternative premises within London. We have seen a significant number of applications to secure permitted development conversions. These almost universally contain very small sub-standard accommodation. This has had the effect of pushing up land values for this

stock and has made office redevelopments or refurbishments challenging or unviable, whereas before they were being delivered. We know of one developer who has successfully delivered an office development in Croydon a couple of years ago and was keen to do a second one. He bought a site for £4m and was gearing up to redevelop for office use but was offered £10m for the site. It was of course too good a deal to say no to and that site is now being looked at for residential permitted development. This is severely limiting the pipeline of new or refurbished Grade A offices to retain and attract businesses to Croydon thereby ensuring balanced growth of the local economy.

You could say that all this activity is good; however there is very little evidence that many of the permitted development consents are being implemented. Intelligence from local agents informs us that a significant reason for this is that the investment industry is sceptical about the residential permitted development product and are not willing to invest in it. As mentioned earlier, these consents are characterised by significantly sub-standard dwelling sizes with in many cases limited natural light. In order to address the pressing need for homes in London, we need good quality dwellings. After nearly 18 months of this policy being in place they are not being delivered, despite the level of consents that have been secured.

We are also seeing the confidence that existed in the development community to provide residential development in Croydon taking a dent. They now have an additional anxiety that if they invest in a good quality development (new build or conversion) they may get a sub-standard permitted development conversion next door that undermines their investment and therefore significantly increases their development risk.

We therefore have the somewhat ironic but certainly tragic situation where the introduction of permitted development rights designed to increase the supply of housing has in London's largest outer centre probably resulted in the provision of less housing than if the permitted development right hadn't been introduced at all. It is important to remember that a crucial role of the planning system in a crowded urban area like London is to provide a stable investment platform for investment so that developers have the confidence to invest the many millions necessary to bring developments forward. In boroughs like Croydon, where we work in close partnership with our developer partners to bring forward the type and quality of development that is needed in our town centre, it is particularly frustrating that a blunt instrument like permitted development has resulted in development delivery being frustrated and possibly severely damaged.

I hope that you take account of the experience Croydon has had of this legislative change when you make future decisions in this area. When judging the effectiveness of the initiative the number of consents permitted will tell you nothing. What needs to be understood is what has actually been delivered and the quality of that development. In Croydon that is very little and sub-standard. It is also important to understand what impact the change has had on other important development activity in an area, such as the supply of office development to meet actual demand, as is the case in Croydon.

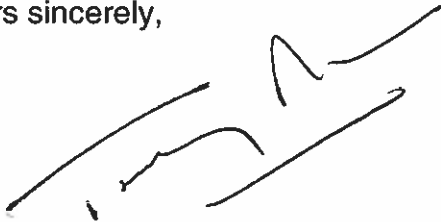
Such is the concern in Croydon regarding these permitted developments that there is cross party agreement on the damage that they are doing to our plans to regenerate the Borough. At the meeting of the Council on 15 July, there was

unanimous agreement on the following motion:

“This Council calls on the current Government to immediately withdraw its permitted development powers that are imposing top down decisions from Whitehall on how Croydon’s office space is used. This Council believes that in the interest of regenerating our local economy and achieving best outcomes for Croydon residents, that the London Borough of Croydon and its planning committee are best placed to decide whether our vacant offices are best used to create new jobs or residential accommodation”.

To that end, I would be grateful if you could reconsider your previous decision and grant an exemption to these permitted development rights in the area contained within the Croydon Opportunity Area Planning Framework.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tony Newman', written over a horizontal line.

Cllr. Tony Newman
Leader of the Council



Department for
Communities and
Local Government

rec'd 12/9/14

The Rt Hon Eric Pickles MP
Secretary of State for Communities and Local
Government

**Department for Communities and Local
Government**

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Our Ref: ER/ER/021130/14

Councillor Tony Newman
Leader of the Council
Croydon
Town Hall
Katharine Street
Croydon
CR0 1NX

08 SEP 2014

Dear Tony

Thank you for your letter of 29 July regarding the permitted development right for change of use from offices to residential and the impact on central Croydon. I apologise for the delay in responding.

The office to residential permitted development rights were introduced in May 2013 for a temporary three year period to encourage developers to bring forward new residential developments. We are keeping the impact of these permitted developments rights under review, and I have noted your observations and comments. As explained in the Chief Planner's letter of 24 January 2013, we do not intend to offer another opportunity to request an exemption from the permitted development rights during the three year period the rights apply.

You may be aware that we have recently published a Technical Consultation on Planning which includes a proposal to extend the office to residential permitted development right. The consultation document sets out our proposal to introduce a new permanent permitted development right for change of use from offices to residential. In addition to the current prior approval on highways and transport, flooding and contamination, we propose to introduce a prior approval to consider the potential impact of the significant loss of the most strategically important office accommodation. I would encourage you to respond to this consultation, including your suggestion for the definition of the prior approval. The consultation and details of how to respond are available at: <https://www.gov.uk/government/consultations/technical-consultation-on-planning>

Yours ever
Eric

THE RT HON ERIC PICKLES MP

The Rt Hon Eric Pickles MP
Secretary of State for Communities &
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Eland House
Bressenden Place
London
SW1E 5DU

Please ask for/reply: Cllr Tony Newman

Your Ref:
Our Ref: TN/maf
Date: 10 September 2014

Dear Eric Pickles MP,

As I am sure you will recall, both the former Conservative Leader of Croydon Council and I, the current Labour Leader of Croydon, have written to you previously regarding a range of issues relating to the Coalition Government's treatment of local government and Croydon Council specifically. In fact, I am yet to receive even an acknowledgement from your office since writing to you on 29 July regarding permitted development rights.

The London Borough of Croydon strives to deliver high quality public services at the lowest cost possible to the public purse. We have sought your assistance in doing this by asking you to:

- Devolve powers from central government where we can provide better value services;
- Give us greater freedoms so that we can make choices locally that best reflect our local needs;
- Address the many inequalities in the financial settlement that unfairly handicap Croydon's ability to deliver good quality public services; and
- Give us greater certainty of long term funding to allow us to responsibly plan public service provision over the long term.

The issues that we have sought your help on are not trifling matters. They have included tackling the school place crisis; tackling homelessness; devolving power to extend our best in class approach to tackling worklessness and delivering welfare reform; tackling the burdens of those with No Recourse to Public Funds; and freedom to manage economic development locally to deliver much needed jobs and housing growth.

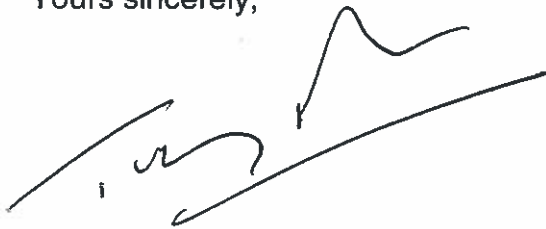
Unfortunately, our requests for help, support and opening a constructive dialogue with the coalition government have gone unheeded.

At Croydon's Cabinet meeting on 15th September 2014, we will be considering a report that calls for further devolution of powers and a fairer share of funding for Croydon. I would like to take this opportunity to extend an invitation to you to attend

our Cabinet meeting for this item, giving you the chance to have your say and explain the actions of the coalition government to the people of Croydon and to explain what plans, if any, your coalition government has to deliver a sustainable future for public services in our Borough.

Please do let me know by return if you would like to accept this invitation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tony Newman', written over a horizontal line.

Cllr. Tony Newman
Leader of the Council

SITE ADDRESS	REFERENCE	OFFICE FLOORSPACE	NO. UNITS	AFFORDABLE IF 40%	AFFORDABLE IF 15%	TYPE OF UNIT	IF 5% 3 BED	No. 3 BEDS PROPOSED	MEET LP FLOORSPACE?	AMENITY SPACE PRIVATE OR COMMUNAL	SUSTAINABILITY EcoHomes?
Token House (1st&2nd floor)	14/00788/GPDO	394	16	6	2	16 std	1	0	No (all flats fail - lowest studio 16sqm)	No	No
42 High Street	14/00737/GPDO	275	8	3	1	7 one & 1 two	0	0	No (all flats fail - lowest 1bed 27sqm)	No	N/A < 10 units
Cygnets House (basement-10th floor)	13/04215/GPDO	2785.8	42	17	6	2 std, 22 one & 18 two	2	0	No (example 1bed 34.5sqm)	No	No
Stoneham House (ground)	14/00106/GPDO	156	1	0	0	3 bed	0	1	Yes	No	N/A < 10 units
Stoneham House (1st)	13/02843/GPDO	156	1	0	0	3 bed	0	1	Yes	Small winter garden per flat	N/A < 10 units
Stoneham House (2nd-5th)	13/01785/GPDO	632	8	3	1	8 two bed	0	0	Yes	No	N/A < 10 units
Jessop House	14/00297/GPDO	2705	32	13	5	16 one, 14 two & 2 three	2	2	Yes	No	No
3 Church Road	13/04187/GPDO	663.6	9	4	1	5 one, 3 two & 1 three	0	1	No (lowest 1bed 45.5sqm)	Only 3 flats have amenity space	N/A < 10 units
5 Bedford Park	13/04394/GPDO	5203.9	91	36	14	47 one & 44 two	5	0	No (all flats fail - lowest 1bed 37sqm, 2bed 4	No	No
46 High Street	13/04096/GPDO	387	3	1	0	1 one, 1 two & 1 three	0	1	No (all flats fail - lowest is 32 sq m for a 1 be	No	N/A < 10 units
21A George Street (1st-4th floors)	13/04156/GPDO	162.8	5	2	1	2 std & 3 one	0	0	No (all flats fail - lowest studio 14.9sqm)	No	N/A < 10 units
24 Barclay Road	13/03917/GPDO	100	5	2	1	4 std & 1 one	0	0	no (all flats fail - lowest studio 16 sqm)	Fails policy - One studio has access	No
Green Dragon House (1st-9th floor)	13/03422/GPDO	5077	111	44	17	75 one & 36 two	6	0	No (all flats fail - lowest 1bed 26sqm)	No	No
Canius House	13/03270/GPDO	1972	30	12	5	10 std, 19 one & 1 two	2	0	No (11 fail - lowest studio 32sqm)	No (2 have outdoor amenity)	No
Surrey House (2nd - 5th floor)	13/02861/GPDO	1440.1	23	9	3	8 one & 15 two	1	0	No (5 fail - lowest 2bed 49.6sqm)	No	No
304-306 High Street (1st -2nd floors)	14/01950/GPDO	160	4	2	1	4 one	0	0	No	No (2 have outdoor amenity)	N/A < 10 units
Canterbury House	14/02067/GPDO	6283	98	39	15	55 one & 43 two	5	0	No (10 comply)	No	No
28 Church Street	14/01507/GPDO	96	2	1	0	1 std & 1 one	0	0	No	No	N/A < 10 units
Wrencote House, 121 High Street	14/01843/GPDO	440	4	2	1	1 one & 3 two	0	0	No	No	N/A < 10 units
Emerald House, 15 Lansdowne Road	14/01605/GPDO	8487	121	48	18	70 one & 51 two	6	0	No	No	No
Delta Point	14/01544/GPDO	28000	404	162	61	5 std, 261 one & 138 two	20	0	No	No (1 has outdoor amenity)	No
5 Sydenham road (ground to fourth)	14/01537/GPDO	2225	54	22	8	54 one	3	0	No (1 bed 32 sq m)	No	No
47 Coombe road	14/01447/GPDO	618	10	4	2	1 std, 7 one & 2 two	1	0	No (1 bed 43 sq m)	Not shown	No
Carolyn House, 22-26 Dingwall Rd	14/02928/GPDO	6732	120	48	18	25 std, 24 one, 70 two & 1 three	6	1	Yes	No	No
133 Cherry Orchard Road	14/02651/GPDO	233.59	16	6	2	16 std	1	0	No (studios all around 17sqm)	No	No
8-10 Church Street	14/02351/GPDO	471	18	7	3	18 std	1	0	No (studios all around 16sqm)	No	No
		75855.79	1236	494	185		62	6			