

<b>Address:</b>	135 -149 Shaftesbury Avenue London WC2H 8AH		<b>1&amp;2</b>
<b>Application Number(s):</b>	i) 2024/0993/P ii) 2024/1005/L	<b>Officer:</b> Laura Dorbeck	
<b>Ward:</b>	Holborn and Covent Garden		
<b>Date Received:</b>	12/03/2024		
<b>Proposal:</b>	Part demolition, restoration and refurbishment of the existing Grade II listed building, roof extension, and excavation of basement space, to provide a theatre at lower levels, with ancillary restaurant / bar space (Sui Generis) at ground floor level; and hotel (Class C1) at upper levels; provision of ancillary cycle parking, servicing and rooftop plant, and other associated works.		
<b>Background Papers, Supporting Documents and Drawing Numbers:</b> <p>Existing Drawings:  2111-SPP-ST-ZZ-DR-A-02-0001 P0.01, 2111-SPP-ST-0G-DR-A-02-0002 P0.01, 2111-SPP-ST-B2-DR-A-02-1001 P0.01, 2111-SPP-ST-B1-DR-A-02-1002 P0.01, 2111-SPP-ST-0G-DR-A-02-1003 P0.01, 2111-SPP-ST-01-DR-A-02-1004 P0.01, 2111-SPP-ST-02-DR-A-02-1005 P0.01, 2111-SPP-ST-03-DR-A-02-1006 P0.01, 2111-SPP-ST-04-DR-A-02-1007 P0.01, 2111-SPP-ST-05-DR-A-02-1008 P0.01, 2111-SPP-ST-RL-DR-A-02-1009 P0.01, 2111-SPP-ST-ZZ-DR-A-02-3001 P0.01, 2111-SPP-ST-ZZ-DR-A-02-3002 P0.01, 2111-SPP-ST-ZZ-DR-A-02-3003 P0.01, 2111-SPP-ST-ZZ-DR-A-02-3004 P0.01, 2111-SPP-ST-ZZ-DR-A-02-2001 P0.01, 2111-SPP-ST-ZZ-DR-A-02-2002 P0.01.</p> <p>Demolition Drawings:  2111-SPP-ST-B2-DR-A-95-1001 P0.02, 2111-SPP-ST-B1-DR-A-95-1002 P0.02, 2111-SPP-ST-0G-DR-A-95-1003 P0.03, 2111-SPP-ST-01-DR-A-95-1004 P0.03, 2111-SPP-ST-02-DR-A-95-1005 P0.03, 2111-SPP-ST-03-DR-A-95-1006 P0.03, 2111-SPP-ST-04-DR-A-95-1007 P0.03, 2111-SPP-ST-05-DR-A-95-1008 P0.03, 2111-SPP-ST-RL-DR-A-95-1009 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3001 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3002 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3003 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3004 P0.03, 2111-SPP-ST-ZZ-DR-A-95-2001 P0.03, 2111-SPP-ST-ZZ-DR-A-95-2002 P0.03.</p> <p>Proposed Drawings:  2111-SPP-ST-ZZ-DR-A-00-0001 P0.04, 2111-SPP-ST-B4-DR-A-20-1000 P0.03, 2111-SPP-ST-B3-DR-A-20-1001 P0.03, 2111-SPP-ST-B2-DR-A-20-1002 P0.03, 2111-SPP-ST-B1-DR-A-20-1003 P0.03, 2111-SPP-ST-B1-DR-A-20-1003A P0.02, 2111-SPP-ST-B1-DR-A-20-1003B P0.02, 2111-SPP-ST-0G-DR-A-20-1004 P0.04, 2111-SPP-ST-01-DR-A-20-1005 P0.04, 2111-SPP-ST-02-DR-A-20-1006 P0.04, 2111-SPP-ST-03-DR-A-20-1007 P0.04, 2111-SPP-ST-04-DR-A-20-1008 P0.03, 2111-SPP-ST-05-DR-A-20-1009 P0.03, 2111-SPP-ST-06-DR-A-20-1010 P0.03, 2111-SPP-ST-07-DR-A-20-1011 P0.03, 2111-SPP-ST-08-DR-A-20-1012 P0.03, 2111-SPP-ST-09-DR-A-20-1013 P0.04, 2111-SPP-ST-10-DR-A-20-1014 P0.04, 2111-SPP-ST-11-DR-A-20-1015 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3001 P0.06, 2111-SPP-ST-ZZ-DR-A-25-3002 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3003 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3004 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3018 P0.02, 2111-SPP-ST-ZZ-DR-A-25-3019 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3020 P0.02, 2111-SPP-ST-ZZ-DR-A-25-3021 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3100 P0.02, 2111-SPP-ST-ZZ-DR-A-25-3101 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3102 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3103 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3010 P0.02, 2111-SPP-ST-ZZ-DR-A-26-2001 P0.06, 2111-SPP-ST-ZZ-DR-A-26-2002 P0.06, 2111-SPP-ST-ZZ-</p>			

DR-A-21-4001 P0.03, 2111-SPP-ST-ZZ-DR-A-21-4002 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4003 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4004 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4005 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4006 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4007 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4008 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4009 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4010 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4011 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4012 P0.01.

Documents:

Cover letter dated 8 March 24

Planning statement by Montague Evans dated Feb 25

Built heritage, townscape and visual impact assessment by Montague Evans dated Feb 25

Design & Access Statement ref. 2111-SPP-ST-XX-ST-A-XX-6001 P0.03

Design & Access Statement Addendum 2111-SPP-ST-XX-ST-A-XX-6003 P0.02

Schedule of Works - Listed Buildings 2111-SPP-ST-XX-ST-A-XX-6002 P0.03

Archaeological desk-based assessment by RPS ref. 00186 dated January 24

Land contamination risk management – preliminary risk assessment by Pell Frischmann ref. 105465-Pef-Zz-Xx-Rp-Gg-600001\_P02 Saville Theatre Pra dated Jan 24

Hotel: BREEAM RFO pre-assessment by Hoare Lea dated 31 Jan 24

Theatre: BREEAM NC pre-assessment by Hoare Lea dated 31 Jan 24

Hotel BREEAM NC pre-assessment by Hoare Lea dated 31 Jan 24

Health Impact Assessment P02 by Buro Happold dated 31 Jan 24

Façade condition survey 2022-004 rev 01 by Ingram Consultancy dated May 2022

Ecological assessment ref. d512.2 by Diversity dated March 2024

Social impact report dated February 2024

Economic impact report by Montague Evans dated 5 March 24

Initial Intrusive Investigations – Observations and Recommendations ref. CW000014 dated 14 Jan 2025

Construction Management Plan (draft) v.03 by Kier Construction dated 29 Jan 25

Engineer's report – Drainage strategy ref. 2240073-EWP-ZZ-XX-RP-C-00001 P2 by Elliot Wood dated 31 Jan 25

Engineers report – Flood risk assessment ref. 2240073-EWP-ZZ-XX-RP-C-00002 P2 by Elliot Wood dated 31 January 25

Surface water flood risk technical note P01 by Elliot Wood dated 11 April 25

Draft operational management plan – Theatre use, by Cirque du Soleil dated February 25

Draft operational management plan – Ancillary restaurant and bar, by Incipio Group

Draft operational management plan – Hotel use, by CitizenM

Noise impact assessment by Hoare Lee dated 28 Jan 25

Air quality assessment by Hoare Lee rev.04 dated 22 Jan 25

Sustainability Statement by Hoare Lee rev. P03 dated 29 Jan 25

Ventilation statement rev P04 by Hoare Lee dated 21 Jan 25

Whole life carbon assessment rev. P07 by Hoare Lee dated 26 Feb 25

Circular economy statement ref. P07 by Hoare Lee dated 26 Feb 25

Sustainability and energy strategy P06 by Hoare Lee dated 21 Feb 25

Urban Greening Factor Report ref. 794-ENV-ECO-20186\_872 rev E dated January 2025

Specialist lighting report by Studio Fractal

London Plan fire statement LO21185 Rev. R04 by OFR dated 31 Jan 2025

Statement of community involvement by YC Saville Theatre Limited

Healthy Streets Transport Assessment issue 3.0 dated 31 Jan 25

Crime impact assessment ref. QCIC - 03692 – 07001d dated 31 January 25

Tree Survey Report and Arboricultural Impact Assessment JSL5069\_770 rev B by RPS dated 31 Jan 25

Biodiversity Net Gain assessment ref. 794-ENV-ECO-20186\_873e/794-PLN-LAN-5363 by RPS February 2025

BNG Metric spreadsheet rev E dated 4 Feb 25

Accessibility statement 0052254 rev. P02 by Buro Happold dated 31 Jan 24  
 Pedestrian wind environment statement W1278-02F02(REV0)- WS REPORT, by Windtech dated 31 Jan 25  
 Daylight and sunlight report by Point 2, V1 dated Feb 25  
 Transient overshadowing diagrams by Point 2 dated Jan 25  
 Cumulative daylight, sunlight & overshadowing effects letter by Point 2  
 Basement impact assessment ref. 3722-A2S-XX-XX-RP-Y-0001-05 by A-Squared Studio dated 11 April 2025  
 Financial Viability Assessment by Montague Evans dated January 2025

## RECOMMENDATION SUMMARY:

**i) Grant conditional Planning Permission following**  
     **(i) referral to Mayor of London for his direction;**  
     **(ii) finalisation of detailed wording for conditions following consultation with the Mayor; and**  
     **(iii) completion of section 106 Legal Agreement.**

**ii) Grant conditional listed building consent.**

### Applicant:

YC Saville Theatre Limited  
 2 Bentinck Street  
 London  
 W1U 2FA

### Agent:

Montagu Evans  
 70 St Mary Axe  
 London  
 EC3A 8BE

## ANALYSIS INFORMATION

Land use floorspaces				
Use Class	Description	Existing GIA (sqm)	Proposed GIA (sqm)	Difference GIA (sqm)
Sui Generis	Cinema	3,353	0	-3,353
C1	Hotel	0	6,050	+6,050
Sui Generis	Theatre	0	3,694	+3,694
N/A	Ancillary / Plant	228	1,292	+1,063
<b>Total</b>	<b>All uses</b>	<b>3,581</b>	<b>11,036</b>	<b>+7,455</b>

Parking details			
Car Type	Existing spaces	Proposed spaces	Difference
Car - General	0	0	0
Car - Disabled accessible	0	0	0
Cycle Type	Existing spaces	Proposed spaces	Difference
Cycle – hotel long stay	0	14	+13
Cycle – theatre long stay	0	19	+19
Cycle – short stay (all uses)	0	18	+18

## EXECUTIVE SUMMARY

- i) The application site is the grade II listed former Saville Theatre. The building was originally constructed as a theatre, designed by architect T.P. Bennett & Son with a highly significant 40m sculptured frieze along the front facade by Gilbert Bayes depicting 'Drama through the Ages'. Most recently, the site was occupied by Odeon as a four-screen cinema, although the Odeon vacated the site in September 2024 and the building is currently vacant. The site is not located in a conservation area, but it is sandwiched between the Seven Dials Conservation Area and Denmark Street Conservation.
- ii) The proposals would see the loss of the existing cinema facility at the site, and the provision of a new theatre and 220-bedroom hotel. The existing cinema is a popular and well-used facility. However, it is recognised that the existing operator the Odeon has already vacated the site, and even if it were to remain in cinema use, it would be unlikely that the same offering would be provided were another operator to take over the premises. As set out in the policy, exceptionally, it may be practicable for a cultural or leisure facility to be re-provided on site through redevelopment, and if a replacement facility is provided, it should be at the same or better standard than the facility which is lost and accessible to its existing users. The proposals would provide a new high-quality theatre, returning the historic theatre use to the site and the West End, enlivening this 'missing tooth' site within TheatreLand once again. On balance, the proposed loss of the cinema and re-provision of a new theatre is considered acceptable and in accordance with the development plan as a whole.
- iii) Given the significant floorspace uplift proposed, the development is required to make a contribution towards the delivery of self-contained housing. Officers accept that it would not be practicable to provide the housing requirement on site, and therefore that a payment in lieu of the required housing is appropriate. Although the submitted financial viability assessment demonstrates that the submitted scheme could not viably make a contribution towards housing, the applicant has reconfigured the internal layouts of the hotel to create an additional 9 bedrooms



and has agreed to make a contribution of 75% of the full policy requirement which is welcomed.

- iv) The development would deliver a number of heritage benefits to the listed building, notably, the repair and restoration of original significant features such as the frieze and principal elevations; however, the scale of the proposed roof extension is considered to cause harm to the significance of the listed building and nearby heritage assets. The detailed design, materiality and quality of the proposed roof extension would go some way to ameliorate the impact of the height and massing of the roof extension, but the level of harm caused is considered to remain at the upper end of less than substantial. The applicant has demonstrated through their financial viability assessment that the level of uplift of hotel floorspace is the minimum necessary to make the scheme deliverable. The Council's independent auditors came to a contradictory position, finding the proposals to result in a financial deficit, but when asked why they would proceed with a loss-making scheme, the applicant advised that they are choosing to pursue the scheme on the basis of their own expectations, experience, and agreements with the operators rather than the market data, which officers have accepted.
- v) The development would see the significant demolition of the entirety of the building's interior, as well as the deconstruction and rebuilding of the existing rear elevation, and the excavation of additional basement levels in order to provide the new theatre. Although the loss of the remaining internal features would cause some harm to the significance of the building, it is accepted that the remaining historic fabric is fragmentary and the removal of this fabric is necessary to deliver a theatre of the size proposed. It has been suggested by local groups and the Theatre's Trust that a viable theatre could be provided within the original building envelope. In response to this, the applicant has provided details of the exploratory work conducted which demonstrated that due to current building, health and safety and fire standards, the size of the theatre that could be delivered would be much smaller, in the region of 200-300 seats. The applicant's viability assessment also demonstrates that a theatre-only scheme would be loss-making which the Council's independent auditors verified.
- vi) The proposed development would result in some noticeable impacts to the daylight and sunlight levels of surrounding properties, but most would be commensurate with the local context and the nature of Central London as it continues to support growth and effective use of land. However, there are some major adverse impacts, including to three living spaces in 166-170 Shaftesbury Avenue, and more notably to the block at 1a Phoenix Street particularly when the impact from neighbouring 125 Shaftesbury Avenue proposals is cumulatively factored in. With regard to these two properties, the impacts are significant and considered to be in conflict with policy A1 which seek to protect the amenity of communities and neighbours. However, considering the benefits of the scheme (listed in full below), officers consider that on balance the impact on light is acceptable and in compliance with the development plan as a whole.
- vii) Likewise, there would be a notable impact from the cumulative schemes in terms of overshadowing on Phoenix Gardens with less than 50% of the area seeing at least 2hrs of direct sunlight on 21 March, contrary to BRE guidance. However, when looking at the impacts across April to September, it can be seen that the

space achieves BRE compliance with the sunlight levels rising significantly throughout April, May, June, July and August. Considering UK growing seasons, the greatest cumulative impacts would be over winter when many plants are dormant. Nevertheless, there may be impacts on some plants and it is therefore considered necessary to secure a contribution of £50,000 to mitigate these impacts and allow for adaptation and replanting in the gardens to ensure there was not a major adverse impact on the quality of the space and its value as a site important for nature conservation.

- viii) Although the development would deliver a betterment against Part L of the Building Regulations from on-site renewables (be green stage), this would not meet the full policy requirement, and the development would see an increase against Part L at the Be Lean stage, meaning the development would not meet the policy target of an overall reduction of 35%. Nevertheless the applicant has confirmed they will make a policy compliant carbon offset contribution and the development would target BREEAM excellent.
- ix) When considering the impact of a proposed development on the significance of a heritage asset, great weight should be given to the asset's conservation and clear and convincing justification for the harm is required. The applicant has sought to mitigate harm as far as possible, this scheme having evolved from an earlier proposal where the roof extension was higher and the detailed design was a lower quality. However, despite revisions being made, harm has been identified to designated and non-designated heritage assets. The proposed development would cause a high level of less than substantial harm to the application site, the former Saville Theatre, a moderate level of less than substantial harm to the Denmark Street Conservation Area and a minor level of less than substantial harm to the Seven Dials Conservation Area. The proposals would also cause a moderate level of harm to the locally listed Phoenix Gardens. In this respect there is conflict with development plan Policy D2 of the Local Plan and HC1 of the London Plan. Considerable weight must be given to that harm and paragraph 215 of the NPPF requires this harm to be weighed against the public benefits of the proposal.
- x) The public benefits that would be delivered by the scheme are set out in full in the conclusion, but include a number of environmental benefits (repairs and restoration, public realm improvements and delivery of a high theatre); social benefits (a contribution of £4,214,812.00 towards the delivery of affordable housing in the borough and a significant package of employment, training and community benefits), and economic benefits (by drawing in more visitors to this part of the West End and increasing spending in the area). Officers consider it to be a very fine balance between the heritage harm identified and the public benefits delivered, but that ultimately, when taken together, the harms identified would be outweighed by the benefits.
- xi) There was a previously refused application at the site which went to public inquiry in December 2020 (see 'background'); however, the current proposals are considered materially different from that scheme. Although both schemes would result in a high level of less than substantial harm to the heritage asset, the replacement cinema facility proposed as part of that application was not considered an adequate replacement, being significantly diminished in size and

offering, contrary to policy C3. The package of benefits offered was also not considered to outweigh the harm identified. These points have both been satisfactorily addressed by the current application, and the GLA have confirmed their strong support for the reinstated theatre which would respond positively to London Plan cultural and visitor attractions policies.

- xii) Overall, although there would be conflicts with certain parts of the development plan; notably, policies C3, A1, and D2 of the Local Plan, there are a number of public benefits that would be delivered by the proposals, and on balance, the proposals would comply with the development plan as a whole. It is therefore recommended that planning permission be granted.

## OFFICER REPORT

### Reason for Referral to Committee:

Major development involving the provision of more than 1,000 sqm of non-residential floorspace [Clause 3(i)]

Applications which involve the making of an obligation or agreement under Section 106 of the Town and Country Planning Act 1990 or other legislation (“the obligation”) that secures more than £50,000 of financial contributions or other public benefits of estimated equivalent capital value [Clause 3(iv)]

### Referral to the Mayor:

The application would provide a building which is over 30m in height and is therefore referable to the Mayor under the provisions of Category 1C of the Schedule to the Town & Country Planning (Mayor of London) Order 2008. Once Camden has resolved how to determine the application, it is required to refer it back to the Mayor for his decision as to whether to direct refusal; take it over for his own determination; or allow the Council to determine it itself.

## 1. SITE AND BACKGROUND

### *Designations*

1.1 The following are the most relevant designations or constraints:

Designation	Details
Listed Building	Grade II
Archaeological Priority Area	Tier I - Lundenwic
Designated Centres	Central London Area
Business Improvement District	
Article 4	Basements require permission
PTAL (Public transport accessibility)	6b (highest)
Underground development constraints and considerations	- Subterranean (groundwater) flow - Slope stability
CMP Priority Area – Cumulative Impact	South of Euston Road

*Table 1 - Site designations and constraints*

### *Description*

1.2 The application site comprises the former Saville Theatre, a grade II listed building constructed in 1930-1931. It is part-five / part-six storeys in height, covering an area of approximately 1,300sqm. The building forms an ‘island

site', bounded by Shaftesbury Avenue to the south, New Compton Street to the north, St Giles Passage to the east and Stacey Street to the west.

- 1.3 The building was originally a theatre, designed by architect T.P. Bennett & Son, and features a 40m sculptured frieze along the front facade by Gilbert Bayes depicting 'Drama through the Ages'. Most recently, the site was occupied by Odeon as a four-screen cinema, although the Odeon vacated the site in September 2024 and the building is currently vacant.



*Figure 1 – The existing site*

- 1.4 The site was first listed as grade II in July 1998, but the list entry was recently updated and enhanced in May 2023 after a request was submitted by the Planning Authority prior to a Public Inquiry in 2020. The site is not located within a conservation area, but is sandwiched between the Seven Dials Conservation Area (covering the southern side of Shaftesbury Avenue) and the Denmark Street Conservation Area (covering the northern side of New Compton Street). The site is also listed within a Tier I Archaeological Priority Area (Lundenwic).

- 1.5 The main entrance to the building is located on Shaftsbury Avenue, although there is also secondary access onto Stacey Street. The rear of the building facing New Compton Street is much quieter and has a back of house, utilitarian feel, it is predominantly used for servicing. The existing open spaces of Phoenix Community Garden and St Giles in the Fields are located to the rear of the site and are accessed via entrances from St Giles Passage and New Compton Street. Phoenix Gardens is designated as a Local Plan public open space and a local Site of Importance for Nature Conservation (SINC). They are also Locally Listed.
- 1.6 The site is located within the Central London Area's Central Activities Zone, and is just within the southern boundary of the Tottenham Court Road Opportunity Area. The surrounding area is predominantly mixed in nature, with a range of ground floor retail units and upper floor flats and offices. The site also sits within the heart of the London's theatre district, surrounded by a number of world-famous theatres, including the Phoenix Theatre, Palace Theatre, the Ambassadors Theatre, and the Cambridge Theatre.
- 1.7 The application site sits lower than its neighbours, with 151 Shaftesbury Avenue on the opposite site of St Giles Passage at nine storeys in height (with approval recently recommended for an additional storey – see planning history), and 125 Shaftesbury Avenue on the opposite side of Stacey Street rising to 10 storeys (an application also on this committee agenda seeks to extend that building adding a further 2 storeys and increasing its massing over the 6<sup>th</sup> to 10<sup>th</sup> floor levels).
- 1.8 The site is 0.2 miles from Tottenham Court Road, Leicester Square and Covent Garden Underground stations, with a PTAL rating of 6b, (the highest achievable). The site is located centrally in London's West End, with St Giles Street to the north, Soho to the west, Leicester Square and Covent Garden to the south and Holborn to the east.

## **2. BACKGROUND**

- 2.1 A previous application for planning permission and listed building consent was submitted in 2017 (references 2017/7051/P and 2018/0037/L) for the following works:
- 2.2 The comprehensive refurbishment of the existing Grade II listed building and the provision of a new two / three storey roof extension and new basement level, providing a new four-screen cinema (Class D2) and spa (sui generis) at basement levels, a restaurant/bar (Class A3/A4) at ground floor level, a 94-bed hotel (Class C1) at part ground and first to sixth floors and associated terrace and bar (Class A4) at roof level, together with associated public realm and highways improvements.

- 2.3 A visual of the proposed roof extension can be seen in Figure 2. The proposals involved the demolition of the existing internal structures within the building, the retention of the existing facades, and the excavation of one new basement level. The proposed development involved the creation of a ten storey building, comprising three basement levels, five levels behind the retained façade, and a two / three storey roof extension with a smaller setback plant room/lift overrun storey at rooftop level with a bar and terrace area. The proposed roof extension was largely glazed, with the massing broken into separate elements of either clear or fritted glazing. The building was predominantly proposed to be used as a hotel, with a new four screen, 260 seat cinema at basement level one, and a restaurant and bar and spa at ground floor.



*Figure 2: Proposed front elevation of application refs. 2017/7051/P and 2018/0037/L*

- 2.4 The applications were refused on 5 July 2019 for 14 reasons. Reasons 1 and 2 are of most relevance to the current proposals:
1. The proposed rooftop extension, by reason of the proposed height, mass, detailed design and materials would compromise the form, architectural character and historic interest of the host listed building, and in combination with the change of its main use to a hotel, would result in less than substantial harm to the significance of the host listed building and nearby surrounding Seven Dials and Denmark Street Conservation Areas, contrary to policy D1 (Design) and D2 (Heritage) of the Camden Local Plan 2017.
  2. The applicant has failed to demonstrate that the proposed development would ensure the provision of the maximum reasonable amount of replacement cultural or leisure facilities within the scheme



contrary to Policy C3 (Cultural and leisure facilities) and Policy D2 (Heritage) of the Camden Local Plan 2017.

- 2.5 Officers considered that whilst a roof extension of such a form and height could be incorporated without causing a high level of less than substantial harm to the listed building if sympathetically executed, the development did not achieve that and did not deliver sufficient public benefits that outweighed the harm caused. As proposed, taking account of the design and form, the roof extension was considered too large for the site, with the height and bulk detracting from the host building and weakening its strong architectural form. The use of glazing was also considered inappropriate and incongruous against the original building.
- 2.6 The proposed re-provision of cultural or leisure floorspace was considered insufficient to meet the requirements of policy C3 as the applicant had not sufficiently demonstrated that there was no longer a demand for the existing facility.
- 2.7 The applicant appealed the Council's refusal of the application, and a Public Inquiry was held in December 2020. The inspector dismissed the appeal on 10<sup>th</sup> March 2021.
- 2.8 In his decision, the Inspector concluded that the building's historic interest, its use past and present, and its surviving external and internal architectural features make a substantial contribution to the special interest and significance of the listed building. In his view, *'the height, mass, form and choice of materials in this proposal would compete with, rather than complement, the listed building. The extension would be overly dominant and detract from the existing form and composition. It would not be sympathetically executed. Thus, it would result in less than substantial but nevertheless significant harm to the listed building'*. The proposals were also considered to cause minor less than substantial harm to the Seven Dials Conservation Area and moderate less than substantial harm to the Denmark Street Conservation Area.
- 2.9 The proposed change of use was also considered harmful. The existing listed building has always had a single use related to culture, performance and leisure that has occupied and maximised the full extent of the building, which is reinforced by the drama of the external frieze. Hotel rooms, bars and a restaurant were proposed to occupy and dominate much of the building, impacting how the listed building would be experienced. Connected to this change of use is the effect on existing internal fabric and spaces. In his report, the Inspector noted that *'the proposal would result in the loss of surviving historic fabric, including the corner and rear stairwells, the back of house/office rooms, and the fly grid. The stage house volume that can still be appreciated from the auditoria of two of the current cinema screens would be lost by the insertion of several hotel room floors. All of these elements tell*

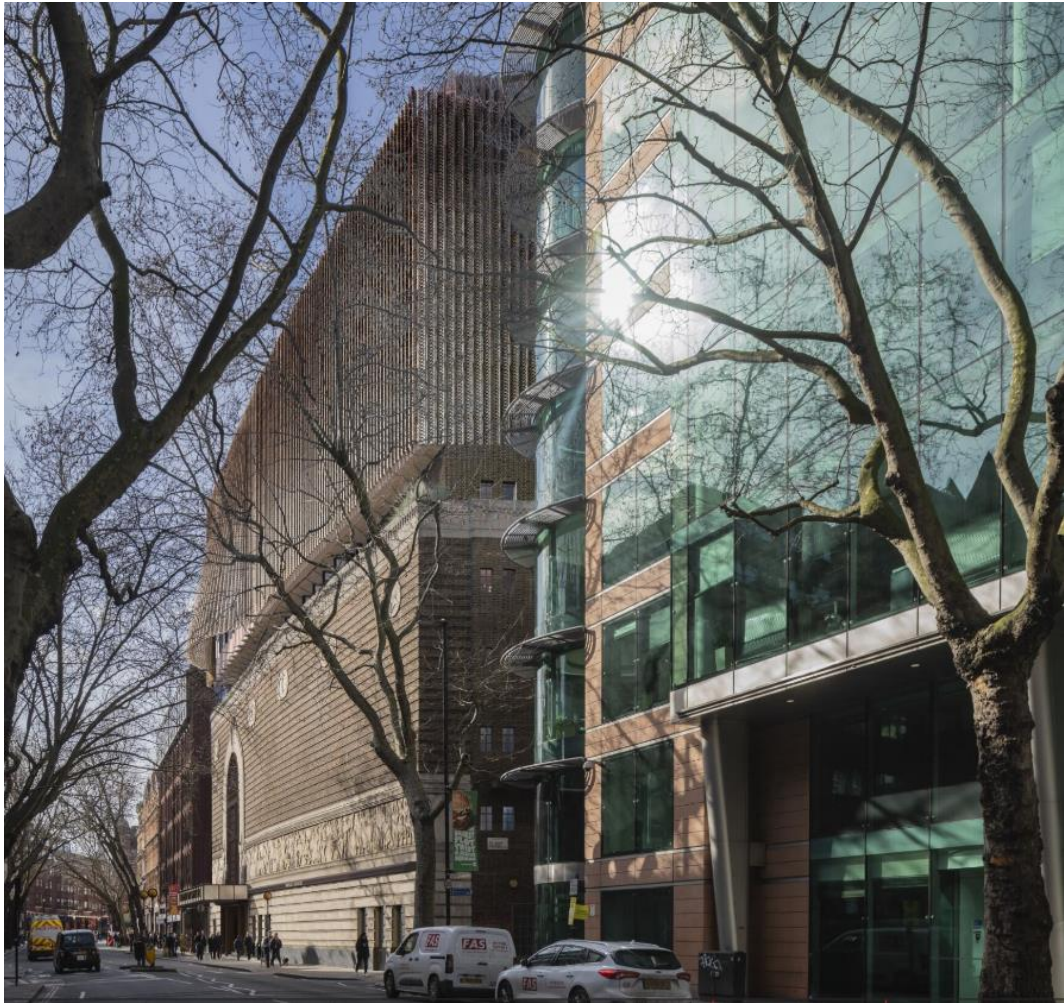


*the story of the listed building and allow one to appreciate its use as a theatre and then a cinema’.*

- 2.10 The change of use of the listed building and the associated loss of internal fabric and spaces was therefore considered to result in less than substantial harm, and *‘the harm would be considerable given the fundamental change from a single cinema/theatre use across the building to a mixed use scheme where hotel and restaurant dominate, and the loss of important surviving features. The ability to understand the significance of the building would be very much reduced due to the extent of changes’.*
- 2.11 Reason for refusal 2 was also upheld, with the Inspector concluding that the proposal would *‘result in the loss of an existing cultural and leisure facility with insufficient evidence to support its loss or justify the re-provision of a replacement facility. The change of use would also be harmful in terms of the listed building. Thus, the proposal would have a negative effect on the provision of cultural and leisure facilities and so would conflict with CLP Policies C3 and D2 and LP2021 Policies HC5 and HC6’.*
- 2.12 In his overall heritage and planning balance, the Inspector concluded that the benefits delivered would be insufficient to outweigh the conflict with the development plan and that there were no other material considerations that indicate that planning permission should be granted. The full appeal decision is included at Appendix A.

### **3. THE PROPOSAL**

- 3.1 The proposed development is for the part demolition and part retention and refurbishment of the existing grade II listed building. The proposals include the erection of a five-storey extension plus setback plant area at roof level and the excavation of two additional basement levels. The front and side elevations would be retained, repaired and stabilised, including restoration of the architecturally significant frieze on the front facade, and the rear elevation and interiors of the existing building would be demolished. A visualisation of the proposals is shown in figure 3.
- 3.2 The proposals include the change of use from the existing cinema use (Sui Generis) to provide 6,050sqm of new hotel use (use class C1) from first floor to ninth floor level and 3,694sqm of theatre space (Sui Generis) within the basement. The theatre would be occupied by Cirque du Soleil and would provide their first permanent UK home.
- 3.3 New ancillary retail, restaurant and drinking establishment use would be provided at ground floor level associated with the proposed theatre. The proposals provide 1,292sqm of ancillary floorspace including servicing facilities, plant and cycle parking. The proposals would provide a total floorspace uplift of 7,455sqm.



*Figure 3: Visual of proposed development*

### **Revisions**

3.4 The application was revised during the course of the application to make a number of changes to the height and design of the proposed roof extension and to increase the depth of the proposed basement. A comparison of the originally submitted scheme and the revised proposals can be seen in figure 4. The revisions included the following:

- The proposed roof extension was reduced in height by 5.8m from the submitted scheme.
- The uppermost plant storey was reduced in size and set further back.
- The breadth of the roof extension was slightly increased to sit on the same plane as the existing building, with an inset fifth floor.
- The detailed design and materiality of the proposed roof extension was changed and simplified, with an outer skin of vertical fins consisting of woven brick masonry and pleated glazed curtain walling to the set back upper floors and the inset fifth floor.
- The external walls to the historic fly tower on the northern corner are now to be retained.

- A reduction in the extent of demolition proposed to the rear elevation to allow for construction (with an intention to reduce this further if possible during construction).
- An increase in the depth of the proposed basement, increasing from 17.4m to 21.8m.
- Additional openings have been created onto the Shaftesbury Avenue elevation by opening up historic doorways.
- The revised roof extension was further amended to remove a projecting element over the northern corner to pull it in line with the existing St Giles Passage façade.

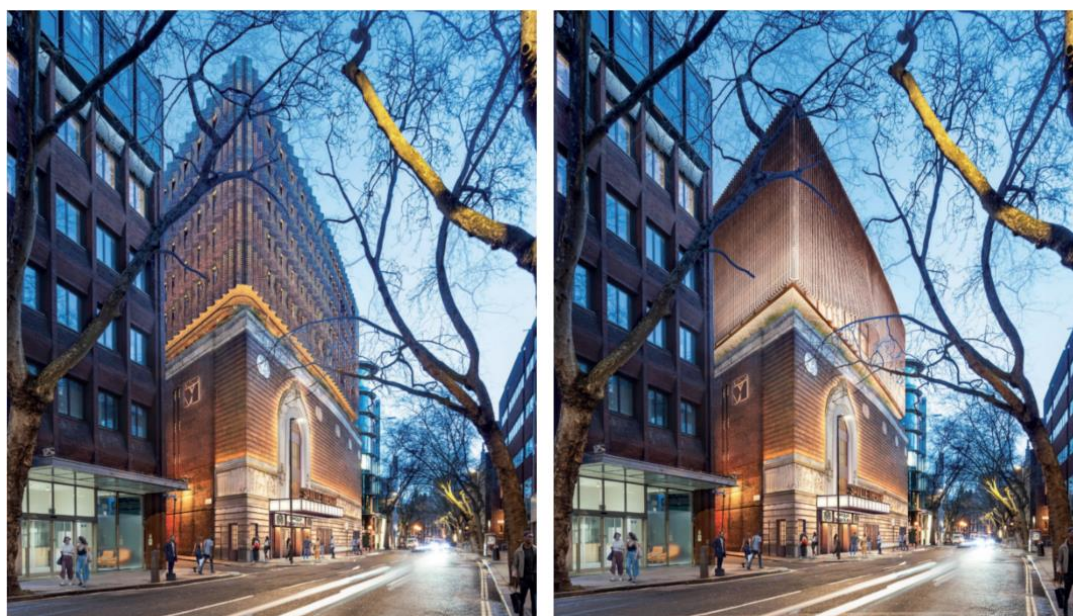


Figure 4: Originally submitted proposals (left) and revised proposals (right)

## 4. RELEVANT HISTORY

### *The site*

- 4.1 **2017/7051/P & 2018/0037/L** – The comprehensive refurbishment of the existing Grade II listed building and the provision of a new two storey roof extension and new basement level, providing a new four-screen cinema (Class D2) and spa (sui generis) at basement levels, a restaurant/bar (Class A3/A4) at ground floor level, a 94-bed hotel (Class C1) at part ground and first to sixth floors and associated terrace and bar (Class A4) at roof level, together with associated public realm and highways improvements. **Refused 05/07/2019 and appeal dismissed 10/03/2021.**
- 4.2 **LSX0005257:** Alterations to form four screen cinema. **Granted 20/02/2001.**
- 4.3 **LS9904804:** Internal alterations for refurbishment, including creation of new partitions and alterations to internal surfaces of walls including the provision of acoustic fabric to auditoria wall. **Granted 26/10/1999.**

- 4.4 **9157:** The alteration to the elevations of Saville Theatre, 135 Shaftesbury Avenue, Camden, in connection with use as twin cinemas. **Granted 07/10/1970.**

***The area***

125 Shaftesbury Avenue

- 4.5 **2016/5202/P** - Permission granted on 22/05/2018 for “Remodelling, refurbishment and extension of existing office building (Class B1) at upper floor levels, roof level and within lightwells to provide 9,682sqm additional floorspace, including terraces, a new public route, a relocated office entrance (Charing Cross Road), rooftop plant and flexible retail uses (Classes A1/A3), along with associated highway, landscaping and public realm improvements”. **This permission was not implemented and has now expired.**

- 4.6 **2024/5408/P** – Remodelling, refurbishment and extension of the existing building to provide Use Class E commercial and retail space, amenity terraces, a new public route, relocated entrances, cycle parking, servicing and rooftop plant along with associated highway, landscaping and public realm improvements and other associated works. **The application is pending, it has been recommended for approval by officers and is Item 3 on this committee agenda.**

151 Shaftesbury Avenue

- 4.7 **2024/2450/P** - Refurbishment of existing building; demolition of existing rooftop plant level and replacement with two new setback floors at levels 8-9 (Class E(g)(i)); partial infill extensions to rear of building at levels 5-8; partial change of use at ground and lower ground floor level for use as either bar/drinking establishment (Sui Generis) and/or Commercial, Business & Service uses (Class E); retention of existing Commercial, Business & Service (Class E) floorspace elsewhere in the building; replacement of existing facades and provision of cycle parking and associated end of trip facilities at lower ground floor level. **Recommended for approval at Planning Committee on 27<sup>th</sup> February 2025, pending completion of S106 legal agreement.**

**5. CONSULTATION**

- 5.1 Consultation responses to the initially submitted scheme, prior to the submission of revised proposals.



## ***Statutory consultees***

### Greater London Authority (GLA)

5.2 The GLA provided their Stage 1 Response, advising that the application does not comply with the London Plan. Response summarised as follows (full report provided at Appendix B):

- Land use principles: London Plan policies support the principle of a theatre use at this West End site, within a historic theatre building. The proposed hotel use would also support the strategic functions of the Central Activities Zone.
- Urban design: The scale and form of the proposed upwards extension raises serious concerns. GLA Officers consider that it fails to respect or relate well to the scale and character of the existing building and would dominate the local townscape and street scene to an inappropriate extent.
- Heritage: GLA Officers have identified a high degree of less than substantial direct harm to the listed building, as well as less than substantial harm (in the low to middle end of the range) to the setting of adjacent conservation areas and listed buildings.
- Climate change and sustainable development: Improvements to the energy strategy are required, including the carbon savings achieved on site. Further work is also required to the Circular Economy Statement and Whole Life Cycle Carbon Assessment.
- Other issues relating to Transport also require resolution prior to the Mayor's decision making stage.

#### *Officer response*

- Officers agree with the GLA's comments.

5.3 An updated Stage 1 response was provided in response to the revised submission, summarised as follows (full report provided at Appendix C):

#### *Urban design*

- The proposal would provide an improved interface to Shaftesbury Avenue with reintroduced openings providing access to the theatre foyer, box office, and theatre bar.
- The height of the upward extension has been reduced by 8.36 metres from the submitted scheme which is welcomed.
- The elevation fronting Phoenix Gardens represents an improvement to the design. GLA officers query the effectiveness of the swellings in the facades as they risk competing with rather than complementing existing building features.

#### *Officer response*

- Officers agree with the GLA's comments. The proposals were further revised to remove the larger of the two proposed façade swellings that projected beyond the existing building line over St Giles Passage to bring it back in line with the original façade. Officers consider this was a positive change, reducing the visual prominence of the extension, particularly when viewed from Mercer Street. Please see heritage and design section for full assessment.

#### *Heritage*

- GLA Officers still identify a high degree of less than substantial direct harm to the listed building, as well as less than substantial harm (in the low to middle end of the range) to the setting of adjacent conservation areas and listed buildings, although this harm has been reduced slightly by the revisions.
- The reprovision of a theatre is recognised as a public benefit, but is not considered a heritage benefit. It is recognised that the repair works to the Listed Building are an important, and costly, heritage benefit.
- The heritage benefits and public benefits could potentially outweigh the reduced level of harm identified. GLA Officers will undertake a full assessment of the heritage balance at Stage 2.

#### *Officer response*

- Officers agree and also identify a high degree of less than substantial harm to the listed building, a minor level of less than substantial harm to the setting of the Seven Dials Conservation Area, and a moderate level of less than substantial harm to the setting of the Denmark Street Conservation Area. Officers consider that the heritage and public benefits do outweigh the level of harm identified. The Council's full assessment is set out in the design and heritage section and the overall conclusion and planning balance.

#### *Other issues*

- Other issues relating to transport, sustainable development, and environment require resolution prior to the Mayor's decision making stage. The GLA officer confirmed these could be resolved post-determination by the Local Planning Authority.

#### *Officer response*

- Officers are satisfied that the proposals are acceptable in Transport terms, subject to the conditions and S106 obligations set out in the Transport section of this report.
- Officer's agree that the development's energy and sustainability performance requires improvement and therefore conditions and

S106 obligations are recommended requiring further feasibility work to improve the targets obtained.

#### Historic England

#### 5.4 Objection to the original submission covering the following issues:

##### *Heritage*

- This scheme would seriously damage the architectural and historic integrity of the listed building, through the scale of the upward hotel extension, its dominance of the host building, the loss of all remaining internal features and the rebuilding of the rear elevation.
- The extension would radically and harmfully change the clear and considered geometry of the building. It would be overbearing and seriously diminish the clarity and strength of the existing building.
- The heritage benefits presented as part of the scheme are not clearly linked to this proposal, and the lack of a true restoration of an auditorium within the historic building volume limits the heritage value of a return to theatre use.
- The scheme would cause a high level of harm to the listed building which would be of a rare and serious nature. The harm would be at the very top of the range of less-than-substantial in the terminology of the NPPF. The heritage benefits presented would be relatively modest in scope and do not seem likely to be reliant on this scheme; they do little to mitigate the overall effect on significance.
- The harm to the listed building would cause some associated harm to the adjacent Seven Dials and Denmark Street Conservation Areas.
- Authorisation for the Local Planning Authority to approve the applications as seen fit was **not** issued.

##### *Officer response:*

- Officers agreed with the assessment of harm, and when first submitted, the benefits delivered by the scheme were not considered sufficient to outweigh the harm caused to the heritage assets.
- Officers also initially raised concerns regarding the location of the proposed theatre within a new basement, with the preference being the reinstatement of a theatre within the original building envelope. Officers considered that there could potentially be other less harmful schemes which could be delivered.

#### 5.5 Objection to the revised proposals reiterating many of the original concerns:

##### *Heritage*

- The changes made have not markedly reduced the harm the scheme would cause to the listed building. Objection is maintained to the application, which would cause a high level of harm to the listed building.

- The detailed design changes to the scheme have altered the façade treatment and added projections in two areas. The main façade treatment, though simpler, does not manage to reduce the harmful sense of scale, and in the case of the projections and to an extent the expression of the soffit, adds further distracting elements.
- Though elements such as the retention of the fly tower outward expression make some attempt to maintain more of the authenticity of the building, this attempt is seriously undermined by the still-overwhelming scale of the upward extension.
- Harm could only be meaningfully reduced if the extension were further and substantively reduced in scale, so that it was truly subservient to the listed building, and the scheme reworked further to better respond to the historic structure.
- Agree that works to conserve the listed building and reinstate some lost or degraded features would create some heritage benefits, but consider they would be modest.
- The extensive and permanent harm which would be caused by this scheme would be greater than the scheme refused by Camden in 2019. Recommend that the applications are refused.
- Authorisation for the Local Planning Authority to approve the applications as seen fit **was** issued

#### *Officer response*

- Officers agree with the assessment of harm arising from the revised proposals and also identified a high degree of less than substantial harm to the listed building, a minor level of less than substantial harm to the setting of the Seven Dials Conservation Area, and a moderate level of less than substantial harm to the setting of the Denmark Street Conservation Area. However, officers consider the level of harm to be slightly reduced compared to the original submission, and that the detailed design and architectural quality goes some way to ameliorate the impact of the massing.
- Officers agree that the proposed projections within the façade of the roof extension could potentially distract from the original building and therefore requested the applicant removed the larger of the two proposed façade swellings that projected beyond the existing building line over St Giles Passage. This was considered a positive change, reducing the visual prominence of the extension, particularly when viewed from Mercer Street.
- Officers agree that the harm caused by the proposed development would be greater than that of the previously refused application in 2019. However, officers consider that the heritage benefits and wider public benefits delivered by the current development including a significantly improved cultural offering of a high quality c.600 seat theatre with an identified, established operator, rather than a small



260 seat cinema, do outweigh the harm identified. Please see the design and heritage section for full assessment. The full planning balance is provided within the conclusion section.

Greater London Archaeological Advisory Service (GLAAS)

5.6 Comments received, and condition recommended if planning permission is granted.

- The existing double basement will have removed any archaeological remains from within the site footprint. No further archaeological works are required.
- The proposals will impact the grade II listed former Saville Theatre. The significance of the internal structure appears to have been somewhat diminished as a result of various phases of alterations. If the borough is minded to grant consent, then a programme of Level 2 Historic Building Recording should be carried out both prior to and during the works in order to record any currently hidden surviving elements of the historic structure.

*Officer response*

- The Historic Building Recording is secured by condition 3.

Theatres Trust

5.7 In response to the original submission, the Theatre's Trust were supportive of a return of theatre use but considered a re-design to be necessary to provide a better balance of uses and reduce heritage harm. Their comments covered the following issues:

*Land use / Theatre design*

- This building is important, not just for its historic interest but because it represents a rare opportunity to deliver additional larger-scale theatre within London's West End for which there is demonstrable need and interest. On that basis we welcome that this scheme would provide a new theatre intended as a permanent London base for Cirque du Soleil, a major international producer and entertainment company.
- The ancillary bar/restaurant offer is understood to be within the lease of the theatre operator. This should be conditioned to ensure the theatre retains sufficient street presence and front of house space to remain viable.
- It will be important to safeguard the theatre space and its ability to accommodate other operators should they withdraw prior to development or at a subsequent time by ensuring sufficient flexibility of design. The delivery of the theatre space prior to occupation of the hotel should also be secured.

- The indicative capacity is around 400. We understand from engagement with theatre operators at the time of the previous appeal that higher audience capacities of up to around 1,000 within a less harmful scheme in heritage terms would be realistic and viable.
- Concerns that the back of house support provision appears limited. The proposed soft spot for a potential future get-in lift for alternative theatre layouts is located in a zone currently indicated as a substation making any future lift installation highly unlikely.
- Assuming the concerns raised are satisfactorily addressed, on balance, we can support re-location/re-provision of theatre space elsewhere within the building as the benefits of a new theatre in the West End and restoring this building's original function can mitigate the harm of loss of remaining features and plan form.

#### *Officer response*

- It would not be possible for the Council to control the lease of the ground floor bar / restaurant, and such a condition would be unlikely to meet the required tests set out in the NPPF. Nevertheless, the applicant has provided additional details of the leasing arrangement which seeks to ensure the operations of the theatre and restaurant are mutually supportive and commercially viable. The lease includes a 'stand and fall together' provision to ensure the bar and restaurant remains integrally connected to the theatre if a new operator takes over. By ensuring the bar space is always tied to the theatre operator the intention is to safeguard against the risk of the ground floor being misaligned with the theatre's needs.
- The applicant has demonstrated that the proposed theatre space can accommodate flexibility to provide for a number of alternative theatre layouts, should the space be used by a different operator with different requirements in the future. Officers propose a condition requiring the theatre space to be finished to Practical Completion prior to occupation of the hotel to ensure the theatre is delivered (condition 33).
- The applicant's design team have designed the theatre space showing a maximum capacity of 622 seats. The layout has been designed with the assistance of theatre experts Charcoalblue, and the input of the proposed future operator Cirque du Soleil.
- The proposed soft-spot is not located adjacent to the proposed substation in the latest proposals.
- Officers consider that the concerns raised have been addressed through the revisions to the proposals and the submission of additional information.
- Please see land use section for full assessment.

### *Heritage*

- The scheme proposes a much greater extension than the previous appeal scheme. The balance of uses is just over 40% for theatre and 60% for hotel. There is an imbalance of uses and the hotel dominates. This could be mitigated by heritage and public benefits generated by the scheme. However, the significant development costs generated through the excavation of additional basement levels are resulting in the need for greater height to make the development viable.
- We suggest that a scheme reduced in height and possibly without basement extension, potentially involving an alternative hotel operator who could viably work with fewer bedrooms, could continue to offer the same public and heritage benefits as this scheme whilst addressing our concerns as well as those issues which saw the previous scheme fail.
- Alternatively, more of the existing volume could be utilised for the theatre, with more modest extension given over to hotel use or other enabling uses if required. There appears to be no appraisal of alternative options.

### *Officer response:*

- The current proposals provide a significantly greater proportion of cultural use than the previously refused scheme which proposed a small, four screen, 260 seat cinema on one floor, which roughly equated to less than 11% of the total building floorspace in that scheme.
- The viability assessment submitted with the application explored different scenarios including sole theatre use within the existing building and found that it would be a loss-making development. The assessment also assessed the level of hotel floorspace required to make the development viable, with and without the proposed basement development (i.e. the theatre proposed within the existing building footprint vs. in a deeper basement as proposed) and found that providing a theatre within the existing building with no basement excavation would require 14 storeys (302 bedrooms) of hotel floorspace to make the scheme viable. Please see the land use section and viability sections for a full assessment of this point.

5.8 In response to the revised proposals, the Theatres Trust submitted an objection to the proposals covering the following:

### *Land use / theatre design*

- The proposed theatre is heavily constrained by its relocation into subterranean levels and would not be able to deliver the audience capacity promoted.
- The vision of the draft site allocations has not been realised by the proposals due to the addition of other land uses.

- The Trust welcome that the delivery of a theatre has always been the primary cultural objective of the applicant. The scheme is envisaged as a permanent London base for Cirque du Soleil who are a renowned international national producer. This would provide a distinct offer which would add to the diversity of provision and further enhance London's cultural and visitor offer. However, unless they were to be fully secured as the occupant of the theatre, very little weight should be placed on the potential benefits of their offer.
- Relocating the theatre into the basement is not considered the optimum outcome because it introduces constraints which reduce achievable capacities and add operational challenges.
- It is vital that the ground floor front of house space remains within the ultimate control of the theatre operator for their financial and operational sustainability and viability.
- Some elements of this proposal are sub-optimal and require compromise. Overall, however, we consider that the applicant has demonstrated the space can work as a theatre.
- The applicant's suggested capacity of 600 seats is questioned.
- Although constrained and compromised by its subterranean position, it has nonetheless been demonstrated that it could constitute a viable proposition. In isolation, the Trust could support provision if it had come forward as part of a new-build scheme or a new site without current cultural use. However, it must be emphasised that the maximum capacity is low by West End standards.
- Should the council be minded to grant planning permission there is a need for robust planning conditions and/or legal agreements to protect delivery and ongoing future provision and sustainability of the theatre into the future.

#### *Officer response*

- The applicant has worked with theatre experts Charcoalblue and Cirque du Soleil to design the proposed theatre layout and confirmed that the layout as submitted shows a maximum capacity of 622 seats. The applicant submitted a response letter to the Trust's objection reconfirming the proposed capacity of 622 seats and confirming all means of fire escapes, fresh air ventilation and other supporting infrastructure have been designed to this capacity.
- The draft site allocations have limited weight in decision making at this stage, but officers consider the proposals to largely meet the aspirations set out in the allocation. See section 8 on land use for more details.
- It is welcomed that Cirque du Soleil are the proposed theatre operator and have signed into a 20 year lease, as they would be a positive addition to the borough, but the acceptability of the proposals is not dependent on Cirque du Soleil being the ultimate operator. The

proposed theatre has been designed to provide flexibility and could provide for a number of different operators, and officers would expect the cultural and community obligations secured by s106 legal agreement, or comparable alternatives, to be delivered by the ultimate operator whether that's Cirque du Soleil or another.

- See response above regarding control of the ground floor restaurant operation.
- Condition 33 secures the Practical Completion of the theatre prior to occupation of the hotel, and a Theatre Marketing Strategy shall be secured by S106 legal agreement to require the applicant to submit a marketing strategy to the Council for their input should the theatre become vacant.
- Please see land use section for full assessment.

#### *Design / Heritage*

- The application has failed to overcome the main reasons for dismissal of the previous application.
- The optimum viable use of the building is a large-scale theatre. The Trust has confidence there are established operators who could viably deliver this thereby avoiding the additional development and harm from this proposal. This casts doubt on the applicant's assertion that 100% theatre use would not be viable.
- The Trust considers there is a high level of less than substantial harm with insufficient public benefit to justify that harm and no proper assessment of alternative options.
- The scale and massing of additional development diminishes the significance of the cultural use and function of the building.
- The hotel is not an enabling use because there are other reasonable alternative means of delivering or designing the scheme with less or no harm.
- The hotel still dominates the building (approx. 55%) and therefore conflicts with previous Inquiry decision that much significance derives from a single use related to cultural function.

#### *Officer response*

- Officers agree that the proposals would result in a high level of less than substantial harm to the heritage asset, as was the case in the previously refused application. However, in this case, the cultural offering is considered significantly improved and the heritage and public benefits are greater in this scheme, meaning that overall, the benefits delivered are sufficient to outweigh the harm caused.
- The application is not promoted on the basis of being the optimum viable use, and there is not a policy requirement for any proposals involving a listed building to provide the optimum viable use. Officers must consider the proposals in front of them instead of hypothetical

alternatives and for the reasons outlined in this report, the proposed development is considered to comply with the development plan on balance.

- It would be officers' preference for the building to remain in a single cultural / theatre use; however, the viability information presented is accepted as demonstrating that this would not be a viable development.
- Please see land use, design and heritage and conclusion sections for full assessment.

#### Twentieth Century Society

5.9 Objection covering the following issues submitted to the original proposals:

- The building is listed partly on account of its architectural interest, recognising "the quality of the architectural composition, its restrained and carefully proportioned form specially designed to integrate the purpose-designed sculptural work by Gilbert Bayes". The addition of 6 storeys to the roof would drastically change its proportions and appearance with seriously detrimental impact.
- The extension would in no way respond to the restrained materiality and character. It would be visually disruptive and take away from the quality of the listed building and its integrated artwork.
- It is effectively a façade retention scheme as everything but the key elevations would be removed. Although the interiors have gone through major changes, any surviving fabric would be completely and irreversibly lost.
- No objection to the principle of converting the former theatre to a hotel and theatre but the proposed approach is entirely unacceptable.
- The society considers the proposals to amount to substantial harm to the building's significance. We believe the harm would not be mitigated by the handful of heritage benefits. These positive outcomes could be achieved through a much more conservation-led scheme.

#### *Officer response*

- Officers consider the proposals to result in a high level of less than substantial harm to the significance of the heritage asset. The revised proposals are considered an improvement on the original submission, and the new design, architectural treatment and reduction in height go some way to ameliorate the harm from the height and bulk of the roof extension, resulting in a slight reduction in the level of harm identified. Nevertheless, it is still considered to be a high level of less than substantial harm. However, on balance, the proposed heritage and public benefits offered by the development are now considered sufficient to outweigh the level of harm identified. Please see design and heritage and conclusion sections for full assessment.

#### City of Westminster

- 5.10 The City Council did not wish to comment on the proposals.

#### Thames Water

- 5.11 Conditions and informatives suggested should planning permission be granted (conditions 11 and 31).

#### Transport for London (TfL) Crossrail 2 Safeguarding

- 5.12 The application relates to land outside the limits of land subject to consultation by the Crossrail 2 Safeguarding Direction. No comments.

#### ***Local groups***

##### Covent Garden Community Association (CGCA)

- 5.13 Objection covering the following issues submitted in response to the original submission:

##### *Land use / theatre provision*

- There are two viable and attractive options that would not cause such harm and should be considered instead – reinstatement as a theatre using the original, existing back of house fabric. Or continuation as a mainstream cinema.
- A full feasibility study for theatre use was undertaken in 2020 by Charcoal Blue, a leading theatre consultancy which concludes that the building can be reconfigured to accommodate all modern requirements with a 1,000 seat theatre using the same roof line. At the planning appeal a number of theatre operators and investors told us of their interest in returning the building to its original use. Nine of these gave written evidence of their position.
- The Odeon Covent Garden is one of their most successful sites in the UK and they would be happy to continue to operate here. They have been prevented from upgrading the building in recent years by the actions of freeholders who have not granted the new lease that would make investment viable.
- Another local, low admission price cinema would enable the site to continue to offer a much-needed service to the community whilst also preserving the building for future generations.
- Cirque du Soleil has some reputation in the industry for backing out of venues, so a firm lease contract should in any case be shown before this aspect of the scheme is given any serious consideration.

##### *Officer response*

- It would also be officers' preference for theatre to be reinstated as the single use within the existing building; however, officers must consider the proposals before them. The viability assessment submitted with the application explored different scenarios including sole theatre use

within the existing building and found that it would be a loss-making development. Please see the land use section and viability sections for a full assessment of this point.

- The Odeon have vacated the building since the application was originally submitted and the building is now vacant.
- A signed agreement for lease between the applicant and Cirque du Soleil has been provided for officers' information, confirming the lease arrangements subject to the grant of a satisfactory planning permission.
- Please see land use section for full assessment.

#### *Design / Heritage*

- The loss of the primary cultural use causes harm to the character of the building. It would no longer primarily be a place of entertainment, but another mid-range modern hotel with a small expensive dinner theatre in the basement. It would lose all the internal theatre features that it still has.
- The proposals would destroy the carefully proportioned form of the existing building. The height and mass would wreak havoc with the high-quality architectural composition. And it would destroy the specific design that the list entry notes as made to integrate the sculptural work by Bayes, diminishing the sculpture's prominence.
- The previous appeal scheme was described by the inspector as "overly dominant" and that it would "detract from the existing form and composition". An increase of 22m would be even more impactful.
- Impact on conservation areas – The site is clearly seen from the famous Sundial pillar from Seven Dials. Views from this key point would be severely compromised by the tall building. The proposal would also dominate the skyline and harm views from St Giles Church, causing harm to the Denmark Street Conservation Area.

#### *Officer response*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. This level of harm is consistent with that identified by Historic England and the GLA. The revised proposals are considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level



of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

- The proposals were further revised to remove the proposed swelling of the roof extension façade over the St Giles Passage elevation to reduce the impact on views from Mercer Street and Seven Dials.

#### *Harm to local amenity*

- The proposals would remove the building's value as a local cinema. Instead of an affordable outing for local people, there would be an expensive circus dinner offering, aimed at tourists in a relatively small sub-basement. This is something that local people are unlikely to use, if at all.
- Cirque du Soleil's similar cabaret-style dinner shows in other cities are expensive, with ticket prices starting at £95.
- Loss of privacy and night time light pollution in homes. There are five family homes with their living room windows less than 14 metres away from the site. To the quiet north of the site there are 134 flats across 10 nearby buildings.
- The nearest homes currently look onto back of house windows and a blank wall so there is minimal overlooking or loss of privacy, and no light at night. The development would add additional windows serving hotel bedrooms and 6 floors of new larger windows overlooking the flats. Privacy would be non-existent.
- There would be 24/7 illumination from several floors of bedrooms in the evenings and all night.
- It is not clear if terraces at 5<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> floor levels are accessible for guest or staff use. If so, they would cause privacy and noise concerns.
- Loss of daylight to homes – the daylight report downplays some serious results.
- Loss of sunlight to communal garden and children's playground – these provide important amenity spaces for local families, none of whom have private gardens. We believe these spaces will lose an immense amount of their existing sunlight, even if they still get two hours of it.
- All of Phoenix Garden's social space would become shaded. This level of shade would allow very few varieties of plants to grow, contrary to policy A3 of the Local Plan and policy G6 of the London Plan.
- Nuisance from servicing – hotel and restaurant servicing would be significantly more disruptive than the existing cinema. There would be up to 5 hours of servicing and deliveries per day, carried out on the

quiet New Compton Street. This will have serious impact on Phoenix Gardens and nearby residents. The loss of residents' parking bays for this purpose will be difficult for families and older residents that rely on a car.

- Distress and health impact caused by construction works.

#### *Officer response*

- Officers acknowledge that the loss of the existing affordable cinema facility would impact existing users of that facility, however, given the previous operator the Odeon has already vacated the site and the proposals would provide a new high quality theatre in its place, returning the historic theatre use to the site and the West End, the proposed loss of the cinema and re-provision of a new theatre is considered acceptable.
- The applicant has agreed to a number of reduced price tickets and a cultural and community plan to provide benefits to the local community which are considered a public benefit of the proposals. Please see the section on Employment and Training for more details.
- Condition 15 and LBC condition 6 require the submission of a lighting strategy to ensure all external lighting was managed so as to avoid unacceptable disturbance to neighbouring residents. This would include controls on luminance levels and hours of operation.
- The proposed development is not considered to cause an unacceptable level of overlooking. The existing building, new windows would face St Giles Passage and Phoenix Gardens rather than directly onto Pendrell House, and the new windows to the roof extension would be overclad with vertical masonry fins which would help restrict views outwards. The roof extension would also sit above the highest level of Pendrell House, further restricting direct overlooking opportunities.
- The only terrace area would be at level looking out onto Shaftesbury Avenue. It is 25m from the nearest residential homes on the opposite side of Shaftesbury Avenue where it is not considered to cause undue harm to amenity from overlooking or noise.
- Officers acknowledge that there would be some major adverse impacts, including to three living spaces in 166-170 Shaftesbury Avenue, and more notably to the block at 1a Phoenix Street particularly when the impact from 125 Shaftesbury Avenue proposals is cumulatively factored in. However, given the benefits delivered by the scheme, officers consider that on balance the impact on light is acceptable and in compliance with the development plan. Please see the amenity section for more detailed assessment.
- The overshadowing assessment shows that whilst the test for the 21 March date shows the cumulative impact transgresses the guidance, tests provided for April to August show the Gardens achieve

compliance with the target for at least 50% of the area to see 2hrs of direct sunlight from April to August. As such, the transgression is not considered to be significant in terms of amenity impact given the levels of light over the summer months. Please see the amenity and biodiversity sections for more detailed information and assessment.

#### *Energy / Sustainability*

- The extensive demolition is contrary to local and national sustainability policies. Especially when there are alternative ways to use the site.
- The applicant's Circular Economy statement has little vision.

#### *Officer response*

- Officers are satisfied that the extent of demolition is justified. Any change in land use would likely require significant removal of the modern cinema internal fit out. Please see energy & sustainability section for more detailed assessment.

#### *Safety*

- Fire access risk – access to such a high building, constrained by narrow streets on 3 sides will be inadequate.
- Danger to pedestrians and reduced community safety due to drug crime. The submitted crime impact assessment does not mention the fact that New Compton Street is a well-known drug dealing and using hotspot, including the area immediately behind the site. If fire doors must be recessed, a solution must be found to prevent them being used by drug users. The development could displace activity further east nearer to residents.

#### *Officer response*

- A fire statement has been submitted with the application, with a final detailed fire statement secured by condition 17 to ensure the development complies with current fire safety regulations. More details are provided in the fire safety section.
- Recessed doors have been removed from the proposals, and additional activation onto New Compton Street would be provided by hotel guests coming and going via the new hotel entrance. Conditions 27 and 47 require the development to achieve secured by design accreditation. Please see safety and security section for more details.

#### *Basement impacts*

- There has been subsidence in the past within 10m of the Odeon, with the pavement collapsing on New Compton Street. The deep basement could have a dangerous impact on surrounding buildings.
- There may be ancient surface water features and water courses close to the site.

*Officer response*

- The applicant's Basement Impact Assessment (BIA) was independently reviewed by the Council's basement consultant (Campbell Reith) who concluded that the BIA is adequate and in accordance with policy A5 and guidance contained in the Basements CPG, subject to the completion of a Basement Construction Plan (BCP), which shall be secured by S106. The issue of subsidence was considered within the ground movement assessment included within the BIA. Campbell Reith have also confirmed the scheme has demonstrated it would avoid cumulative impacts upon structural stability and the water environment in the area. Please see basement section for more details.

*Rebuttal of applicant's claimed benefits*

- Secondary theatre use causes harm – cultural facility should be predominant use as per draft site allocation. The scheme also fails to take account of appeal judgement.
- Refurbishment of fabric brings net harm. Any new tenant would put right the façade deterioration. This proposal only invests in the refurbishment at the expense of complete demolition of all other fabric. The result is net harm.
- Discounted tickets for locals – even if local people are given reduced tickets, it would not compare with the option of several new movies for £15 a month.
- Hotel lounge workspace would bring marginal benefit. There are numerous hotel foyers available to residents in the immediate area for this purpose.
- Engagement and partnerships brings minimal local benefit – there is no commitment from the tenant to deliver the applicant's claims to organise programmes of engagement with young people, hospitals and schools, etc. Such offerings are also available from other companies and theatre in the area meaning they wouldn't bring great additional benefit locally.
- Redevelopment for predominantly theatre use could bring the same economic benefits whilst causing far less harm.

*Officer response:*

- Please see the planning balance in the conclusion for a full assessment of the heritage and public benefits delivered by the scheme and the weight ascribed to them.

5.14 A second objection was received in response to the revised proposals reiterating the same concerns as previously raised. The following additional points were also made:

### *Design / heritage*

- The slight reduction in proposed height is a move in the right direction but does not come close to reducing the harm identified sufficiently.
- All the harms listed in the previous objection remain.
- The proposed theatre is the only difference with the refused 2017 scheme which proposed a cinema. It is not a significantly better offer and therefore still fails to overcome the harm. It would not be a 'proper' theatre. It would be a 'dinner theatre' experience.

### *Officer response*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. This level of harm is consistent with that identified by Historic England and the GLA. The revised proposals are considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

### *Land use*

- The current scheme fails to respect the draft sites allocation for 'theatre or cinema use'. The extent of hotel vs. theatre use does not fall within the site allocation's definition of theatre or cinema use.

### *Officer response*

- Officers are satisfied with the design and layout of the proposed theatre – please see land use section for full assessment, including an assessment against the draft site allocation and the weight that can be given to this.

### *Viability*

- It was questioned why Camden would give permission to a scheme of doubtful viability which does so much harm, when an alternative scenario is available with equivalent or greater viability which causes no harm and delivers additional benefits.

*Officer response*

- Officers must consider the proposals before them rather than hypothetical alternatives. BPS and officers questioned why the applicant would choose to proceed with a loss-making scheme and the applicant advised that they are choosing to pursue the scheme on the basis of their own expectations, experience, and agreements with the operators rather than the market data. The proposed hotel would be an enabling development and is likely critical to the viability position improving.
- BPS have also confirmed that Scenario 1 (the current proposals) are much more sensitive than Scenario 2 (theatre-only), meaning that Scenario 1 is more likely than Scenario 2 to become viable. For example, BPS' calculations show Scenario 1 would need an 11% increase in sales revenue and 11% drop in cost for Scenario 1 to become viable, but Scenario 2 would need 40% change of each variable.
- Please see land use (viability) section for more information.

*Operational concerns*

- Concerns related to the operation of a hotel an entrance at the back. We have problems with other hotels in the neighbourhood and noise. Entrances should have full time manned attendance and an operational management plan.

*Officer response*

- Full operation management details shall be required as part of an operation management plan. Separate management plans shall be secured for the hotel, theatre and restaurant uses by S106 legal agreement.

Covent Garden Area Trust (CGAT)

5.15 Objection covering the following issue(s):

*Design / Heritage*

- The proposals will cause substantial harm to the special interest and significance of the listed building and a high level of less than substantial harm to the setting of the Seven Dials Conservation Area.
- The roof extension is taller than the listed building itself. It would completely overwhelm the 'restrained and carefully proportioned form' of the listed building. Its original architectural form would be overpowered by the sheer size and visual weight of the extension. The frieze would be altogether demeaned.
- The loss of all remaining internal structure and features would cause serious damage to the architectural and historic integrity.

- The substantial harm is not justified and there is an absence of benefits which would outweigh the harm.

*Officer response*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. This level of harm is consistent with that identified by Historic England and the GLA. The revised proposals are considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

Bloomsbury Association

5.16 Objection to the original submission covering the following issue(s):

*Design / Heritage*

- The proposals do not comply with policies D1 and D2 and will cause substantial harm to the listed building. The purported benefits do not compensate for the substantial harm caused by the proposals.
- The proposed massing is far greater than the dismissed in the appeal for the previous proposal and will damage the character of the Seven Dials Conservation Area.

*Officer response*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. This level of harm is consistent with that identified by Historic England and the GLA. The revised proposals are considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof

extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

#### *Land use*

- The current Odeon is well used by residents and its removal would represent the loss of an important local amenity.
- The loss of a well used local and culturally accessible cinema is not offset by the proposed small underground dinner show theatre.

#### *Officer response:*

- Officers acknowledge that the loss of the existing affordable cinema facility would impact existing users of that facility, however, given the previous operator the Odeon has already vacated the site and the proposals would provide a new high quality theatre in its place, returning the historic theatre use to the site and the West End, the proposed loss of the cinema and re-provision of a new theatre is considered acceptable. Please see land use section for full assessment.

#### Phoenix Gardens

5.17 Objection covering the following issue(s):

#### *Impact on Phoenix Gardens*

- The multi-year construction, with its noise, air and traffic pollution, plus a permanent reduction in daylight and sunlight will leave the garden barely usable for local people. Thus, we question if the proposal balances the needs of development with the needs and characteristics of local areas and communities, or exacerbates pre-existing, entrenched and nationally significant local deprivation.
- Despite the known benefits of access to parks and green spaces, the proposal's construction and implementation will damage existing green infrastructure, seeing local communities denied access to community activities which promote physical activity, mental wellbeing benefits of experiencing nature and opportunities for social connection. The proposal is detrimental to the setting of the designated open space and fails to protect it, contrary to policy A1 (open space).
- The overshadowing effect jeopardises the garden's delicate biodiversity balance, denying direct sunlight and disrupting habitats of vital pollinators, insects and wildlife.



- The submitted ecology report shows the reduction in light will have a “differential effect”, delaying “leaf and flower development, a shortening of the flowering season and, at the extreme end, a potential loss of some species”, on the “varied nature of habitat with the Phoenix Garden”, especially for “exotic species, such as tree echium”. The significant increase in shade across the year risks a reduction in “the availability of nectar and pollen for invertebrates”. With “15 bee species”, this clearly has a damaging impact on ecological sustainability. Impact on local amenity.
- Of particular concern is the impact on bats, which use the habitat for regular foraging and social activity. Echolocation calls indicate the garden to be bat breeding territory. Any ecological gains from the proposal do not counterbalance the significant and unrecoverable negative impacts on the garden.

#### *Officer response*

- The impact from the proposed development is generally acceptable taken in isolation when considering the impact across the year, however, it is acknowledged that there would be greater impact when considering the cumulative effect of the proposals at 125 Shaftesbury Avenue. To help mitigate these impacts a Phoenix Gardens Planting Mitigation Contribution of £50,000 would be secured by s106 agreement. Please see the sections on Amenity (overshadowing) and Trees, Greening and Biodiversity for full assessment of impact.

#### *Design / Heritage*

- The proposal will have an overbearing impact on the skyline above the gardens, creating a sense of enclosure. Covent Garden thrives on the historic and architectural beauty of its buildings, but the proposal adds no design benefits to the area, instead diminishing the current Grade II listed building’s visual charm and character.
- We support Historic England’s objection that the proposal will result in loss of or substantial harm to a designated heritage asset, including conservation areas and Listed Buildings. The limited public benefits do not outweigh the substantial harm or irreparable loss.

#### *Officer response*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building’s principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. This level of harm is consistent with that identified by Historic England and the GLA. The revised proposals are

considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

*Energy / Sustainability and air quality*

- The submitted air quality assessment offers no specificity on its contribution to the delivery of Camden's Air Quality Action Plan.

*Officer response*

- Please see air quality section for full assessment of air quality assessment and suggested conditions.

*Other*

- We dispute Yoo Capital's 'Social Impact Report' regarding various 'We Make Camden' ambitions. They fail to address how the health and wellbeing of local communities will be considered and do not address the proposal's negative impact on the existing community resource.
- Yoo Capital fails to acknowledge responsibilities around the health or isolation affecting local families, parents and children, or how this proposal will impair current work that takes place, by Phoenix Garden and key community partners who use our space and facilities, to both promote health & wellbeing for local children and reduce the extent to which they are excluded and isolated.
- The proposals threaten the financial viability of the garden. Removal of our ability to be self-financing both during and after construction will have a devastating impact on income generation.

*Officer response:*

- A package of cultural and community benefits shall be secured by S106 agreement alongside a good employment and training package to ensure local people benefit from the increased employment opportunities the development would provide.
- A Phoenix Gardens Planting Mitigation Contribution of £50,000 would be secured by s106 agreement to help mitigate any impacts on the planting at Phoenix Gardens, i.e. to allow the planting of more shade tolerant species.

Seven Dials Trust

5.18 Objection covering the following issue(s):

### *Design / Heritage*

- The extension is taller than the existing building. Its height and bulk would dominate and overwhelm the listed building and destroy its original 'restrained and carefully proportioned form'. The architectural composition would be severely compromised.
- The building was designed to integrate the sculptural work. The setting of the sculpture would be fundamentally changed. Its prominence would be diminished.
- Additional harm would be caused by the removal and loss of surviving original fabric internally, and the demolition of the rear elevation.
- We consider the level of harm to fall under the substantial category.
- The Trust considers that this extension would cause a high degree of less than substantial harm to the setting of the adjacent conservation areas, namely the Seven Dials Conservation Area and the Denmark Street Conservation Areas.
- The suggested benefits are insubstantial and do not outweigh the level of harm identified (and underestimated by the applicant).
- The proposals are contrary to policies D1 (Design) and D2 (Heritage) of the Local Plan.
- The issue of a roof extension has already been tested at appeal. At the public inquiry the inspector found a two storey roof extension to cause significant harm to the listed building and minor and moderate harm to the Seven Dials and Denmark Street Conservation Areas, respectively.

### *Officer response*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. This level of harm is consistent with that identified by Historic England and the GLA. The revised proposals are considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

### *Amenity*

- The extension will take away a significant portion of sunlight reaching Phoenix Garden, the only community green space within Covent Garden, and St Giles Churchyard and playground. These are important green spaces open to the public.

### *Officer response*

- It is acknowledged that there will be some impact on sunlight levels to Phoenix Gardens, but these are considered acceptable and in accordance with the development plan with additional mitigation secured in the form of a Phoenix Gardens Planting Mitigation Contribution of £50,000. Please see sections on Amenity (Daylight and Sunlight) and Trees, Greening and Biodiversity for more detailed information and assessment.

- 5.19 A second objection was received in response to the revised proposals reiterating the same concerns and raising further concern regarding the viability of the scheme.

### *Viability*

- The independent viability report by BPS concluded that the scheme would be in deficit and questioned how the applicant intended to deliver what is a loss-making scheme. The Trust considers that it is possible that alternative schemes could be produced which would respect the significance of the heritage asset and remain viable. The Trust considers that the optimum viable use of the building is as a theatre.

### *Officer response*

- Officers must consider the proposals before them rather than hypothetical alternatives. BPS and officers questioned why the applicant would choose to proceed with a loss-making scheme and the applicant advised that they are choosing to pursue the scheme on the basis of their own expectations, experience, and agreements with the operators rather than the market data. Please see land use (viability) section for more information.

### Bloomsbury Residents Action Group (BRAG)

- 5.20 Objection covering the following issue(s):

### *Design / Heritage*

- To bring back the “name” of the historic theatre but gut the interior and plonk an ugly and out of scale hotel ‘box’ on top does not respect the integrity of the original building, nor its historic context.
- There are not enough benefits to outweigh the harm.

*Officer response*

- Officers agree that the proposals would cause a high level of less than substantial harm to the heritage asset but the heritage and public benefits would outweigh that harm. Please see design and heritage and overall planning balance in the conclusion section.

*Impact on Phoenix Garden*

- The gardens are a vital community asset. The open space will be plunged into shadow.

*Officer response*

- It is acknowledged that there will be some impact on sunlight levels to Phoenix Gardens, but these are considered acceptable and in accordance with the development plan with additional mitigation secured in the form of a Phoenix Gardens Planting Mitigation Contribution of £50,000. Please see sections on Amenity (Daylight and Sunlight) and Trees, Greening and Biodiversity for more detailed information and assessment.

*Amenity*

- There is a long-standing community here and the site is surrounded by people's homes. The proposal will seriously impact on the wellbeing of the existing local community.

*Officer response*

- Please see the amenity section for a full assessment of all impacts on neighbouring amenity.

London Parks and Gardens

5.21 Objection covering the following issue(s):

*Impact on Phoenix Gardens*

- Reduction in sunlight – the daylight report reveals significant reductions in sunlight, especially between October and February. This is a critical period for plant growth and overall garden usability. The garden would experience a 33.8% reduction in sunlight during March, a crucial time for the emergence of many plant species and visitor engagement.
- Effect on community space and ecosystem – the reduction in sunlight threatens the ecosystem of the garden and its appeal to the community. The southern part, a valuable space for community gatherings and events will be disproportionately affected, leading to a potential loss in its usability and enjoyment for local residents. The ecological balance is at risk of being disrupted.
- Inadequate mitigation proposals – it has been suggested that the garden could be redefined into two areas – one for community use

and another as a nature reserve. This is not a viable solution. A more comprehensive strategy is required to safeguard the garden's needs.

*Officer response*

- It is acknowledged that there will be some impact on sunlight levels to Phoenix Gardens, but these are considered acceptable and in accordance with the development plan with additional mitigation secured in the form of a Phoenix Gardens Planting Mitigation Contribution of £50,000. Please see sections on Amenity (Daylight and Sunlight) and Trees, Greening and Biodiversity for more detailed information and assessment.

London and Middlesex Archaeological Society

5.22 Objection covering the following issue(s):

*Heritage*

- The proposal seeks to remove all important remaining features aside from the façade representing a total loss of the remains of important heritage assets indicating the original purpose.
- The proposed doubling of height would turn this into a tower block, completely losing the balance of the structure.
- The proposed benefits do not justify the losses.

*Officer response*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. The revised proposals are considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

*Impact on Phoenix Gardens*

- The proposed height would overshadow Phoenix Gardens and the churchyard of grade I listed St Giles in the fields.

*Officer response*

- It is acknowledged that there will be some impact on sunlight levels to Phoenix Gardens, but these are considered acceptable and in accordance with the development plan with additional mitigation secured in the form of a Phoenix Gardens Planting Mitigation Contribution of £50,000. Please see sections on Amenity (Daylight and Sunlight) and Trees, Greening and Biodiversity for more detailed information and assessment.

National Cinema Theatre Association)

5.23 Objection covering the following issue(s):

*Design / Heritage*

- The scheme would be a totally new structure within the original external walls. It would double the bulk of the historic structure. It would be massive and overbearing.
- The scheme would have a severely detrimental impact on Shaftesbury Avenue.
- The front entrance arch appears to be partly restored, the design has been simplified. It should be fully restored to its original detail.

*Officer response*

- The proposals were revised to ensure the detailed design of the front arched window was a more faithful reinstatement of the original. Final detailed drawings and materials of samples would also be secured by condition. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

*Land use / theatre provision*

- The theatre space would be completely underground, with the ground floor given over to a foyer. Different possible configurations are shown but it appears structural alterations would be required to achieve these. The proposed form is more suitable for a circus than a theatre.
- The space appears small.
- The provision would be a circus, not a theatre, and would not achieve the objective of adding a new, viable theatre to London's West End. This relatively small gain does not justify the enormous development above.

*Officer response:*

- Officers are satisfied with the quality of the proposed theatre. Please see the Land Use section and the officer's response to the Theatres Trust in the consultation section for more detailed information.

### Soho Housing Association

#### 5.24 Objection covering the following issue(s):

- The scale of the proposed development, the density of proposed uses and the destruction of character and proportions of the existing building, as well as the loss of an important and unspoilt amenity of the existing theatre building, would be a significant and sad loss to the immediate area, the West End and to London.
- In addition, the increased disturbance and loss of amenity to all residents in the surrounding area, would result in a further erosion of 'community' and would detrimentally impact on the balance between living the area and the ever increasing stamp of commercial and licenced premises, disrupting what is already a challenging balance of life and work in the area.

#### *Officer response:*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. The revised proposals are considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

### South Bloomsbury Tenants & Residents Association (SBTRA)

#### 5.25 Objection covering the following issue(s):

#### *Design / Heritage*

- The proposals represent near total demolition of the existing building and a doubling of the volume. It will totally destroy its character and integrity.
- Will cause damage to the proportions of the listed building and complete destruction of the interiors.



- The developers insensitive, destructive and unsustainable approach is counter to planning guidelines where the preservation of existing building fabric is an intrinsic part of sustainable development.

*Officer response*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. The revised proposals are considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

*Impact on Phoenix Gardens*

- The proposals will cause severe harm to the sensitive environment of the Phoenix Community Garden. The height and mass of the proposed six storey 'overbuild structure' will take away daylight and sunlight away from the gardens and surrounding area, only to be replaced by a blank and overbearing building facade.

*Officer response*

- It is acknowledged that there will be some impact on sunlight levels to Phoenix Gardens, but these are considered acceptable and in accordance with the development plan with additional mitigation secured in the form of a Phoenix Gardens Planting Mitigation Contribution of £50,000. Please see sections on Amenity (Daylight and Sunlight) and Trees, Greening and Biodiversity for more detailed information and assessment.

*Land use / theatre provision*

- The viability of the 400 seat underground theatre space for Cirque du Soleil is questioned. There is no evidence that this use will be maintained on a permanent basis and should not be used as planning justification for such a harmful development.

- With care and commitment this could once again be a very successful and profitable venue. Yoo Capitals unmatched financial resources should not be viewed as a correct planning solution.
- Objection to Camden's support for new hotel development such as this and those approved at the Brunswick Centre while at the same time encouraging the demolition of existing sound hotel accommodation in Museum Street.

*Officer response:*

- Condition 33 shall require the Practical Completion of the theatre prior to the occupation of the hotel and a Theatre Marketing Strategy shall be secured by S106 legal agreement in the event that the theatre space becomes vacant.
- Officers must consider each application on their own merits.
- Please see land use section for full assessment.

SAVE Britain's Heritage

5.26 Objection covering the following issue(s):

*Design / Heritage*

- The six storey roof extension will have a serious impact on how the building is read both alone and within the street scene. It does not protect the setting of the building, nor the building itself when it doubles it in height. It is incongruous with the original building. This combined with the complete removal and remodelling of the building's interiors would amount to substantial harm.
- The proposals do not meet the tests of the NPPF for when substantial harm is identified.
- The benefits of the restoration works do not outweigh the harm that will be done by the vast increase in scale.
- The Planning Inspector for the previous application found harm to the adjoining conservation areas from the proposed extension. This scheme is much larger and will have a correspondingly more detrimental impact.
- The Council should satisfy itself that any disrepair is not a result of deliberate neglect.

*Officer response*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street

Conservation Area. This level of harm is consistent with that identified by Historic England and the GLA. The revised proposals are considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

- 5.27 A second objection was received in response to the revised proposals reiterating the same concerns. The revisions were not considered to alter the fundamental concerns, nor comply with the draft Camden Local Plan Site Allocations requirement for any roof extension to enhance the building and be of an appropriate height.

***Adjoining occupiers***

- 5.28 Six sites notice were displayed surrounding the site on Shaftesbury Avenue, New Compton Street, St Giles Passage and Stacey Street. The notices were displayed on 22<sup>nd</sup> March 2024 and the application was advertised in the local paper on 4<sup>th</sup> April 2024 (expiring 28<sup>th</sup> April 2024).
- 5.29 221 objections, 34 comments and 83 letters of support were received. Responses were received from local residents, people that work in the area, as well as visitors to the area.
- 5.30 Following the receipt of revisions to the proposals, the application was re-consulted. A further six site notices were displayed on 21<sup>st</sup> February 2025 and the application was advertised in the local paper on 27<sup>th</sup> February 2025 (expiring 23<sup>rd</sup> March 2025). A further 64 objections were received and largely reiterated the same concerns raised in response to the original proposals, with many commenting that the proposals were unchanged in any meaningful way. The objections received by the Council are all published in full on the Council's website. The key issues raised are listed below.

***Land use***

- Objections to a hotel in this location.
- The hotel is too large.
- Provision of a hotel questioned when the city needs housing.
- There are already a number of hotels in the locality, this is entirely to serve tourism and doesn't take the needs of local people into consideration and account.

- Objection to loss of the cinema. The cinema is very reasonably priced and accessible. It's a valuable local facility that locals do not want to lose.
- The previous proposal on this site was not as large as this one and was rejected by the Council (and upheld at appeal by the Planning Inspector) because of the loss of cultural use. The replacement of a large cinema with a much smaller one in the basement meant that the use went from primarily cultural to hotel with some ancillary cultural use. This proposal has the same defect, it is still primarily a hotel with a relatively small ancillary cultural use.
- A fixed circus does not constitute a theatre.
- London could use another lyric theatre, and it might be possible (either now or in the future) to restore the Saville to full working operation as a theatre. If this proposal were to be allowed, that prospect would be lost forever.
- A basement restaurant with a stage at the edge, no matter the prestige of the international company due to take on the initial contract, is not in the spirit of the requirements placed on the site in the draft site allocations which envisages a "proper" theatre or cinema here in the West End.
- The cultural use will also not be as accessible to local residents as the cinema use it replaces, or the theatre use which was the original use of the building. Cirque du Soleil's shows are very expensive meaning it would not be a cultural experience accessible to people living locally. It is mainly for tourists. It would be of no benefit to the community because it is not affordable.
- It is not really a theatre space but will be more of an event and party space.
- Seven Dials is already struggling with severe overcrowding from tourists.

*Officer response:*

- A hotel is considered an appropriate land use in this Central London, West End location. The scale of development is not so significant as to cause a substantial impact on visitor numbers; nevertheless a number of obligations shall be secured by S106 legal agreement to mitigate the impact of the additional visitors on the surrounding area, such as making it coach and car free, requiring a travel plan and delivery and servicing plan and a contribution of £375,000 towards pedestrian and environmental improvements surrounding the site.
- It is accepted that it would not be appropriate to provide housing at this site given the site's history as an entertainment venue and the importance of this to its significance, and the draft site allocation for theatre or cinema use. Instead, the development will be making a

payment in lieu of on-site housing of 75% of the full policy requirement.

- Officers acknowledge that the loss of the existing affordable cinema facility would impact existing users of that facility, however, given the previous operator the Odeon has already vacated the site and the proposals would provide a new high quality theatre in its place, returning the historic theatre use to the site and the West End, the proposed loss of the cinema and re-provision of a new theatre is considered acceptable.
- The current proposals are considered to provide a significantly improved cultural / entertainment offer than the previously refused application.
- It would also be officers' preference for theatre to be reinstated as the single use within the existing building; however, officers must consider the proposals before them. The viability assessment submitted with the application explored different scenarios including sole theatre use within the existing building and found that it would be a loss-making development. Please see the land use and viability sections for more information.
- A package of cultural and community benefits shall be secured by S106 agreement alongside a good employment and training package to ensure local people benefit from the increased employment opportunities the development would provide. Please see the Employment and Training section for more details.
- Please see land use section for full assessment.

### *Design / Heritage*

#### ***Height / massing***

- A previous, wholly unsuitable, application was rejected. This proposal is just as unacceptable and disfigures both the existing building and the Shaftesbury Avenue environment.
- The extension will cause serious damage to the proportions and appearance of this fine listed building. The extension does not even remotely complement the original building.
- The extension is vulgar, disproportionate and bulky.
- Doubling the height shows no respect for the listed building.
- The gigantic extension will totally overwhelm the listed building and will dominate the whole street.
- The proportions of the extension are out of scale with everything around it. It would be visible from and harmful to Seven Dials and Denmark Street Conservation Areas.
- Revised proposals – the slight reduction in height offset by increased width does not fundamentally change what is being proposed for the grounds for objections.

### ***Detailed design***

- The design is inappropriate and out of context for one of the finest Art Deco facades in central London, with its unique, detailed frieze.
- The design is an unattractive, overbearing addition to a proportional building.
- There is no attempt to integrate the extension.
- The design does not enhance the existing building but ruins its character.
- The proposed brickwork and windows are also not aesthetically complimentary or enhancing to the design of the listed part of the building exterior to the point they cause detriment.
- The form and style are not sympathetic to the listed building. The brickwork forms complicated patterns and shapes, in stark contrast to the brickwork of the listed building with simple horizontal bands of brickwork which draws attention to the frieze. The darker brickwork will further emphasise the difference and highlight the additional and excessive verticality of the extension.
- Revised proposals – the woven brick design is an improvement over the prior proposal but the exposed soffit makes the new proposed extension look as though it overhangs the original building, highlighting its dominance and the ‘flare’ over the original arched window is a distraction that seriously detracts from the impact of that feature.

### ***Heritage harm***

- Changing the use would harm the building as it would no longer primarily be a place of entertainment but yet another hotel.
- The complete demolition of the interior is unacceptable - all internal theatre features would be lost, including the stage house and the scenery systems.
- The extension harms the historical integrity of the building.
- The extent of demolition is unacceptable and completely at variance with Heritage planning policies contained in Camden’s Plan.
- Approving this would set harmful precedents for other listed buildings.

### ***Impact on Conservation Areas***

- It would harm the adjacent conservation areas.
- The towering building will impact the ancient medieval St Giles’ Triangle which is rare example of early monastic hospital whose footprint has remained untouched.
- The proposals will harm the conservation areas because of the size of the extension and it being out of character.
- Covent Garden is renowned for its unique charm and architectural beauty, characterized by its low-rise, historic buildings and bustling

streets. Introducing a high-rise development would disrupt this harmonious aesthetic, detracting from the area's distinct identity and sense of place.

#### *Officer response*

- Officers agree that the proposed development, through the scale of the upwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. This level of harm is consistent with that identified by Historic England and the GLA. The revised proposals are considered to reduce the level of harm caused slightly, as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial. However, the proposed heritage and public benefits delivered by this scheme are considered sufficient to outweigh that harm in this instance. Please see design/heritage section and the overall planning balance in the conclusion for a full assessment.

#### *Impact on Phoenix Gardens*

- The Phoenix Garden is designated as a Site of Local Importance for Nature Conservation. The towering bulk of this hotel building will cause enormous loss of light and thus extensive damage to the Phoenix Garden.
- Loss of sunlight will harm biodiversity, causing irreparable damage to the ecosystems thriving in this unique urban oasis.
- The garden needs to be preserved at all costs, it is a haven of peace.
- The community's collective health and wellbeing depends on this precious local resource.
- The Phoenix Garden is an invaluable community and wildlife resource in the heart of central London which is deeply loved and much-used, and part of a dwindling number of public green spaces in central London.
- We should be prioritising protecting spaces for wildlife at a time when biodiversity is greatly at threat.
- There are plants that thrive here due to the amount of sunlight the garden gets.
- The garden is important for local people's mental health. It shouldn't be sacrificed for unnecessary hotel accommodation.

- The garden is home to hundreds of different and unique varieties of native and naturalised plants, trees, insects, and species which will be lost.
- The West End doesn't need any more theatres and bars and restaurants, it needs this oasis of peace and calm.
- This garden and its natural light must be protected, especially given it is the last of central London's community gardens to survive. The Garden is a biodiversity hotspot, nature reserve, and critical community asset. The reduced sunlight from this development application will threaten much of its biodiversity.
- Camden Council has a duty to support local community and biodiversity initiatives: this development application directly opposes that duty.
- We should be creating more urban green space, not destroying them.
- These works will impact the ability of the Phoenix Garden Charity to maintain its financial viability as garden hires will evaporate to a point of instability and closure of the charity making several people unemployed.
- The gardens are a foraging ground for bats.
- London has hundreds of thousands of high rise buildings which could already be suitable for this business venture. London does not, however, have more than one phoenix garden. It's a huge asset to the local area.
- The gardens will lose 25% of its sunlight. Existing wildlife will disappear. There are 10 different bee species and almost as many bird species.
- Altering the sunlight available throughout the year, even by a fraction, has serious ramifications to the species inhabiting the gardens, especially bees and insects.
- Preserving one of the only public green spaces in the densest and most garden-deprived parts of the city is more in the public interest than a hotel in an area that already has thousands of them.
- The effects of dust, dirt and pollution arising from the construction (over many years) would severely affect the ecology and eco-system of the garden.

#### *Officer response*

- It is acknowledged that there will be some impact on sunlight levels to Phoenix Gardens, but these are considered acceptable and in accordance with the development plan with additional mitigation secured in the form of a Phoenix Gardens Planting Mitigation Contribution of £50,000. Please see sections on Amenity (Daylight and Sunlight) and Trees, Greening and Biodiversity for more detailed information and assessment.



### *Impact on neighbouring amenity*

- Extension will block sunlight for the community, making it far less liveable for locals
- Hotel will cause noise 24/7 unlike the existing Odeon.
- Adjacent residents will be badly overlooked.
- Loss of daylight to residents in Pendrell House.
- Noise and congestion from servicing.
- Overlooking from hotel rooms.
- The increase in servicing activity will make my living here intolerable. I'm in public housing – I don't get to choose where I live.
- The St. Giles playground and churchyard will lose their sunlight. The playground is the only place in the neighbourhood where children can play.
- The only windows we have at 7-10 Stacey Street Maisonettes look out east and so any direct light we get is in the morning. The extension will block this light.
- Dwellings in Pendrell House are already overshadowed by no.151. The proposed extension will block out the only evening sunlight received.
- The servicing of the hotel daily will be intensive and unacceptable for long term residents.
- It will substantially limit light levels and compound the issues of an already dark alley
- Any outdoor upper terrace space or access will increase noise disturbance, including windows which can open.
- A significant portion of the sky will be blocked out in views from the Alcazar residential building, Stacey Street.

### *Officer response*

- The proposed development is not considered to cause an unacceptable level of overlooking. The existing building, new windows would face St Giles Passage and Phoenix Gardens rather than directly onto Pendrell House, and the new windows to the roof extension would be overclad with vertical masonry fins which would help restrict views outwards. The roof extension would also sit above the highest level of Pendrell House, further restricting direct overlooking opportunities.
- The only terrace area would be at level looking out onto Shaftesbury Avenue. It is 25m from the nearest residential homes on the opposite side of Shaftesbury Avenue where it is not considered to cause undue harm to amenity from overlooking or noise.
- Officers acknowledge that there would be some major adverse impacts, including to three living spaces in 166-170 Shaftesbury Avenue, and more notably to the block at 1a Phoenix Street particularly when the impact from 125 Shaftesbury Avenue proposals

is cumulatively factored in. However, given the benefits delivered by the scheme, officers consider that on balance the impact on light is acceptable and in compliance with the development plan. Please see the amenity section for more detailed assessment.

#### *Sustainability / Flooding*

- Demolition and rebuilding emits many times the carbon of normal refurbishment. The existing theatre could easily be refurbished with much lower emissions.
- This building work would be at complete odds with the rhetoric of all government bodies (the borough, city and country) regarding climate change and pollution, preserving green spaces, and the drive towards net zero. Gardens like this will be integral if we are to achieve these aims.
- Phoenix Gardens must be protected - it helps cool the environment (being in an urban heat island) and absorb rain water.
- London clay is being affected by excessive building and climate change. From the City of London, even with the superdrain, we have major capacity issues and another hotel will potentially accelerate the one in 100 flooding events. Once the system is full, there is very little place for the water to go.
- Camden declared a Climate and Ecological Emergency in 2019, and this scheme would not align with these goals. The scheme is undoubtedly heavy in embodied carbon due to the several floors of basement.
- The development may harm the watercourse.

#### *Officer response:*

- The applicant has demonstrated that it would not be viable to just provide theatre use within the existing building, and that a degree of enabling development is required to make the development viable. BPS, the Council's independent chartered surveyors have audited the submitted viability assessment and validated this position. Officers therefore accept that a degree of development is required to bring the site back into use, and most alternative land uses would require the strip out of the existing cinema fit out.
- Officers acknowledge that the development's energy and sustainability performance requires improvement and therefore conditions and legal obligations are recommended requiring further feasibility work to improve the targets obtained. Please see the energy and sustainability section for more detailed assessment.
- The land contamination report demonstrates that the development would not impact the borough's secondary aquifer, and therefore would not harm the borough's water supply. Please see the land contamination section for more information.

- Sustainable drainage to reduce run off from the site is proposed by way of two blue roofs. An updated Flood Risk Assessment / Drainage Strategy including further details of the blue roofs and exceedance flows and implementation of the blue/green roofs shall be secured through condition (condition 13).
- Please see the energy & sustainability and flood risk & drainage sections for more detailed assessment.

#### *Transport*

- There will be lots of new vehicles parking.
- The plans are for the proposal to be served through the back New Compton/Stacey Street. These streets are tiny and already suffer from huge lorries trying to make their way through the back streets.
- St Giles Passage is too narrow for the proposed bin servicing usage. Bin collection should be via Stacey Street which is wider and already serves this function.
- All the doors along St Giles passage and all but one door in Stacey Street will open over the public pavement. The pavements in these two streets are narrow and are only sufficiently wide to take two pedestrians, so a door opening outwards will imply pedestrians will have to walk in the road. This is dangerous as it is often used as a rat run.
- The existing streets around the building are narrow and tight. There is no room for parking let alone for the picking up and dropping that are the essence of the hotel trade.
- Both the pavements and the roads would face major access problems for a substantial amount of time.
- Road closures would impact businesses and their deliveries.

#### *Officer response:*

- The development will be secured as coach- and car-free and therefore there will not be vehicles parking at the site, other than delivery and servicing vehicles.
- Servicing will be via a new loading bay which is proposed as part of the Shaftesbury Avenue Safe and Healthy Streets Scheme.
- The only outward opening doors are emergency access only, and as such won't be used regularly. This shall be secured by condition 43.
- Please see the Transport section for full assessment.

#### *Construction impacts*

- Our neighbourhood would be a building site for many years to come.
- The noise, dust and dirt from demolition, excavations and digging out would be intolerable for years to come and cause huge disruption to residents. Construction vehicles come and go for many hours during the day.

- New Compton Street is a very narrow road and noise has nowhere to go apart from upwards and is funnelled along the street by the high buildings. At the construction/digging out stage, many heavy tipper trucks will be turning up very early in the morning - normally from 6am onwards, as has happened with other developments over the years here. These will be coming and going for many hours during the day to remove the rubble dug out from the site. The daily noise from this will make my life and the lives of all the local residents hell for years.

*Officer response:*

- A construction management plan shall be secured by S106 legal agreement, requiring the applicant to demonstrate how the development will minimise impacts from the movement of goods and materials during the construction process (including demolition works). The Council will expect construction vehicle movements to and from the site to be scheduled to avoid peak periods to minimise the impacts of construction on the transport network. The site is within the Cumulative Impact Area where Saturday working is not permitted, unless agreed with the Council. A further requirement to form a construction working group consisting of representatives from the local community prior to commencement of demolition or construction shall also be secured by the legal agreement.

*Basement impacts*

- Damage to building foundations from the vibrations of the digging out.
- Great danger of subsidence as a result of digging far below other buildings' basements in the area. Is Camden Council aware of similar problems in Westminster?
- From old maps, we believe that an underground river or water course is there.
- The water table is high here and a well/underground river has been uncovered by the developers of Denmark Street (under 4 Flitcroft Street). This is continually being pumped out which suggests it is a river. Thus it is quite likely that there is a connection to other ancient water pools, wells or courses locally.
- Impacts were felt from the vibrations when Central Saint Giles was built which is much further away than the Odeon.
- It is unclear where the Crossrail/Westbound Elizabeth Line tunnel sits. It is possibly underneath St Giles Passage.

*Officer response:*

- The applicant's Basement Impact Assessment (BIA) was independently reviewed by the Council's basement consultant (Campbell Reith) who concluded that the BIA is adequate and in accordance with policy A5 and guidance contained in the Basements

CPG, subject to the completion of a Basement Construction Plan (BCP), which shall be secured by S106. The issue of subsidence was considered within the ground movement assessment included within the BIA. Campbell Reith have also confirmed the scheme has demonstrated it would avoid cumulative impacts upon structural stability and the water environment in the area. Please see basement section for full assessment.

*Other*

- Yoo Capital lied to the public with their initial plan - the proposals are now for a theatre in the basement and the whole building and extension being a hotel as its main income.
- The building won't provide any benefits to local residents.
- The new hotel will impact the already overwhelmed sewage system.
- Consultation does not consider non-English speakers
- There are at least two people in the block who have disabilities who need access for hospital transport and deliveries of groceries and medical equipment. The construction will impact on this happening and as such will discriminate against those people.
- Increased overshadowing could potentially have an impact on perceived safety in the area.
- This area has a significant issue with anti-social behaviour, especially drug activity. The area behind the proposed development and further along New Compton Street is a hotspot, especially as security activity from the owners of the areas to the North and South have displaced it. This development will displace it again and is likely to concentrate it even closer to residential property along New Compton Street. This should be taken into account and mitigated.
- The construction and operation of a high-rise development could disrupt the livelihoods of local businesses, leading to increased rents, displacement of independent retailers, and a loss of community cohesion.
- The three streets bounding the back side of the site are extremely narrow making servicing and fire service access in the case of an emergency very difficult.

*Officer response:*

- A package of cultural and community benefits shall be secured by S106 agreement alongside a good employment and training package to ensure local people benefit from the increased employment opportunities the development would provide. Please see the Employment and Training section for more details.
- Thames Water were consulted and suggested conditions should planning permission be granted to ensure that there was no harm to

the local sewage and water networks which have been included (conditions 11 and 31).

- A construction management plan shall be secured by S106 legal agreement, requiring the applicant to demonstrate how the development will minimise impacts from the movement of goods and materials during the construction process (including demolition works). The Council will expect construction vehicle movements to and from the site to be scheduled to avoid peak periods to minimise the impacts of construction on the transport network.
- Recessed doors have been removed from the proposals, and additional activation onto New Compton Street would be provided by hotel guests coming and going via the new hotel entrance. Conditions 24 and 47 require the development to achieve secured by design accreditation.
- The scale of the proposed development would be similar to a number of neighbouring buildings along Shaftesbury Avenue. The proposals are not considered to result in any undue impact on local businesses in this Central London location.

5.31 89 letters of support were received, including from the Soho Business Alliance, summarised as follows:

- Support the reprovision of a theatre.
- The West End is in desperate need of more theatres, particularly flexible spaces.
- The project will restore live performance to this iconic theatreland building, bringing world class entertainment from Cirque du Soleil to London in a permanent setting for the first time.
- To have such an internationally acclaimed group make their home there will attract a wonderful audience to the theatre and the surrounding area.
- The proposals understand the complexities of both the building and the presentation of live performance.
- The theatre is fully accessible for all audience members which is rare for a West End building.
- Will bring numerous benefits to the community and will significantly enhance the cultural, economic and social landscape of the area.
- Benefits to the local community from Cirque's outreach programme.
- Key advantage is the restoration of the historic building.
- The restoration work will improve the building's framework and fix current issues.
- Will provide a new injection of footfall into the West End which will support local businesses.
- Will create jobs and contribute to the local economy.

- The development will be a significant destination for Londoners and tourists which will support local small businesses.
- Positive addition to Camden's night time economy.
- It will make New Compton Street a safer place through being more populated.
- The project will deliver a package of landscaping and urban greening measures which will enhance biodiversity.
- Support letter from Soho Business Alliance - the extension is well considered. If it wasn't for the extension, there would be a significant question mark over whether the viable reuse and retention of the grade II building would be possible. It will form a significant new attraction within the west end and will have a positive economic impact. The public benefits would be substantial and outweigh any heritage harm identified.

## 6. POLICY

### ***National and regional policy and guidance***

[National Planning Policy Framework 2024 \(NPPF\)](#)

[National Planning Practice Guidance \(NPPG\)](#)

[London Plan 2021 \(LP\)](#)

[GG1 Building strong and inclusive communities](#)

[GG2 Making the best use of land](#)

[GG3 Creating a healthy city](#)

[GG5 Growing a good economy](#)

[GG6 Increasing efficiency and resilience](#)

[SD1 Opportunity Areas](#)

[SD4 The Central Activities Zone \(CAZ\)](#)

[SD6 Town centres and high streets](#)

[SD7 Town centres: development principles and Development Plan Documents](#)

[D1 London's form, character and capacity for growth](#)

[D3 Optimising site capacity through the design-led approach](#)

[D4 Delivering good design](#)

[D8 Public realm](#)

[D9 Tall buildings](#)

[D10 Basement development](#)

[D11 Safety, security and resilience to emergency](#)

[D12 Fire safety](#)

[D14 Noise](#)

[H1 Increasing housing supply](#)

[E10 Visitor infrastructure](#)

[E11 Skills and opportunities for all](#)

[HC1 Heritage conservation and growth](#)

[HC5 Supporting London's culture and creative industries](#)

[HC6 Supporting the night-time economy](#)

[G1 Green infrastructure](#)

[G4 Open space](#)  
[G5 Urban greening](#)  
[G6 Biodiversity and access to nature](#)  
[SI 1 Improving air quality](#)  
[SI 2 Minimising greenhouse gas emissions](#)  
[SI 3 Energy infrastructure](#)  
[SI 4 Managing heat risk](#)  
[SI 7 Reducing waste and supporting the circular economy](#)  
[SI 12 Flood risk management](#)  
[SI 13 Sustainable drainage](#)  
[T2 Healthy Streets](#)  
[T3 Transport capacity, connectivity and safeguarding](#)  
[T4 Assessing and mitigating transport impacts](#)  
[T5 Cycling](#)  
[T6 Car parking](#)  
[T6.5 Non-residential disabled persons parking](#)  
[T7 Deliveries, servicing and construction](#)  
[DF1 Delivery of the Plan and Planning Obligations](#)  
[M1 Monitoring](#)

#### London Plan Guidance (LPG)

[Accessible London SPG](#)  
[Optimising Site Capacity: A Design-led Approach LPG](#)  
[Social Infrastructure SPG](#)  
[London World Heritage Sites SPG](#)  
[All London Green Grid SPG](#)  
[Urban greening factor LPG \(February 2023\)](#)  
[Air quality positive LPG](#)  
[Air quality neutral LPG](#)  
[Be Seen energy monitoring LPG](#)  
[Circular economy statements LPG](#)  
[Energy Planning Guidance](#)  
[The control of dust and emissions in construction SPG](#)  
[Whole life carbon LPG](#)  
[Sustainable Transport, Walking and Cycling](#)

#### ***Local policy and guidance***

##### Camden Local Plan (2017) (CLP)

[Policy G1 Delivery and location of growth](#)  
[Policy H2 Maximising the supply of self-contained housing from mixed-use schemes](#)  
[Policy C3 Cultural and leisure facilities](#)  
[Policy C5 Safety and security](#)  
[Policy C6 Access for all](#)  
[Policy E3 Tourism](#)  
[Policy A1 Managing the impact of development](#)  
[Policy A2 Open space](#)  
[Policy A3 Biodiversity](#)  
[Policy A4 Noise and vibration](#)



[Policy A5 Basements](#)  
[Policy D1 Design](#)  
[Policy D2 Heritage](#)  
[Policy CC1 Climate change mitigation](#)  
[Policy CC2 Adapting to climate change](#)  
[Policy CC3 Water and flooding](#)  
[Policy CC4 Air quality](#)  
[Policy CC5 Waste](#)  
[Policy TC2 Camden's centres and other shopping areas](#)  
[Policy TC4 Town centre uses](#)  
[Policy T1 Prioritising walking, cycling and public transport](#)  
[Policy T2 Parking and car-free development](#)  
[Policy T3 Transport infrastructure](#)  
[Policy T4 Sustainable movement of goods and materials](#)  
[Policy DM1 Delivery and monitoring](#)

### Supplementary Planning Documents and Guidance

*Most relevant Camden Planning Guidance (CPGs):*

[Access for All CPG - March 2019](#)  
[Air Quality - January 2021](#)  
[Amenity - January 2021](#)  
[Basements - January 2021](#)  
[Biodiversity CPG - March 2018](#)  
[Community uses, leisure and pubs - January 2021](#)  
[Design - January 2021](#)  
[Developer Contribution CPG - March 2019](#)  
[Energy efficiency and adaptation - January 2021](#)  
[Public open space - January 2021](#)  
[Transport - January 2021](#)  
[Trees CPG - March 2019](#)  
[Water and flooding CPG - March 2019](#)

*Other guidance:*

[Planning Statement - Intermediate Housing Strategy and First Homes \(2022\)](#)

### Draft Camden Local Plan

The council published a new Draft Camden Local Plan (incorporating Site Allocations) for consultation in January 2024. Responses to the consultation and a Submission Draft Camden Local Plan (updated to take account of the responses) was reported to Cabinet on 2 April 2025 and the Council on 7 April 2025. The Council resolved to agree the Submission Draft Local Plan for publication and submission to the government for examination (following a further period of consultation). The Submission Draft is a significant material consideration in the determination of planning applications but has

limited weight at this stage. The weight that can be given to it will increase as it progresses towards adoption (anticipated 2026).

*DCLP Draft Site Allocation – (Allocation S18 (HCG4))*

The DCLP identifies the site as a draft site allocation. It is allocated for theatre / cinema and cultural use. A contribution to delivery of housing off site will be expected, having regard to relevant Local Plan policies.

## **7. ASSESSMENT**

7.1 The principal considerations material to the determination of this application are considered in the following sections of this report:

<b>8</b>	<b>Land use</b>
<b>9</b>	<b>Design and Heritage</b>
<b>10</b>	<b>Impact on neighbouring amenity</b>
<b>11</b>	<b>Basement development</b>
<b>12</b>	<b>Transport</b>
<b>13</b>	<b>Accessibility</b>
<b>14</b>	<b>Sustainability and Energy</b>
<b>15</b>	<b>Air Quality</b>
<b>16</b>	<b>Flood risk and drainage</b>
<b>17</b>	<b>Refuse and Recycling</b>
<b>18</b>	<b>Trees, Greening and Biodiversity</b>
<b>19</b>	<b>Employment and training opportunities</b>
<b>20</b>	<b>Safety and Security</b>
<b>21</b>	<b>Contaminated Land</b>
<b>22</b>	<b>Fire Safety</b>
<b>23</b>	<b>Community Infrastructure Levy (CIL)</b>
<b>24</b>	<b>Conclusion</b>
<b>25</b>	<b>Recommendations</b>
<b>26</b>	<b>Legal comments</b>
<b>27</b>	<b>Planning Conditions</b>
<b>28</b>	<b>Planning Informatives</b>
<b>29</b>	<b>Listed Building Consent Conditions</b>
<b>30</b>	<b>Listed Building Consent Informatives</b>

## 8. LAND USE

### ***Loss of cinema (Sui Generis) use / new theatre (Sui Generis) use***

- 8.1 Local Plan Policy C3 seeks to protect cultural and leisure facilities and states that where there is a proposal involving the loss of a cultural or leisure facility, it must be demonstrated to the Council's satisfaction that there is no longer a demand.
- 8.2 Objective GG5 of the London Plan aims to promote and support London's rich heritage and cultural assets, and its role as a 24-hour city. Policy E10 states that the special characteristics of major clusters of visitor attractions and heritage assets and the diversity of cultural infrastructure in all parts of London should be conserved, enhanced and promoted.
- 8.3 Furthermore, Policy HC5 also seeks to protect existing cultural venues, facilities and uses where appropriate (including cinemas and theatres). The policy supports the development of new cultural venues and encourages boroughs to evaluate what is unique or important to residents, workers and visitors. The policy also aims to identify, protect and enhance strategic clusters of cultural attractions like the theatres and cinemas of the West End, while Policy HC6 looks to protect and support evening and night-time cultural venues such as theatres and cinemas.
- 8.4 In this case, the existing building has most recently been in use as a cinema, occupied by the Odeon, and comprises 3,581sqm of cinema and ancillary floorspace (sui generis). Consultation responses have highlighted how the existing cinema is valued by local residents as a more affordable option to larger cinemas at nearby Leicester Square, or more boutique offerings such as the Curzon in Soho.
- 8.5 When assessing proposals involving the loss of a cultural or leisure facility, in this case the Odeon cinema, Policy C3 sets out a number of criteria that the Council will take into account:
- a. whether the premises are able to support alternative cultural and leisure uses which would make a positive contribution to the range of cultural and leisure facilities in the borough;
  - b. the size, layout and design of the existing facility;
  - c. proposals for re-provision elsewhere;
  - d. the impact of the proposal on the range of cultural and leisure facilities; and
  - e. the mix of uses in the area.
- 8.6 In this case, the proposals involve the loss of the existing cinema facility, and therefore the first part of the policy is triggered. Given the level of response

from the local community, both to the current proposals and the previous planning application and public inquiry, it is clear that the existing facility is well-used and loved by nearby residents, with it offering a more affordable cinema offering than most other cinemas in the local area. The application also does not try to suggest that there was no longer a demand for the existing cinema facility. Therefore, the proposals are not considered to satisfactorily demonstrate that there is no longer a demand.

- 8.7 Furthermore, the impact of the loss of the existing, and more affordable, facility is likely to be more keenly felt by those with protected characteristics. Lower-cost cinemas attract a younger, more budget-conscious audience whereas theatre performances in London draw an older, more affluent crowd. As such, the loss of the cinema is more likely to impact on children, younger adults, and young families, as well as those from lower income homes such as the surrounding affordable housing.
- 8.8 Whilst the reprovion of a theatre use can have a mitigating impact, especially with the offer of reduced-price tickets, it is unlikely to benefit those groups with protected characteristics that will be most impacted by the loss of the cinema.
- 8.9 Considering the criteria set out in Policy C3, and in particular, part (a) - whether the premises are able to support alternative cultural and leisure uses which would make a positive contribution to the range of cultural and leisure facilities in the borough, although the existing cinema use would be lost, it would be replaced with a new cultural / entertainment use in the form of a theatre of a comparable size to be occupied by the world-renowned Cirque du Soleil. An agreement of lease has been provided, signed by Cirque du Soleil, confirming the lease arrangements subject to the grant of a satisfactory planning permission. It is important to note that whilst it is welcomed that Cirque du Soleil are the intended occupier of the proposed theatre space and recognised that this would be a positive addition to the borough, and consequently some weight is given to this; of greater importance is the delivery of a flexible, high quality theatre space that could provide for a range of theatre users in the future. For this reason, officers are not requiring the proposed theatre use to be a personal permission linked to the occupier Cirque du Soleil.
- 8.10 The original use of the building was a theatre, evidenced by its remarkable frieze depicting 'Drama through the Ages', effectively advertising the entertainment use within. This historic theatre use and the theatrical performance displayed in frieze contribute to the significance of the listed building, and the return of theatre to the site is considered a significant benefit of the scheme. The draft site allocations (discussed in more detail below) allocates the site for theatre or cinema use, giving both equal weight, and states that alternative public cultural uses will only be considered if it can be

demonstrated to the Council's satisfaction that a cinema or theatre operator cannot be identified. GLA officers are also supportive of the ambition to bring a new theatre to this West End location in principle.

- 8.11 It is therefore considered that the premises are able to support alternative cultural and leisure uses which would make a positive contribution to the range of cultural and leisure facilities in the borough. The proposals would therefore comply with part (a) of the policy in this regard.
- 8.12 As to part (b) of the policy, and the size, layout and design of the existing four screen cinema, it is recognised that the facility had become tired and was not well maintained, however, it is understood that this is partly a product of the previous owner's lease surrender agreement with the Odeon which involved an early termination of their lease and waiver of repairing obligations. Furthermore, the responses from the local community in response to the current application and the previous appeal demonstrates that the cinema is well-used and loved by the local community, providing a more affordable option than other nearby cinemas. Although the proposals would not re-provide another lower cost cinema as per part (c) of the policy, there would still be a number of cinema operators in the nearby area, including the Curzon Soho, and the Vue, Cineworld, Odeon and Prince Charles Cinemas in Leicester Square. There is also a smaller, more boutique offering a ten minute walk away at the Garden Cinema near Holborn. It is also important to note that the Odeon vacated the building towards the end of 2024 and it is currently vacant. Should cinema use continue at the site, it would require a new operator and significant repairs and refurbishment, and it is likely that ticket prices would be increased as a result.
- 8.13 As to parts (d) and (e) of the policy - the impact of the proposal on the range of cultural and leisure facilities; and the mix of uses in the area, the site is located within the West End's Theatreland and can be described as the 'missing tooth' between the Palace Theatre in Cambridge Circus, The Shaftesbury in High Holborn and the Cambridge Theatre in Seven Dials. Providing a new theatre in this location and returning the theatre use to the former Saville Theatre is supported by officers and would contribute to the vitality and vibrancy of this part of the West End.
- 8.14 Policy C3 goes on to state that exceptionally it may be practicable for a cultural or leisure facility to be re-provided on-site through redevelopment, or elsewhere in the Borough, and that the Council will take the following into account when determining the suitability of proposals:
- i. the impacts of the re-provision on the existing occupier and users of the facility;
  - ii. changes in the mix of uses arising from the loss of the existing cultural/leisure facility;
  - iii. the loss of cultural heritage; and

- iv. the affordability of the new facility. If a replacement facility is provided, it should be at the same or better standard than the facility which is lost and accessible to its existing users.

- 8.15 In response to the first part (i), it is clear that the loss of the existing facility would be felt by the local community and existing cinema users; however, as already mentioned, the existing operator has already vacated the site, and there would be no guarantee that an alternative cinema operator would provide the same level of affordability should the site continue in cinema use. Also relevant to part (iv) of the policy and the affordability of the new facility, a number of the consultation responses from local residents suggests that the local community would be unlikely to visit the new theatre as Cirque du Soleil's show would not be affordable for local residents. In recognition of this and to provide more benefits for the local community, the applicant has committed to a package of cultural and community initiatives including 50 subsidised tickets per quarter at a 20% discount for Camden residents and 100 free tickets per annum to Camden residents for Cirque du Soleil's shows at the Royal Albert Hall. These measures would go some way to increasing the accessibility and improving affordability for existing users.
- 8.16 As to part (ii), the loss of the existing cinema would not significantly impact the mix of uses in the area given the high number of existing cinemas in the nearby area, and the provision of a new theatre within the West End is welcomed and would increase the vitality of the area.
- 8.17 Finally, the Council must consider any loss of cultural heritage as per part (iii) of the policy. The full heritage impact is discussed in detail in the design and heritage section (section 9), but in land use terms, the reinstatement of a theatre use at the site, although of a different size and form than the original layout, is considered a benefit and is supported by officers.
- 8.18 As mentioned, the theatre would be occupied by Cirque du Soleil, serving as their new London headquarters. They have entered into a 20-year lease subject to the grant of satisfactory planning permission and have been involved in the drafting of the internal layouts and configurations alongside the scheme architects SPPARC and theatre designers Charcoalblue, giving comfort as to their intention to occupy the space and that it will meet their long term requirements. The fact that there is an agreement of lease with an established operator rather than being a speculative development, also demonstrates the long term viability and deliverability of the theatre space.
- 8.19 Nevertheless, whilst the creation of new permanent home for Cirque du Soleil is supported by both the Local Planning Authority and the GLA, and their entering into a lease suggests they will be going on to occupy the theatre, it is important to ensure that what is proposed is a well-designed theatre with adaptability for the future, so that the space could meet a wide range of needs for different operators and not just the unique requirements

of Cirque du Soleil. On this point, the applicant's design team have been working with Charcoalblue to develop the brief for the theatre to ensure the venue has longevity within it if and when Cirque du Soleil decide to change shows or move on, leaving the venue available to other operators. A series of studies were prepared showing that the internal layout would be fully flexible and could be altered to provide a courtyard stage, a deep thrust stage, a wide thrust stage or a theatre in the round, as is proposed, to meet the spatial requirements of a range of future operators.

8.20 It is noted that the Theatre's Trust have objected to the proposals partly on the basis that established operators have contacted them and they consider that they could viably deliver a larger scale theatre with a capacity of around 800-1,000 seats, thereby avoiding the additional hotel development and harm created by the proposal. They suggest that this casts doubt on the applicant's viability evidence and assertion that a 100% theatre use would not be viable. The Theatre's Trust also consider the proposed theatre to be heavily constrained by its relocation into subterranean levels and that it would not be able to deliver the audience capacity promoted by the applicant.

8.21 The applicant has submitted a Financial Viability Assessment (FVA) which explores three different development scenarios at the site:

- Scenario 1: The proposed scheme as originally submitted, comprising a theatre within new basement levels, ancillary restaurant/bar at ground floor, and 211 hotel beds on upper floors.
- Scenario 2: A hypothetical scheme providing a new theatre within the existing building envelope. There would be no additional basement floors or upwards extension. The building would be 100% theatre.
- Scenario 3: A variation of scenario 2, with hotel bedrooms added through upwards extensions (i.e. new building only, no basement excavations), until such a point as the scheme would be deliverable.

8.22 The applicant's FVA concluded that scenario 1 (as submitted) was viable when the applicant accepts a reduced profit on cost rate of 8.5%, to give a profit of +£13.3 million, which they are willing to proceed with. The reinstatement of a theatre within the existing building (scenario 2) was found to produce a deficit of over £33 million (-57.25% profit on cost) and is therefore not viable. When looking at scenario 3, and assuming the same level of profit as accepted with the current proposals (8.5%), providing a theatre within the existing building with no basement excavation would require 14 storeys (302 bedrooms) of hotel floorspace to make the scheme viable (+£17.14million profit). The FVA was audited by the Council's independent chartered surveyors BPS who found a slightly smaller deficit for a theatre-only scheme (scenario 2), but still found it would result in a deficit of over £27 million (-47.4% profit on cost), and therefore would not be viable.

- 8.23 Although it would be the Council's preference for the building to be restored exclusively to a theatre use, officers must consider the proposals in front of them and the evidence available demonstrates that a theatre-only scheme would be significantly loss-making and not likely to be a viable proposition. The applicant has submitted various design documents to demonstrate that the proposed theatre space is flexible and adaptable and could be converted to alternative layouts in future if required. The space as designed and proposed would deliver a maximum occupancy of 622 seats and has been designed with input from the theatre experts Charcoalblue and the proposed operator Cirque du Soleil. Officers are therefore satisfied that the proposed design and layout would deliver a good quality theatre that would have longevity. It is also noted that in their objection, the Theatres Trust did acknowledge that despite them considering that the theatre would be compromised by its subterranean position, it has been demonstrated that the proposals could constitute a viable proposition and that 'In isolation, ignoring other factors, we could support this provision if it had come forward as part of a new-build scheme or a new site without current cultural use'.
- 8.24 The Theatres Trust note that should the Council be minded to grant planning permission, there is a need for robust planning conditions / S106 obligations to protect delivery and ongoing future provision and sustainability of the theatre into the future, and that they can advise on such matters. These measures might include preventing occupation of all or part of the hotel development until the theatre is operational and safeguarding rental values for the theatre which are realistic and obtainable by theatre operators. Officers are in full agreement, and as such, if permission is granted it would be subject to such a condition requiring the theatre to have reached practical completion prior to first occupation of the hotel (condition 33). It is not considered that the Council could reasonably control rent levels on a space; however, it is suggested to add a clause requiring the applicant to agree their marketing strategy with the Council in the event that the theatre space becomes vacant so that the Council and Theatres Trust or other relevant bodies could provide assistance in trying to find a new occupier. This, together with the ticket offers for Camden residents, would be secured by S106 agreement.
- 8.25 Overall, considering all of the above, it is acknowledged that the loss of the existing affordable cinema facility would impact existing users of that facility and it has not been satisfactorily demonstrated that there is not a demand for the existing facility. As such, there is a conflict with Policy C3 in this regard. However, it is recognised that the existing operator the Odeon has already vacated the site, and even if it were to remain in cinema use, it would be unlikely that the same offering would be provided were another operator to take over the premises. As set out in the policy, exceptionally, it may be practicable for a cultural or leisure facility to be re-provided on site through redevelopment, and if a replacement facility is provided, it should be at the



same or better standard than the facility which is lost and accessible to its existing users. The proposals would provide a new high-quality theatre, returning the historic theatre use to the site and the West End which is considered an exceptional situation, and a number of discounted tickets would be provided local residents to make it more accessible to them. On balance, the proposed loss of the cinema and re-provision of a new theatre is considered acceptable and would be in accordance with Policy C3 of the Local Plan as well as the draft new Local Plan site allocation. The proposals would also be in accordance with London Plan Policies HC5 and HC6, which support the promotion and enhancement of London's cultural assets and visitor attractions. The West End theatre district is a key cultural asset to London and this proposal would further enhance this area. As such, the reinstatement of the theatre use is strongly supported.

- 8.26 There are clearly similarities between the current proposals and the previously refused application which was dismissed at Public Inquiry, both comprising hotel use to the upper levels with a new cultural facility/use at basement level, and that decision forms a material consideration in the assessment of the current application.
- 8.27 In that application, the Council objected to the loss of the existing cinema facility as the applicant had failed to address Policy C3 and had not demonstrated to the Council's satisfaction that there was no longer a demand for the existing facility. This was evidenced by the scale of local support for the existing Odeon, and the performance figures of the cinema, being in the top 25 visited in the country. Furthermore, the proposed cinema was not considered an adequate replacement, being a small, 260 seat cinema arranged over a single basement level. The Inspector upheld the Council's reason for refusal in this regard, and found there was insufficient evidence to support its loss or justify the re-provision of a replacement facility. Thus, the proposal was found to have a negative effect on the provision of cultural and leisure facilities and so would conflict with Local Plan Policies C3 and D2 and London Plan Policies HC5 and HC6.
- 8.28 For the reasons outlined above, the loss of the existing cinema proposed by this application is accepted, noting the current occupier the Odeon has already vacated, and the proposed theatre is considered a high quality, suitable replacement, with a world- renowned operator already in a lease to operate the space. The GLA have also confirmed that the proposed theatre would respond positively to London Plan policies and would enhance London's cultural offering. As such, the current proposals are considered materially different to the previously refused application, and would comply with the development plan in terms of land use.

***Draft site allocation uses – Allocation S18 (HCG4)***

- 8.29 The site is not an adopted site allocation but is included as a draft allocation in the DCLP (under [site allocation reference S18 HCG4](#)). The allocated uses in the DCLP are for theatre / cinema or cultural use, reflecting the site's historic uses and West End theatreland location.
- 8.30 The new draft site allocation in the DCLP sets out that development must:
- a. retain the Grade II listed building and ensure that its fabric and setting are protected and, where appropriate enhanced, particularly the building's distinctive features. A full assessment of the remaining internal historic fabric of the building should be undertaken;
  - b. retain the cinema/theatre use and ensure that any other uses introduced on the site do not compromise or restrict the viability or operation of the cinema/theatre;
  - c. ensure that the cinema/theatre function is integrated in the building's design and layout, including careful consideration of the location, size and relationship of the screening rooms/stage, to circulation and other public spaces;
  - d. only consider alternative public cultural uses if it can be demonstrated to the Council's satisfaction that a cinema or theatre operator cannot be identified;
  - e. retain the main, front entrance for the cinema/theatre use, and use side or rear entrances for any secondary uses;
  - f. ensure that where an upward extension is proposed, this is of the highest architectural quality to complement and enhance the grade II listed host building, is of a height and massing that is appropriate to the site's surrounding townscape and responds to the neighbouring conservation areas; and
  - g. explore options for activating the blank façades facing St Giles Passage, New Compton Street and Stacey Street. Measures could include windows, entrances and active ground floor uses that contribute to enliven the street.
- 8.31 Whilst the DCLP has limited weight at this stage, that weight can increase as the plan progresses towards adoption. Given the early stage of the DCLP, officers have given it only limited weight as a planning consideration. Nonetheless, the proposals are considered to be in general accordance with the specified development and design principles. The grade II listed building would be retained, and the building's distinctive features, namely the frieze and front façade architectural treatments would be protected and restored. The allocated theatre use would be provided and the other uses introduced on the site would not compromise or restrict the viability of the theatre. The theatre function would be integrated into the building's design, and the main, front entrance would be retained for the theatre use whilst the hotel entrance would be via the rear on New Compton Street, ensuring the principal

Shaftesbury Avenue entrance would still be read as an entertainment use rather than hotel.

***Proposed hotel (Class C1) use***

- 8.32 Policy E3 sets out the Council's approach to supporting tourism and providing accommodation for those visiting the borough. It sets out how the Council expects new large-scale tourism development and visitor accommodation to be located in Central London, particularly the growth areas of Kings Cross, Euston, Tottenham Court Road and Holborn. New visitor accommodation must:
- a. be easily reached by public transport;
  - b. provide any necessary pickup and set down points for private hire cars and coaches and provide taxi ranks and coach parking where necessary;
  - c. not harm the balance and mix of uses in the area, local character, residential amenity, services for the local community, the environment or transport systems; and
  - d. not lead to the loss of permanent residential accommodation.
- 8.33 London Plan policy E10 relates to visitor infrastructure, it recognises the importance of tourism to London and seeks to promote it by ensuring that visitor attractions are easy to reach and complemented by supporting infrastructure including visitor accommodation. Policy SD4 also requires development to promote and enhance the unique international, national and London-wide roles of the CAZ, based on an agglomeration and rich mix of strategic functions and local uses.
- 8.34 The proposals would provide a 220-bedroom hotel to be operated by CitizenM. Although the development would not provide space for taxi or coach drop offs due to a lack of available space surrounding the site, given the site is located within the Central Activities Zone (CAZ) with a PTAL rating of 6b (the highest), it is therefore highly accessible by public transport and the lack of drop off space is considered acceptable. As there are no suitable drop off or pick up locations, the development would be secured as car- and coach-free to ensure there was no disruption to the local transport network (discussed in more detail in the 'Transport' section).
- 8.35 The site is located on Shaftesbury Avenue within the West End's theatre district in an area characterised by a mixture of different uses and would not result in the loss of any residential accommodation. The site is therefore considered an appropriate one for the introduction of new visitor accommodation.
- 8.36 A draft Operation Management Plan (OMP) has been submitted which sets out details of travel arrangements, public access strategy, deliveries and servicing, staffing, promotion of public transport, security and how noise and

disturbance will be dealt with. The measures set out in the draft OMP appear reasonable, but should planning permission be granted a full OMP shall be secured by S106 agreement to ensure that the operation of the hotel did not cause undue disturbance to surrounding residential homes or the local community. This would be a 'live' document allowing for continual review and revision where necessary.

- 8.37 Overall, the proposed hotel use is considered acceptable in this location and would be in accordance with Local Plan policy E3. In their Stage 1 Referral, the GLA also confirmed that a new hotel in this location would support the strategic function of the Central Activities Zone in accordance with London Plan Policy SD4.

***Proposed Restaurant and Bar (Sui Generis)***

- 8.38 The proposals include the creation of a new 250-capacity restaurant and bar at ground floor level. The space would be operated by Incipio group in partnership with Cirque du Soleil catering to the general public as well as the pre- and post-theatre crowd.
- 8.39 Policy TC4 seeks to ensure that food and drink uses do not cause harm to the character, function, vitality and viability of a centre, the local area, or the amenity of neighbours. In assessing new proposals for food and drink uses, the Council will consider the cumulative impact of such uses, taking into account the number and distribution of existing uses, and the effect on shopping provision.
- 8.40 The proposed restaurant and bar are located within a mixed-use area, where there is not an over-provision of such uses. The site is neighboured by predominantly office uses on Shaftesbury Avenue, with residential uses nearby on New Compton Street and Stacey Street. Elsewhere on Shaftesbury Avenue there are retail, restaurant, bar, and entertainment uses. The introduction of new food and drink uses to the site is considered to contribute to the vitality of the Central Activities Zone.
- 8.41 As mentioned, the site is in close proximity to a number of residential homes, and there its operation would need to be tightly managed to ensure there was no undue disturbance to these residents. A draft Operation Management Plan (OMP) has been submitted with the application which outlines how the restaurant will be managed to ensure it does not unacceptably impact nearby residents; and if planning permission is granted, a full OMP shall be secured by S106 agreement.
- 8.42 As such, the proposed restaurant and bar uses are considered acceptable in this location (subject to amenity considerations discussed in section 10) and would be in accordance with Local Plan Policy TC4.

### ***Mixed use policy and residential accommodation***

- 8.43 Residential use is the Council's priority land use. This is reflected in local plan policy. Policy H1 of the London Plan sets housing targets for local authorities in London, for Camden the target is 1038 per year for the 10 year period. In order to ensure that housing targets are met, Policy H1 states that boroughs should optimise the potential for housing delivery on all suitable and available brownfield sites through development plans and planning decisions.
- 8.44 Local Plan Policy H2 (Maximising the supply of self-contained housing from mixed-use schemes) applies to all proposals for new build non-residential development and extensions involving a significant floorspace increase. In the Central London Area, where development involves additional floorspace of more than 200sqm (GIA), Policy H2 requires 50% of the additional floor space to be self-contained housing, including a proportion of affordable housing.
- 8.45 Policy H2 provides a list of criteria (a – e), which the Council will take into account when considering whether self-contained housing is required as part of a mix of uses, and where it *is* determined that housing is required, it should be provided on site when 1,000sqm (GIA) of additional floorspace or more is proposed. The considerations are as follows:
- a. the character of the development, the site and the area;
  - b. site size, and any constraints on developing the site for a mix of uses;
  - c. the priority the Local Plan gives to the jewellery sector in the Hatton Garden area;
  - d. whether self-contained housing would be compatible with the character and operational requirements of the proposed non-residential use and other nearby uses; and
  - e. whether the development is publicly funded or serves a public purpose.
- 8.46 Where housing is found to be required as part of a mix of uses, additional criteria (f) to (j) are provided which will be taken into account in determining whether housing should be provided on site and the most appropriate mix of housing and other uses:
- f. the need to add to community safety by providing an active street frontage and natural surveillance;
  - g. the extent of any additional floorspace needed for an existing user;
  - h. the impact of a mix of uses on the efficiency and overall quantum of development;
  - i. the economics and financial viability of the development including any particular costs associated with it, having regard to any distinctive

viability characteristics of particular sectors such as build-to-let housing; and

- j. whether an alternative approach could better meet the objectives of this policy and the Local Plan.

8.47 The development would involve a total uplift of 7,493sqm (GIA) which triggers the requirement for 3,746.5sqm residential floorspace to be provided on site. With an uplift of over 1,000sqm, there is an expectation for this to be provided on site.

8.48 The relevant criteria when assessing the proposals against the first part of the policy in this case are (a) the character of the site and area, (b) site size and any constraints on developing the site for a mix of uses, and (d) whether self-contained housing would be compatible with the character and operational requirements of the proposed uses.

8.49 As to part (a), the site is located in a mixed-use area, where there are a number of buildings with a mixture of commercial or entertainment use with residential. However, of relevance to part (b), in this case there are heritage constraints on developing the site for a mixture of uses arising from its historic use as an entertainment venue. The previous appeal decision places significant importance on the use of the building for cultural / entertainment purposes, and the draft new Camden Local Plan allocates the site for theatre / cinema use. Finally, part (d) considers whether self-contained housing would be compatible with the character and operational requirements of the proposed non-residential use and other nearby uses. It is acknowledged that there would be inherent difficulties and additional costs and technical requirements arising from the provision of a mix of residential and theatre use within the same building; but there is no inherent reason why this would not be possible – as evidenced by the current proposals for a mix of theatre and hotel.

8.50 Considering parts (f) to (j) of the policy, and whether housing should be provided on site, and the most appropriate mix of housing and other uses, parts (h), (i), and (j) are of most relevance. It is noted that as part of the assessment of the previously refused scheme at the site (reference 2017/7051/P), officers concluded that it was not appropriate to require housing to be provided on site due to existing site constraints, including the following which are still relevant:

- The existing plan form and floorplate of the building limits the ability to provide an efficient layout of both market and affordable dwellings, which would result in the scheme not being able to maximise the quantum of development to be delivered.
- The majority of units would be provided on the northern elevation of the building, resulting in low levels of daylight and sunlight and many units being single aspect.

- Residential flats would need to be internalised and would result in sub-optimal internal living conditions for residents, with units provided without any private amenity space.
- The provision of separate hotel and residential cores and circulation space would mean the number would not optimise development.

- 8.51 As to part (h), the provision of residential floorspace would impact the efficiency and overall quantum of development. Additional floorspace would be lost to provide additional cores and circulation space, and the extent of hotel floorspace proposed has been demonstrated to be the minimum amount necessary to make the development viable. This links to part (i) and the economics and financial viability of the development, including any particular costs associated with it. The applicant has demonstrated through their Financial Viability Assessment that the proposed hotel use is an enabling development and required to make the proposed theatre use viable. Finally, part (j) considers whether an alternative approach could better meet the objectives of policy H2 and the Local Plan.
- 8.52 As mentioned, since the previous refusal and planning inquiry, the outcome of which forms a material planning consideration, the draft site allocations have also been published which allocates the site for theatre / cinema use, expecting a contribution to the delivery of housing to be provided off site.
- 8.53 Consequently, considering all of the above, officers are satisfied that providing on-site housing is not practical in this instance.
- 8.54 Where the Council is satisfied that providing on-site housing is not practical or housing would more appropriately be provided off-site, a provision of housing on an alternative site nearby will be sought, or exceptionally, a payment-in-lieu. The supporting text to policy H2 (para. 3.56) sets out that alternative sites must be in the borough, and will initially be sought in the same ward as the development; however, it is also recognised that there is intense competition for development sites in Camden which creates a risk that no site will become available for delivery of the housing if it cannot be identified by the time the application is determined (para. 3.54). In this case, there are no such sites available, the owner does not own land in the vicinity of the site which could deliver off-site housing and therefore, it is accepted that is not practical for the required housing to be provided off-site.
- 8.55 As the policy notes, a payment-in lieu will be accepted in exceptional cases, and therefore, this application is considered to meet that test, and a payment-in-lieu of the required housing floorspace is considered appropriate and in accordance with Policy H2.
- 8.56 In this case, the policy target is a £5,619,750.00 payment in lieu of housing floorspace (7,493sqm x 50% target = 3,746.5sqm, multiplied by the rate of

payment in lieu of self-contained housing including market and affordable housing (£1,500)).

- 8.57 Local Plan Policy H2 (part i) indicates that the Council will take into account the economics and financial viability of development when considering on-site or off-site delivery of housing, and para.6.48 of the Housing CPG explains that the Council will also take account of the economics and financial viability of development when considering payments in lieu. Where a payment-in-lieu at the level anticipated would not be viable, applicants are required to submit a financial viability assessment to justify a lower payment.

### ***Viability***

- 8.58 A Financial Viability Assessment (FVA) was prepared by Montagu Evans (ME) on behalf of the applicant. The applicant has maintained that the proposed hotel use is an 'enabling development' use that is required to cross-subsidise the cost of the development and delivery of the proposed theatre. given the heritage harm caused by the proposed hotel extension (discussed in more detail in the Design and Heritage section), the applicant has sought to demonstrate that the quantum of hotel floorspace being sought is the minimum required for the development to be deliverable. To test this point, the FVA has considered three different development scenarios:

- i. Scenario 1: The proposed scheme as originally submitted, comprising a theatre within new basement levels, ancillary restaurant/bar at ground floor, and 211 hotel beds on upper floors.
- ii. Scenario 2: A hypothetical scheme providing a new theatre within the existing building envelope. There would be no additional basement floors or upwards extension. The building would be 100% theatre.
- iii. Scenario 3: A variation of scenario 2, with hotel bedrooms added through upwards extensions (i.e. new building only, no basement excavations), until such a point as the scheme would be deliverable.

- 8.59 The FVA made the following conclusions:

- i. The proposed scheme (Scenario 1) does not achieve a level of profit in line with a target profit of 17.50% on cost, but is deliverable given the applicant's willingness to accept a sub-market circa 8.50% on cost margin that is generated. The proposed scheme therefore causes the least possible harm whilst remaining deliverable (with a profit of £13.30million).
- ii. Re-purposing of the existing building for 100% theatre use (Scenario 2) would be loss making and would not be deliverable (a loss of £33.69million).
- iii. In order for Scenario 3 to be deliverable - using 8.50% on cost as the target margin (as the applicant is prepared to accept to bring forward the proposed scheme) - 14 storeys (302 beds) of enabling hotel would



be required. i.e. 9 additional storeys compared to the proposed scheme (Scenario 3a).

- iv. In order for Scenario 3 to be deliverable - using 17.50% on cost as the target margin - 19 storeys (473 beds) of enabling hotel would be required. i.e. 14 additional storeys compared to the proposed scheme (Scenario 3b).
- v. Since Scenario 1 (within which no offsite housing contribution is included) is shown to be unviable when measured against market-normal returns, it follows that the proposals are unable to support any offsite financial contribution towards housing.

8.60 BPS Chartered Surveyors were instructed by the Council to undertake a review of the applicant's FVA and the conclusions it reaches, both in terms of whether the quantum of hotel floorspace proposed is the minimum amount necessary to make the scheme viable in planning terms, and whether the development could deliver a payment in lieu of the required housing floorspace.

8.61 BPS disagreed with a number of the key costs and assumptions of the FVA; namely:

Input	ME	BPS
<i>Income</i>		
Hotel	£700,000 per key	£532,000 per key
Theatre	£27,000,000	£33,000,000
<i>Expenditure</i>		
Landowner's premium	20%	2%
Benchmark Land Value	£2,900,000	£2,600,000
Build Costs (inc. contingency) Scenario 3a	£139,444,000	£132,988,934
Build Costs (inc. contingency) Scenario 3b	£196,729,000	£190,273,934
Profit target (on cost)	17.5%	15%
Actual Profit (Scenario 1) Proposed Scheme	+£13.30m 8.5% on Cost	-£17.1m -10.8% on Cost
Actual Profit (Scenario 2)	-£33.69m -57.25% on Cost	-£27.7m -47.4% on Cost
Actual Profit (Scenario 3a)	+£17.14m 8.36% on Cost	+£11.8m -6.16% on Cost
Actual Profit (Scenario 3b)	+£48.53m 17.01% on Cost	-£33.8m -12.4% on Cost

*Table 2: Comparison of ME's and BPSs viability inputs*

- 8.62 Despite disagreeing with a number of the assumptions of the FVA (BPS noted that there was limited evidence underpinning the turnover expectations for the hotel, but also the theatre, restaurant and bar), it was agreed that the proposed scheme, as well as the other tested scenarios could not viably make a contribution towards affordable housing. However, contrary to ME's conclusion that the proposed development would deliver £13.30million profit (with 8.5% profit on cost), BPS concluded that the development would be loss making at -£17.1million with a 10.8% profit on cost, or -£40.9million with a standard 15% profit on cost.
- 8.63 BPS also tested the appraisals using ME's figures to determine what their viability position would likely be. They modelled their respective viability positions based on the different levels of profit return – 8.5% which was the profit accepted by the applicant, 15% which is the standard used by BPS and 17.5% which is the target given by ME. Using the 8.5% profit accepted by the applicant, BPS found the scheme would be in deficit by £30.6million (compared to ME's -£0.5million). BPS' Viability Assessment Audit Report is included as Appendix D.
- 8.64 BPS and officers have both raised the question, why would the applicant want to proceed with the proposal if the FVA is showing it to be a loss-making scheme? The applicant has advised that they are choosing to pursue the scheme on the basis of their own expectations, experience, and agreements with the operators rather than the market data. The applicant confirmed they are committed to delivering the proposed scheme, and as the owner of several trading hotels, and with an agreement for lease in place with Cirque du Soleil, they are confident in their own revenue forecasts for the proposals. As the developer and landowner they are taking a long term view of the risk and are confident that the real-world performance of the scheme will outstrip the viability.
- 8.65 In light of this and the applicant's desire to make a contribution towards affordable housing despite the viability outcomes, the applicant's design team re-examined the internal hotel layouts to determine whether a greater number of hotel rooms could be delivered and therefore create additional profit that could assist in making a payment in lieu of housing. As part of this exercise, a number of the larger hotel rooms were subdivided, the hotel front of house space and ancillary spaces were reconfigured and reduced in size, and consequently, an additional 9 hotel bedrooms (resulting in a total of 220) were found to be possible within the existing footprint. With a value of £700,000 and cost of £300,000 per key, this equates to £3,600,000. The applicant has agreed to add to this to top up the payment to £4,214,812.00 to bring the payment-in-lieu up to 75% of the full policy requirement, which is welcomed and is considered a significant public benefit.

- 8.66 Officers are therefore satisfied that the proposed development would contribute the maximum payment-in-lieu of housing that would be viable, and therefore, the proposals would be in accordance with the requirements of Local Plan Policy H2 and London Plan Policy H1 in this regard.

***Land use conclusion***

- 8.67 In conclusion, although the loss of the existing affordable cinema facility would impact existing users of that facility, given the previous operator has already vacated the site and the proposals would provide a new high quality theatre in its place, reinstating the historic use of the building, the proposed loss of the cinema and re-provision of a new theatre is considered acceptable and would be in accordance with the development plan.
- 8.68 Officers accept that it would not be appropriate to provide on-site housing; and that it would not be viable to make a policy compliant payment in lieu of housing; but welcome the applicant's willingness to still make a 75% PIL. It is considered that the PIL has been maximised and that would be a significant benefit to local affordable housing projects in the area.

**9. DESIGN AND HERITAGE**

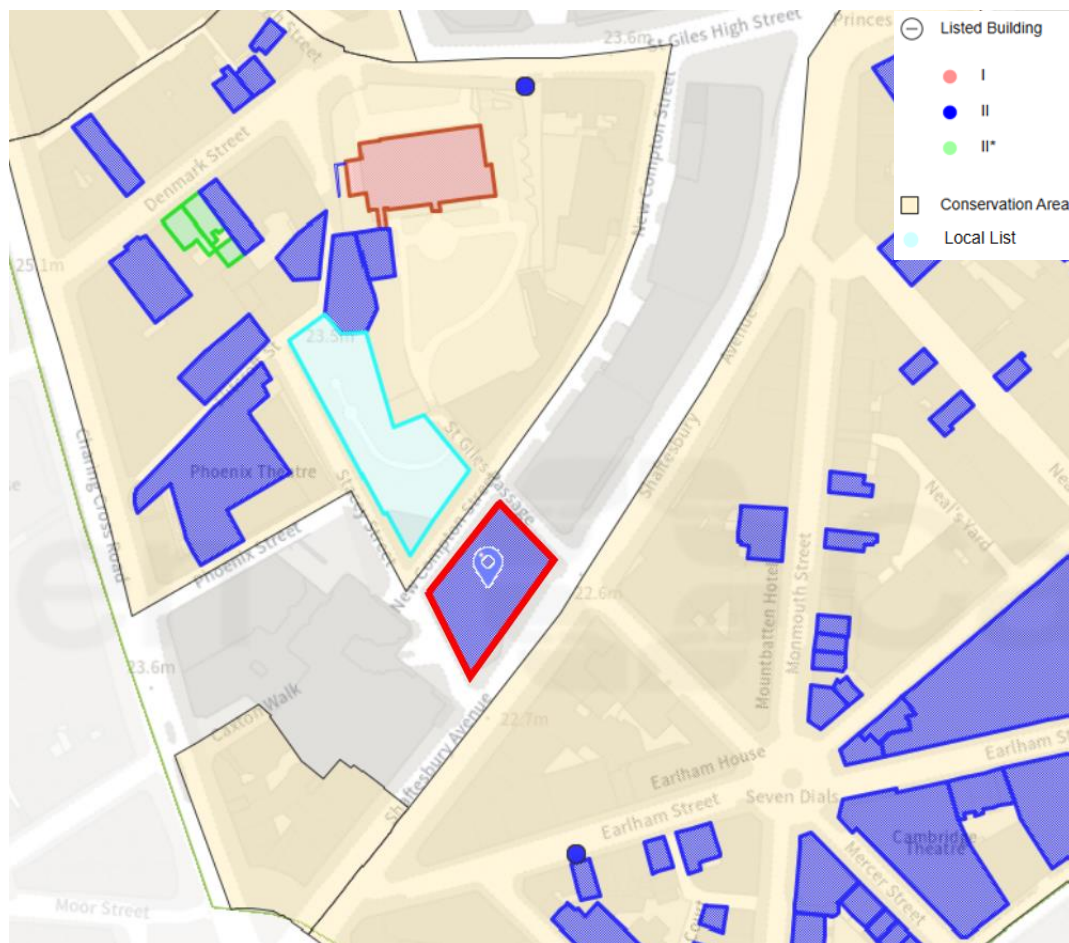
***Designated and non-designated heritage assets***

- 9.1 Sections 16 and 66 of the Planning (Listed Buildings and Conservation Areas) Act 1990 set out that special regard must be given to the preservation of a listed building, its setting or its features of special architectural or historic interest.
- 9.2 The effect of these sections of the Listed Buildings Act is that there is a statutory presumption in favour of the preservation of Listed Buildings and their settings. Considerable importance and weight must be attached to their preservation. A proposal which would cause harm should only be permitted where there are strong countervailing planning considerations which are sufficiently powerful to outweigh the presumption. Local Plan Policy D2 also resists development outside of a conservation area that causes harm to the character or appearance of that conservation area, and officers also attach great weight to such harm in line with the requirements of paragraph 212 of the NPPF:
- 212.** When considering the impact of a proposed development on the significance of a designated heritage asset, great weight should be given to the asset's conservation (and the more important the asset, the greater the weight should be). This is irrespective of whether any potential harm amounts to substantial harm, total loss or less than substantial harm to its significance.*
- 9.3 Paragraphs 205-208 set out an approach to the determination of the significance of a heritage asset which must be taken into account when

considering the impact of a proposal on a heritage asset, to avoid or minimise any conflict between the heritage asset's conservation and any aspect of the proposal. The NPPF provides guidance on the weight that should be accorded to harm to heritage assets and in what circumstances such harm might be justified (paragraphs 212 to 215).

### **Designations**

- 9.4 The application site, the former Saville Theatre, was first listed as Grade II in 1998. There are no listed buildings immediately adjoining the site, although there are a number of listed buildings in the nearby area. These include the grade I listed St Giles in the Fields Church, the grade II listed Lych gate to the west of the church and the grade II listed St Giles Vestry Rooms and attached wall with lamp, approximately 90m to the north of the site; the grade II listed Elms Lester Painting Rooms, 61m to the north west of the site on the opposite side of Phoenix Gardens; the grade II listed Phoenix Theatre at 110 Charing Cross Road, approximately 50m to the north west of the site; and grade II listed 12 Flitcroft Street, approximately 78m to the north west of the site. A map of the surrounding heritage assets is shown in figure 5.



*Figure 5: Designated heritage assets surrounding the site*

- 9.5 The site is not located in a conservation area but sits in between and within the settings of the Seven Dials Conservation Area (to the south of the site) and the Denmark Street Conservation Area (to the north of the site).
- 9.6 To the north of the site, is the public open space of Phoenix Garden. The gardens are locally listed and a designated Local Site of Nature Conservation Importance.
- 9.7 An assessment of the significance of the site and nearby designated and non-designated heritage assets is set out below, before an assessment of how their significance would be impacted by the proposals is provided at the end of this section.

#### The former Saville Theatre

##### *Historic England Listing*

- 9.8 The Historic England listing was recently updated in May 2023 to provide a more detailed listing description. The principal reasons given for its listing were detailed as the following:

##### Architectural interest:

- for the quality of the architectural composition, its restrained and carefully proportioned form specifically designed to integrate the purpose-designed sculptural work by Gilbert Bayes; and
- for the distinction of Bayes' integrated sculptural work, most notably the 'Drama through the Ages' frieze, which is an especially fine example of this leading sculptor's work that serves to clearly proclaim the building's designed purpose.

##### Historic interest:

- as a major theatre built for the impresario A E Fournier during the inter-war West End revival, designed by T P Bennett & Son in collaboration with the veteran theatre architect Bertie Crewe; and
- for the lively historical pageant of theatrical performance displayed in Bayes' frieze, an important example of integrated public sculpture which is redolent of the period in its stylised composition and depiction of famous actors, celebrated plays and theatregoers of the inter-war era.

- 9.9 A more detailed assessment of the building's significance is provided below.

##### *The Architect*

- 9.10 The building was designed by T P Bennett and Son and constructed in 1930-31. T P Bennett was a well-established architect at the time; however, this was his first theatre commission. The consulting architect on the project was Bertie Crewe who was a well-known theatre architect, designing and remodelling various entertainment venues including The Lyceum Theatre,

The Phoenix and Piccadilly Theatre. Their involvement in the design and construction of the building is considered to contribute to its historic interest.

#### *External elevations*

- 9.11 The theatre is an island site and is a large, rectangular, steel framed building clad in red-brown brick. The principal elevation facing Shaftesbury Avenue has a rusticated stone plinth that supports Gilbert Bayes' frieze depicting 'Drama through the Ages'. A large stone arch with a flat keystone marks the entrance to the building. Originally the arch contained bronze metal glazing; however, this has since been tiled over. The upper portion of the elevation is of blind rusticated brickwork interrupted by five pairs of roundel plaques. The side and rear elevations are relatively simple with fletton brickwork and regularly placed Crittal windows.
- 9.12 The building has a horizontal emphasis as a result of the brick coursing and rusticated banding; however, the eye is drawn upwards as a result of the impressive arch and entrance. Despite having a relatively simple design, the building is elegant and refined whilst having a dramatic presence on Shaftesbury Avenue.
- 9.13 Of principal significance is the frieze; however, the overall design has architectural quality as a result of the composition and elegant simplicity, as well as the quality of the materials. It is also a fine example of a theatre built during this period.

#### *The Frieze*

- 9.14 The frieze adorns the width of the principal elevation, and turns the corner onto Stacey Street and St Giles Passage. It is located at first floor level and is the most prominent feature of the façade due to the simplicity of its setting and its size. The frieze is visible from Shaftesbury Avenue and when walking north along Mercer Street.
- 9.15 Carved into artificial stone, the bas-relief frieze is 129ft long and 6ft high and depicts 'Drama through the Ages'. The frieze features 70 life size figures, these include St Joan, The Chester Players, St George, a Roman triumphal procession, Bacchanalian dancers, Shakespearian character and 20th century dancing girls.
- 9.16 The piece was crafted specifically for the theatre and embodies the various artforms the building represents, celebrating sculpture, architecture and theatrics. Acting as an almost permanent advertisement for the building and the activities taking place inside it, the frieze was and still is a signifier of the joy and entertainment the building has to offer.
- 9.17 Historic England's list description states that the frieze is 'one of the largest and most important pieces of public sculpture of its age'. The piece won a silver medal from the Institute of Sculptors (now the Royal Society of

Sculptors) in 1931. Overall, the front elevation in particular, including the frieze and restrained and carefully proportioned form of the building upon which it sits, makes a considerable contribution to the building's significance and special interest due to their rich architectural and artistic details. The other elevations make a lesser but still significant contribution due to the consistent architectural treatment.

#### *Internal arrangement*

- 9.18 When first constructed, the building housed a 1400 seat theatre with associated bars and dressing rooms. However, in 1970 the theatre was converted into a cinema and parts of the interior were removed and modern fixtures inserted, before further alterations were carried out in 2001 when the Odeon took over the site. Access remains in its original position on Shaftesbury Avenue where cinema goers are greeted by a foyer. Four separate cinema screens have then been created by inserting a variety of partitions and false ceilings into the auditorium. The various staircases and dressing rooms remain in their original position and are currently used as ancillary office space. Although internally the building has experienced change, there are still historic elements that remain and contribute to the building's significance.
- 9.19 As noted above, the overall volume of the foyer remains, although it is to some degree altered. Partitions have been erected along with false ceilings, to create a popcorn stall and access to the individual screens. In addition, although the auditorium has been heavily partitioned, the volume of the space lies beneath. Stripping out the 2001 partitions would reveal the full auditorium volume, in theory allowing the space to be used as a theatre once again.
- 9.20 At basement level, the stalls bar and associated entertainment spaces are still intact and the fly grid is also present at roof level and is an important component of any theatre as it allows for set and scenery changes. The engineering of fly grids represents the technology available during the period of construction and also the expectation and requirements of the theatre. In this instance the fly grid remains intact, being a fine example of theatre engineering and also historic fabric.
- 9.21 Overall, whilst it is accepted that there have been modifications to the internal fabric and layout of the theatre, it is clear there are elements of both historic fabric and planform intact, and these are considered to make a minor contribution to the building's architectural and historic significance.

#### *Cultural legacy of the theatre*

- 9.22 The site has an interesting cultural history and has contributed to the vibrant legacy of theatre and entertainment that characterises Shaftesbury Avenue and the wider area. On the 8<sup>th</sup> October 1931 the theatre opened with a

production of 'For the Love of Mike' which gained positive reviews. After WWII the theatre changed hands, and in 1965 was acquired by Brian Epstein who at the time was the manager of The Beatles. Epstein had plans to turn the building into a music and pop concert venue and this occurred with much success. Many prominent artists of the time performed on the stage, including Little Richard, Chuck Berry, The Who and Jimi Hendrix. The Beatles never actually performed at the venue but regularly attended concerts and shot some promotional videos on the site. After Epstein's death in 1967, the building reverted to theatre use once again but was sold on in 1970 to the ABC cinema group. The building has been used as a cinema since then, continuing its contribution to the arts and entertainment scene.

- 9.23 This long-standing and historic cultural use of the building is considered to make a significant contribution to the historic interest of the listed building - its use as a theatre for around 40 years and the involvement of notable architects and artists from the 1930s onwards. Its association with key music figures and bands from the mid to late 1960s is also an important component of its historic interest. The conversion to a cinema has less association with specific figures or events but it has maintained the building's role as a cultural and performance venue within Theatreland and as such, it's current use contributes markedly to the special interest and significance.

#### St Giles in the Fields Church

- 9.24 The Church of St Giles in the fields was designated at grade I in October 1951.
- 9.25 The Church is highly designated for its historical and architectural interest as a Georgian town church in a Palladian style (the first English church in this style) designed by Henry Flitcroft (1697-1729) and built in 1731-3. It was restored in 1896 by Sir Arthur Blomfield and William Butterfield, and again in the 1950s. The asset has group value with the Grade II listed Lych Gate and St Giles Vestry Rooms.

#### St Giles Vestry Rooms and attached wall with lamp south west of Church

- 9.26 The St Giles Vestry Rooms and attached wall and lamp were designated at Grade II in May 1974. The vestry rooms were built between 1731-3 by Henry Flitcroft, to be used by the neighbouring Church of St Giles, as a room for church meetings and classes.
- 9.27 The building derives architectural and historic interest as an early 18th century, purpose-built Vestry Room in the Neo-Classical architectural style. The asset has group value with the Grade I listed Church of St Giles and the Grade II listed Lych Gate.



#### Lych gate to the west of Church of St Giles in the Fields

- 9.28 The St Giles Vestry Rooms and attached wall and lamp were designated at Grade II in May 1974. The vestry rooms were built between 1731-3 by Henry Flitcroft, to be used by the neighbouring Church of St Giles, as a room for church meetings and classes.
- 9.29 The building derives architectural and historic interest as an early 18th century, purpose-built Vestry Room in the Neo-Classical architectural style. The asset has group value with the Grade I listed Church of St Giles and the Grade II listed Lych Gate.

#### Elms Lester Painting Rooms

- 9.30 The Elms Lester Painting Rooms were designated at Grade II in June 1998. The asset comprises a narrow, three storey red brick building which was constructed in 1903-04 as painting rooms for theatrical scenery, for Messrs W & J Elms Lester.
- 9.31 The building derives historic and architectural interest as an important and complete survival of an early 20th century theatrical scene painting workshop. Technological interest is also derived from the building's system of electric winches, which allowed stage scenery to be raised and lowered into the building easily.

#### Phoenix Theatre

- 9.32 The Phoenix Theatre was first listed at grade II in October 1973. The theatre was constructed in 1929-30 by Sir Giles Gilbert Scott, Cecil Masey & Bertie Crewe for Sydney Bernstein, with interiors by Theodore Komisarjevsky.
- 9.33 The building derives historical interest from its association with leading architects, theatre architects and interior designers involved in its design and construction, as well as from its association to the surge in theatre building in the 20s and 30s. It also derives architectural and artistic interest from the design and character of the frontage turning the corner from Charing Cross Road onto Flitcroft Street, and the internal renaissance-influenced interiors and paintings.

#### 12 Flitcroft Street

- 9.34 No. 12 Flitcroft Street was designated at grade II in January 1999. It is a warehouse building of 1878, built for William Addis Ironmongers. Constructed of London stock brick it is of four storeys and eight bays wide, featuring a pantile roof. Some architectural features owing to its previous industrial use, including a cast iron hoist bracket remain. Some original interior remains including slots for drive belts, however the building has since been converted to office use.

- 9.35 The building derives historic and architectural interest as an unusual survivor of mid to late 19th century warehouse buildings in this part of London and contributes to an understanding of the industrial history of this part of London. It also has group value with no.6 Flitcroft Street as a similar warehouse building of c.1881 with shared history, architectural character and setting. No.6 is further removed from the application site and as such is not considered in this assessment.

#### Seven Dials Conservation Area

- 9.36 The Seven Dials Conservation Area was initially designated in November 1971, with further extensions designated in 1974, 1991 and 1998. The conservation area can be broadly divided into three sub areas; one centred on Seven Dials, the second incorporating the Freemasons Hall/Great Queen Street and the third an area in the north east of the Conservation Area around Macklin Street. The application site is located in close proximity to sub area one (Seven Dials), which was designated in 1974 and includes the south side of Shaftesbury Avenue opposite the south elevation of the site.
- 9.37 The conservation area appraisal and management plan (1998) describes the special character of the conservation area as being found in the range and mix of building types and uses and the street layout. The character is not dominated by one particular period or style of building but rather it is their combination that is of special interest. Within the area's tightly contained streetscape, changes of road width, building form and land use give dramatic character variation, narrow alleys and hidden yards provide unforeseen interest and the few open spaces provide relief and a chance to pause and take stock of one's surroundings.
- 9.38 Shaftesbury Avenue is described as an important Central London Avenue, with a distinctive scale of buildings and use of materials, dominated by red brick and the use of terracotta. The street and the plot widths are generally wider than the rest of the Conservation Area and the buildings are higher. Shaftesbury Avenue's character makes it a natural boundary to the conservation area, with three distinct spaces along its length. Cambridge Circus is the grandest in terms of layout and scale. The Monmouth Street/Neal Street junction, with its widened footways forms a lesser and informal space. Outside the conservation area at the northern end is Princes Circus, currently a fragmented and traffic dominated space that contributes little to the area. The application site is located in between Cambridge Circus and the Monmouth Street/Neal Street junction.
- 9.39 The front elevation of the application building is largely obscured by buildings on either side of Mercer Street, but it becomes more apparent as one moves towards it from Seven Dials. The front elevation is also appreciated from the south eastern side of Shaftesbury Avenue but becomes increasingly obscured moving towards Cambridge Circus. Given the detailed appearance

of the front elevation, the building makes a positive contribution to the significance of the conservation area albeit it a modest one due to the relatively limited views. The use of the building as a cinema also contributes in a small positive way to the significance of the conservation area through its setting as a comparable entertainment function within this theatreland location.

#### Denmark Street Conservation Area

- 9.40 The application site is not located within the conservation area but is located in close proximity to its southern boundary which covers the north side of New Compton Street opposite the north elevation of the site. The part of the conservation area immediately north of the application site was within the original conservation area designation covering the area between New Compton Street, Phoenix Street, Charing Cross Road, Denmark Place and St Giles High Street, designated on 1 March 1984.
- 9.41 The Denmark Street Conservation Area lies within the ancient parish of St Giles, which has been developed since at least 1117. The conservation area appraisal and management plan (2010) describes how the historic heart of the conservation area is St Giles Church (Henry Flitcroft, 1734) and churchyard. The historic street pattern and network of narrow passageways which remains in much of the southern part of the area (the area closest to the application site) lends an intimate character. The surrounding architecture is a varied mix of former residential, industrial and commercial, dating from the late C17 to the early C20, but which has a consistency of materials and scale. The northern portion of the CA has a very different character, which is dominated by Centre Point, traffic, and the associated 1960s road layout.
- 9.42 Since the latter part of the C20th, Denmark Street has been renowned as a centre of popular music instrument retailing, and it also houses associated music industry uses such as instrument repair workshops, studios etc. This concentration of uses creates a unique and vibrant atmosphere, which is particularly distinctive, and contributes significantly to the area's special interest and character.
- 9.43 With the modern neighbouring buildings either side, the application site encloses the edge of the conservation area along New Compton Street when seen from Phoenix Garden and Stacey Street in particular. Although views across Phoenix Garden have only existed since previous buildings were lost after the Second World War, they are part of the surroundings in which the conservation area is experienced today. The height and form of the building's rear elevation is imposing and it has a back of house appearance. Nevertheless, the architectural detailing is attractive and the scale and bulk of the building does not overwhelm. Thus, the building has a moderate positive effect on the significance of the conservation area. Similar to Seven

Dials, the Denmark Street Conservation Area also contains theatres and is part of Theatreland, and as such the use of the building as a cinema makes a small positive contribution to the significance of this conservation area through its setting.

#### Phoenix Gardens

- 9.44 Phoenix Gardens are designated as Public Open Space and a Site of Local Importance for Nature Conservation. They are also a locally listed space (ref.287). The listing description for this non-designated heritage asset is provided in full below:

*'The Phoenix Garden, St Giles Passage off New Compton Street site ref.287*

*Significance: Architectural, Townscape and Social Significance*

*Asset Type: Natural Features or Landscape*

*Description: 'Although a new community garden created in 1984, The Phoenix Garden is on part of the former site of an orchard belonging to St Giles Leper Hospital established in the C12th by Queen Maud. It was later church land belonging to St Giles-in-the-Fields nearby. The site was built over for housing by the early C20th but following bomb damage in WWII it became a car park. It was created as a community garden under the auspices of Covent Garden Open Spaces Association and was laid out in summer 1984. It is run as an ecological garden, with a mix of ornamental and native species to encourage a range of wildlife and the garden contains a piece of public art by 'Stik'.*

#### **Proposal**

- 9.45 The proposals involve the following works:

- Erection of a new five storey roof extension plus additional set back plant floor. The roof extension would be constructed of glazed curtain walling with an external skin comprising vertical masonry fins. The upper levels and the recessed fifth floor level where the new extension joins the original building would be clad in a pleated glazing.
- Excavation of two additional basement levels.
- Creation of a new 220 bedroom hotel (6,050sqm) to be operated by CitizenM.
- Creation of 3,694qm theatre floorspace at basement level to provide Cirque du Soleil's permanent UK headquarters.
- Repair and restoration of the existing façade, including the Bayes frieze to the front / side elevations and masonry repairs.
- Partial demolition and reconstruction of the north / rear façade.

### ***Design Review Panel***

- 9.46 The proposals were presented to the Design Review Panel (DRP) at pre-application stage for a Full Review on 10<sup>th</sup> November 2023. The full report can be seen at Appendix E. At that stage, the proposals were for five full storeys above roof level with no setbacks, a full level of roof mounted plant, and four levels of basement. The roof extension incorporated a hotel with approximately 200 rooms, and the basement theatre had a capacity ranging from 350 to 500 seats. A proposed elevation is shown in figure 6.



*Figure 6: Pre-application proposals presented to DRP in December 2023*

- 9.47 The panel strongly supported the principle of bringing the building back into use as a theatre, but thought the designs required reconsideration and further design development to ensure they were of the quality required. Their comments are summarised as follows:
- Full information is needed on the historic fabric being removed.
  - More comprehensive justification is needed for excavation of a basement, including showing the existing building cannot host a different type of auditorium, and making the case for its carbon impact.
  - Whilst the height proposed can be justified for a high-quality design, more work is needed to show that the proposed massing is the right approach for the listed building and its setting.
  - The panel is concerned that the massing will have a negative impact on The Phoenix Garden to the rear, and asks that options to mitigate the impact including stepping back are considered. Detailed analysis

of the overshadowing impact on the garden and on residential properties is needed.

- Design development is required to provide greater clarity on the architectural approach and the intended relationship between old and new elements. The materiality and detailing of the extension must be of exceptional quality, and further detail is needed to demonstrate that this will be the case.
- The building should be more publicly accessible, and the applicant is encouraged to think about how to activate the rear elevation at ground level.
- The front entrance should be opened out to provide a dramatic foyer experience, and an upper level bar considered.
- Sustainability should drive design decisions, with the embodied carbon of materials revisited, a circular economy strategy developed, and if a double skin façade is proposed it should contribute to the energy strategy.
- Innovative ways to reduce the hotel's operational carbon impact should be considered.
- The hotel should be designed to allow for future adaptation.
- Construction impact on residents should be mitigated.

9.48 A second Full Review was held at application stage on 28 February 2025 after the applicant submitted revisions to the originally submitted scheme. The revised proposals were largely the same as is currently proposed (the most significant changes since the DRP being a reduction in the massing of the roof extension to the north west corner and changes to the hotel entrance and canopy). The purpose of the review was to seek the panel's views on the progression of the scheme since pre-application stage and how well the revised proposals had responded to the panel's original concerns. Their comments are summarised below and their full response can be viewed at Appendix F.

- At the previous design review meeting, the panel was not convinced that extending the listed theatre building both upwards and downwards was a justifiable strategy. However, it now considers that, in principle, this approach could be acceptable if it represents the only option to bring the building back into use as a theatre.
- There is a significant public benefit in providing a high-quality theatre with a long-term future in a Theatreland location.
- The panel is pleased that an adaptable theatre space is proposed, with a range of possible configurations to support future use. It also supports the flexible design approach to the wider building.
- The roof extension is now in better proportion to the listed building and could be an exciting addition. However, the double-skin design will create high embodied and operational carbon. The panel asks for

more work to achieve a thermally efficient building envelope, using low embodied carbon materials and construction.

- Lowering the roof extension by a storey (compared to the original submission) is a positive decision and improves the visual impact on the Phoenix Garden. However, it will still partly overshadow the open space. The applicant should demonstrate the nature of this impact, and whether it can be mitigated. The proposed green roof is a positive addition.
- The overall design of the roof extension has improved since the last review. It appears more restrained and less monolithic. The extension's architectural drama is suited to the building's entertainment use and the concept of wrapping a curtain around the upper floors related well to the theatre below. However, there are concerns about the carbon intensity of the roof extension.
- The panel remains concerned about the carbon impact of the proposed basement extension, which is now deeper than previously proposed.
- The project presents a technical challenge, and evidence is needed to show that both the basement and roof extension can be delivered without damaging the listed building.
- The panel ask for more information on how the scheme will improve the public realm on Shaftesbury Avenue and generate more activation on New Compton Street, for example with a more generous hotel entrance.
- The panel suggests that the raised corner of the brick curtain above the existing fly-tower could be scaled back. While the bulge in the curtain above the main entrance works well, the panel thinks the rear of the building should be quieter and more recessive by comparison.
- The panel thinks that the proposals could only be acceptable if the applicant can show how the building would act as a good neighbour to the Phoenix Garden. Detailed thinking is required to mitigate the negative impact on this space.

### ***Design assessment***

#### **Roof extension**

- 9.49 The proposed roof extension would cover the entire footprint of the host building, adding an additional five storeys with a setback rooftop plant area above. The extension features a series of set backs to the rear in an attempt to reduce the impact on Phoenix Gardens and has been reduced in height by 5.8m compared to the originally submitted scheme to try to address concerns raised by officers. The extension would be constructed of glazed curtain walling with a second skin of vertical fins of perforated masonry hung from a steel frame. The colour of the upper level masonry would subtly change on each level, from an exact match of the host building brick at the



lower level before becoming lighter as it moves up the building. To the front Shaftesbury Avenue elevation, this outer skin would project up to 9<sup>th</sup> floor level, before dropping down a storey at the rear, where these set back levels would instead be finished in a lightweight glazed pleated façade, which references the profiled cornice of the existing building. To the front elevation the masonry façade would feature a ‘swelling’ above the arched window to add prominence to the theatre entrance below. Behind the projecting masonry fins would be the same high quality pleated glazing used on the upper levels, adding visual interest when looking up from street level. An additional protrusion was originally proposed extending outwards over St Giles Passage and wrapping around the building onto New Compton Street, but this was brought back in line with the St Giles Passage façade so that it wouldn’t project over this narrow street. This was made at the request of officers, but also to address concerns raised by the DRP and GLA over this feature competing with the existing building features.





*Figure 7: Visual showing proposed front elevation*

- 9.50 At fifth floor level where the extension joins the existing building, it would be recessed behind the existing roof parapets to create visual separation between the old and the new. This floor would be glazed with an exposed masonry soffit that is intended to host a modern sculptural frieze in reference to the significant Bayes frieze at street level.
- 9.51 The design has developed in both form and articulation to address concerns over the scale of the proposed extension in the originally submitted proposals. The latest proposal is more uniform and proportional to the existing building when compared to the previous, and it is considered to be an improvement in terms of the impact from key surrounding views.
- 9.52 Nevertheless, the proposed extension is still considered to be very large, dominating the historic building below and appearing top heavy. As a result of the massing, the proposed extension competes with the building below in terms of hierarchy and visually detracts from the architectural qualities of the host building, which include, but are not limited to, the scale and form of the building and the highly praised Bayes Frieze. The extension would compromise views of the heritage asset from a number of locations, when looking both east and west along Shaftesbury Avenue, north along Mercer Street from the Seven Dials Conservation Area, and, because of the openness to the rear of the building, from Stacey Street and the Denmark Street Conservation Area.
- 9.53 In terms of detailed design and materiality, the extension would be constructed using a glazed curtain wall system with an outer layer of vertical fins of perforated masonry (shown in figure 8). The masonry is designed to read as a 'theatrical veil' or 'curtain'. The sculptural 'veil' prevents the internal floor plates from being overly visible from street level, allowing the extension to be read as one mass, similar to the host building below. This maintains the character of the building and the scale of the elevations.



*Figure 8: Render of proposed masonry veil*

- 9.54 The use of brick fins in this way is an atypical and modern use of brick, and is a welcome choice in this instance, reflecting the simplicity and solidity of the host building. They would be used purely decoratively and to conceal / provide privacy to the hotel rooms behind. The fins would be rotated on their axis at different moments in the façade to deal with overlooking concerns but also for aesthetic reasons. Additional details, samples and visuals were submitted at application stage to assure officers that the façade design could be delivered to the highest quality and was complementary to the existing building. Detailed drawings and sample panels shall be secured by condition if permission is granted to ensure the materials and detailing are of the highest quality and sympathetic and appropriate for the host building (condition 15).
- 9.55 The vertical fins and hit and miss masonry create subtle texture and interest with a degree of permeability that gives the extension a lightness in comparison to the listed structure below. The simplicity and lack of embellishment help to reduce the impact of the massing and to some degree prevent the extension from competing artistically with the host building. The pared back nature of the design, to some extent helps the extension read as a secondary element. The slightly recessed glazed 'belt' is also considered a successful addition, incorporated between the old and new elements, creating some separation and breathing space. The 'belt' brings a lightness to the upper elements and the building as a whole, preventing the building from being read as one solid mass.
- 9.56 Nevertheless, despite the success of the proposed detailed design and materiality, and although this goes some way towards ameliorating the impact of the additional height and mass of the roof extension, it is still considered to drastically change the appearance and proportions of the building, which would undeniably cause a high level of harm to its architectural composition and carefully proportioned form, and ultimately the architectural interest of the host listed building.

#### Works to original building

##### *Existing condition*

- 9.57 It is clear that the existing building is in a declining condition with significant cracking to all facades. A Façade Condition Report was completed in support of the application to provide an understanding of the brick, Portland stone, artificial stone, slate and marble condition. The report concluded that there is significant cracking at the building corners, at parapet level, and other high level areas including window heads. Vertical cracking is also present at regular intervals across the front elevation. The cracking locations and character indicate this is caused by laminar corrosion of the structural steel building frame which is encased within the external façade. There is a

moderate amount of past repair but much of this has been carried out poorly and using inappropriate materials.

- 9.58 It had been suggested that the cracking and corrosion is a result of 'Regents Street Disease', which is the name given to this issue due to the prevalence of buildings along Regent Street constructed in the early 20<sup>th</sup> Century using a similar building method. The report confirmed that decay has been caused by a combination of inadequacies in the original design, for example a lack of durable protection to the steel frame to prevent corrosion, and a long term lack of adequate investment and building maintenance.
- 9.59 To investigate this further, an Initial Intrusive Investigation was carried out. Opening up works were undertaken to selected areas of existing damage across the façade. Although the investigations revealed the structural steelwork was subject to a level of corrosion in those areas corresponding with defects visible on the surface of the masonry façade, which is indeed indicative of Regents Street Disease; given the areas examined had already been exposed to the elements, it cannot be definitively concluded that these are not localised issues or whether a greater proportion of the building is suffering from Regents Street Disease.
- 9.60 Nevertheless, considering the findings of the report in the round, and observing the remainder of the building, it is reasonable to conclude that the building is likely to be suffering from more significant corrosion of the steel frame, and without high quality repair and restoration, is likely to deteriorate further in the near future.

#### *Elevation alterations*

- 9.61 The proposals involve the restoration and repair of the side elevations and the significant front facade of the listed building. The Bayes frieze which has been left in disrepair for some time with a number of cracks evident within it, would be repaired and restored, allowing it to be truly appreciated as an exceptional art piece. Each element of the frieze which depicts drama through the ages will be fully revealed and the frieze itself will become an advert for the performing arts taking place inside the building. This restoration work is welcomed and is a significant heritage benefit of the scheme. A detailed methodology of these repair works would be secured by condition if permission is granted to ensure appropriate methodologies are used by suitable professionals (LBC condition 4).
- 9.62 The bronze framed arched window above the entrance, which was likely replaced during the 1970s conversion to a cinema, is also recreated within the proposals. The restored historic window will have a dramatic impact on the elevation, reviving the historic character and bringing architectural interest to the front elevation. The applicant's design team have studied original drawings and historic photographs of the front elevation to develop the detailed design for the arched window to ensure it is a faithful replica of

the original. An illuminated glass canopy would also be added to the entrance below the arched window, designed to match the original canopy. This would be used to advertise the theatre productions within the building, as was originally the case in the 1930s.

- 9.63 The main entrance doors, which currently match the Odeon branding, would be replaced with bronzed doors faithfully matching the historic 1931 design. This will add to the appreciation of the historic building and will create an attractive opening into the building. Additional openings are created within the front elevation; however, these are historic openings that have previously been blocked up and as such, there would be no loss of historic fabric. The opening up of these doorways creates a more permeable and active ground floor that allows the building to have an improved relationship with Shaftesbury Avenue. To ensure the new arched window, doors and canopy were faithful reconstructions of the originals, detailed drawings would be secured by condition should permission be granted (condition 15).
- 9.64 New door openings would be created to the Stacey Street elevation to provide egress for the theatre, although they would be in a similar location to the existing. They would be bronze framed to match those to the front elevation and are a welcome addition.
- 9.65 The fenestration to the upper floors of this elevation would be slightly altered to create a more regular pattern. The existing metal-framed windows are largely non-original, and the proposed windows would be bronze framed in a Crittal style matching the original profiles and glazing bar configurations, which would be continued throughout the building. Whilst the fenestration differs from the historic arrangement, this is not a principal elevation and it has been altered throughout the building's history.
- 9.66 A glazed canopy wraps around the corner from Stacey Street to New Compton Street to draw attention to the hotel entrance which is to the rear of the building. The design and size of the canopy was amended during the course of the application to ensure it read as a more subservient feature to the main theatre entrance, to reflect the importance of the theatre use and ensure that the hotel use within did not become overly dominant.
- 9.67 New openings would also be introduced to the St Giles Passage elevation which was historically blank as originally the stage was located at this end of the building. The new openings to some extent compromise the understanding of the layout and design of the historic building which is unfortunate. The windows are bronze framed in a Crittal style to be in keeping with the historic character of the building.
- 9.68 The rear elevation facing New Compton Street was largely rebuilt during the middle of the 20th century as it was bomb damaged during WWII. It is proposed that in order to facilitate construction, this elevation is demolished

and rebuilt using the existing materials and matching reclaimed bricks where necessary once the works have taken place. Whilst there are some risks associated with this, it is generally accepted; however, a detailed methodology for the deconstruction, storage, cleaning and re-use of the brickwork shall be secured by condition if permission is granted (LBC condition 3), as well as method statements for the repair, including rectification of any Regents Street Disease and the cleaning of the building shall be secured by condition (LBC condition 4).

- 9.69 The hotel entrance would be located on this elevation to the western corner of the façade. The design and layout of the hotel entrance was amended in response to DRP feedback to try and provide a more generous hotel entrance that would improve the public realm and increase activation onto New Compton Street. The hotel entrance would be set back slightly and chamfered to provide a more inviting entrance. The profile of the canopy was thinned and its overall size was reduced, and it is now proposed to be finished with a brick fascia to blend with the existing façade.



*Figure 9: 3D visual of proposed hotel entrance*

- 9.70 The openings at ground floor and above deviate from the historic fenestration becoming more regular in order to facilitate the internal spaces of the building. The openings are framed in bronze in a Crittal style to maintain the overall character of the building. It is some degree regrettable that the historic fenestration is not retained.
- 9.71 Overall, the proposed repairs and restoration of the principal elevations would provide significant heritage benefits, alongside the reinstatement of the bronze arched window and canopy, however, the extent of new openings and loss of historic fabric arising from these alterations as well as the removal and rebuilding of the rear elevation would cause a moderate level of harm.

### *Façade retention*

- 9.72 Given the extent of the proposed internal demolition and the removal of the rear elevation, it is essentially a façade retention scheme; although it is noted that the majority of the original internal structure has already been removed during the 1970 cinema works to convert the building from a two-screen to four-screen cinema.
- 9.73 Details of the façade retention strategy are set out in the Construction Management Plan. Along Shaftesbury Avenue and New Compton Street the façade retention temporary works will likely consist of a traditional façade retention frame with a series of columns and beams providing lateral stability to the façade. Vertically, the façade is to be supported on a reinforced concrete pynford beam, spanning between the steel transfer trusses. The pynford beam is to be constructed in a hit-and-miss sequence to ensure the façade stability.
- 9.74 Along Stacey Street and St. Giles Passage, due to the narrow width of the roads, it is proposed that temporary steel trusses spanning horizontally onto the Shaftesbury Avenue and New Compton Street façade retention gantries provide the lateral support to these façades during construction. The trusses will be propped on temporary columns supported on shallow footings.
- 9.75 Along New Compton Street, the existing façade will be partially removed. Along this elevation, it is proposed that the retained parts of the façade are laterally restrained by steel frame gantries that will also be used for site welfare facilities.
- 9.76 The proposed internal steel structure will stabilise the retained masonry façade in the permanent case. The connections will allow vertical movement, to avoid new floor loads being transferred into the masonry wall.
- 9.77 During discussions with Historic England, it was confirmed that their structural engineers did not have any in-principle concerns with this as a structural method. A final detailed façade retention strategy shall be secured by S106 legal agreement if planning permission is granted.

### *Internal alterations / layout*

- 9.78 The internal fabric has been considerably altered over the decades and neither the historic decoration exists nor the stage. Various new elements have been installed to create the cinema screens and the decoration is now in line with the Odeon branding. However, the overall volume of the theatre space is still present especially when experienced behind the cinema screens. The fly grid is present along with various historic staircases and dressing rooms and the remnants of tiered seating. At basement level the bar and associated entertainment spaces are in situ although in a very poor condition due to historic flooding and disrepair.

- 9.79 The entirety of the internal fabric is demolished within the scheme apart from the fly grid which is proposed to put on display in the foyer of the theatre. Whilst individually the surviving elements of the building are not of high significance, collectively they provide a deeper understanding of the building, its architecture and how it was used. The loss of these elements will diminish the significance of the building.
- 9.80 The proposals would provide a new bar / restaurant at ground floor level with access onto Shaftesbury Avenue. Additional openings were introduced to the Shaftesbury Avenue elevation in response to suggestions made by the DRP to create more public accessibility at ground floor level. Inside the entrance, a grand staircase would provide access down to the basement theatre. A separate hotel entrance is provided to the rear on New Compton Street, with jump lifts providing access from the entrance directly to the hotel lobby and bar at fifth floor level. A hotel front of house area including bar and restaurant would be provided within this recessed, decorative floor level, with opening doors out onto a small terraced area fronting Shaftesbury Avenue, allowing views over Covent Garden and the rest of London. This was also a suggestion of the DRP to give the building more public presence and offer greater public benefit.
- 9.81 As mentioned, the ground floor area fronting Shaftesbury Avenue would be a publicly accessible area, with a new bar and restaurant officering. The existing theatre entrance would be reinstated to match its original grandeur and would open onto the grand staircase down to the basement theatre. Within the theatre foyer, a triple height void would be created behind the arched window allowing light into this space and an appreciation of the volume of the original building. It is likely that the original fly grid would be repurposed and displayed within this space to provide further grandeur to this space, and final details of the proposals would be secured by condition (LBC condition 5).
- 9.82 Adjacent to the theatre entrance, a large bar and restaurant would be provided with direct access onto Shaftesbury Avenue. The remainder of the ground floor would be used for ancillary purposes such as the substation, servicing and cycle parking access, refuse storage, WCs and storage. At first to fourth floor levels, the original building would be infilled with floor plates and partitions to provide the new hotel rooms and other ancillary functions.
- 9.83 Although a new theatre use is re-provided, this would be sunk into the basement level rather than within the original auditorium location. The use of most of the ground floor and the upper levels would be changed as the cultural / entertainment use is removed and the majority of the building is used for hotel purposes. The building's optimum use is as a cultural venue as this supports the historic architecture - in this instance the large volume of internal space, windowless elevations and the Gilbert Bayes frieze.

Without the cultural use the building needs to be altered in order to facilitate that use. That is seen within the proposals – additional windows are required, the entirety of the internal fabric is demolished. The significance of the remaining architecture and fabric is also reduced as that relevant context is no longer in existence.

- 9.84 Overall, the demolition of all the remaining internal historic fabric within the main body of the listed building will compromise the understanding of the heritage asset. The infilling of the internal space with floor plates and partitions further erodes any understanding of the historic arrangement. The loss of cultural use within the footprint of the original building is also harmful especially as a large proportion of the original principal space within the building would now be used for ancillary spaces. As a result, a high level of harm is identified.

*Basement development*

- 9.85 The basement reaches a depth of 21 metres below ground level and is deeper than the existing building is high. The basement sits slightly forward of the host building on Shaftesbury Avenue, extending into the existing basement vaults. There is no external manifestation of the basement, but when experiencing the building internally, the enormity of it will compete with the host building, disrupting the historic hierarchy of the spaces. The circulation and movement around the building will also be altered, with visitors moving downwards into the theatre space rather than into the main body of the building. Although the original stage and stalls level were located below ground, the dress circle and upper circle levels were all above ground, with the upper circle bar at third floor level.
- 9.86 The upper basement levels would contain a mezzanine auditorium technical / structural zone containing plant and MEP, back of house facilities, and staff rooms and storage, etc. The theatre auditorium would then sit below that, at basement levels 1 to 4 alongside additional kitchen facilities, WCs and ancillary theatre spaces such as dressing rooms, green room and physio rooms. The theatre has been designed to provide a maximum capacity of 622 seats. Beneath the theatre are various elements of plant and dressing rooms.
- 9.87 The theatre has been designed with the input of Charcoalblue who are experienced theatre designers. The theatre has been designed to facilitate Cirque de Soleil as a long term user but has been designed to be adaptable should other theatre companies wish to occupy the site in future which is welcomed as it is important to ensure the long term flexibility and viability for the site to remain within theatre use.
- 9.88 The reinstatement of the theatre and the manifestations at ground floor level which include the entrance and theatre bar will enliven the building and to



some degree will bring the original use of the building back into being, albeit not within the actual listed building but beneath it.

9.89 Ideally the theatre would be located within the existing theatre box/host building as this would better preserve the significance of the host building as a cultural / entertainment venue. The applicant was urged to explore whether this was a possibility by the Council, as well as the GLA, Theatres Trust and the Design Review Panel. The applicant's design team has examined this issue in detail in collaboration with Charcoalblue. Although it would be physically possible to reinstate a theatre within the existing building, the resulting theatre would need to be significantly smaller with a reduced capacity of approximately 260 – 270 seats due to the requirement to meet current design standards such as providing additional firefighting cores, acoustic separation, and a higher standard of back of house facilities, changing rooms, bicycle storage, etc. By locating the theatre below ground it is able to benefit from an enlarged footprint by opening out the floor plate into the existing vault spaces. The viability assessment also demonstrates that sole theatre use alone would result in a significant financial deficit, and to have the theatre within the existing building would require a significantly greater number of floors of hotel above to make the scheme viable. Officers therefore accept that the proposed extent of basement excavation allows for a bigger and better theatre than could be delivered within the existing building footprint.

9.90 Nevertheless, in heritage terms, the size of the basement and the impact it has on the spatial qualities, circulation and the hierarchy of the host building results in a moderate amount of harm. There is some heritage benefit arising from the reinstatement of the theatre; however, this is limited by the fact the theatre is not located within the original building but in the newly excavated basement below it.

#### *Lighting*

9.91 In order to create a homogenous appearance to the roof extension and to limit the impact of a patchwork of hotel lighting within it, it is proposed to externally light the masonry fins. This is welcomed and would provide a warmth and richness to the extension. To ensure the lighting was appropriate and sensitive both to the host listed building and surroundings, a final detailed lighting strategy would be secured by condition which would include lux levels and hours and control of lighting (condition 15 and LBC condition 6).

9.92 To the lower levels, decorative elements including the frieze, the high level roundels, the arched window and entrance canopies would also be illuminated. Full details of these would also be secured as part of the lighting strategy.

### *Signage*

- 9.93 The applicant's design team have explored historic archives to find examples of the various signage strategies installed at the Saville Theatre over the years. This has informed the proposed location of the building name and theatre show signage to the front elevation and potential areas to the side and rear facades that could incorporate signage. Full details would be required as part of any necessary advertisement consent application.

### ***Heritage assessment***

#### Impact on significance of application site

- 9.94 As outlined in the assessment above, the following elements are considered to cause less than substantial harm to the significance of the listed building:
- a. The proposed roof extension due to its height, scale and mass would dominate and overwhelm the existing listed building, visually detracting from the qualities which make a significant contribution to its architectural significance; namely, its architectural composition and restrained and carefully proportioned form, and the way it integrates the highly significant frieze depicting drama through the ages. This would cause a high level of harm.
  - b. The extent of new openings and loss of historic fabric arising from these alterations as well as the removal and rebuilding of the rear elevation would cause a moderate level of harm.
  - c. The removal of all remaining internal historic fabric, however fragmentary in nature, alongside the infilling of the original internal space with new floor plates and partitions servicing alternative uses, and the loss of cultural use within the footprint of the original building, would cause a high level of harm.
  - d. The size of the proposed basement and the impact it has on the spatial qualities, circulation and the hierarchy of the host building results in a moderate amount of harm.
- 9.95 Overall, this harm is considered to fall at the upper end of less than substantial. When considering the impact of a proposed development on the significance of a designated heritage asset, paragraph 212 of the NPPF requires that great weight should be given to the asset's conservation (and the more important the asset, the greater the weight should be). Where less than substantial harm is identified, paragraph 215 requires:
- 215. Where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal including, where appropriate, securing its optimum viable use.*
- 9.96 It is acknowledged that the scheme would deliver some heritage benefits which constitute public benefits. These include the repair and maintenance

of the original building façade including the Gilbert Bayes frieze and roundels, the reinstatement of the arched bronze window, entrance doors and canopy to the front elevation and the re-provision of a new theatre at the site.

- 9.97 The weight given to each of these benefits alongside the wider public benefits of the scheme is assessed in more detail in the overall conclusion and planning balance.

Impact on significance of St Giles Group

- 9.98 The proposed development is not considered to impact the historical or architectural interest of the Church of St Giles in the Fields, nor the Vestry Rooms and Lych Gate and their group value as an ensemble.

- 9.99 The proposed extension would sit within the church's backdrop just below the eaves/cornice level. Whilst the extension does appear overly large within the context of the host building in these views, the extension is well below the spire level of the church, blending in with the overall urban scenery, and as such, would not detract from the appreciation of or the significance of the Church.

Impact on significance of Elms Lester Painting Rooms

- 9.100 The proposed development would not impact the historical interest or significance of the Elms Lester Painting Rooms. The principal views of this listed building are near to its main elevation on Flitcroft Street, where there are more limited views of the application site. Where the site is visible, it is viewed in the context of an already densely developed and changing urban setting.

Impact on significance of Phoenix Theatre

- 9.101 The Phoenix Theatre has very limited presence onto Stacey Street, consisting of a fairly narrow, two-window wide elevation with the stage door at ground level. It is set back behind the frontage of the adjacent building The Alcazar, and the vegetation within Phoenix Gardens shields the majority of the views of the application site from the Phoenix Gardens.

- 9.102 The proposed development is not considered to unduly change the dense urban environment in which the building is experienced given the distance and buildings between them, nor impact views of the significant frontage onto Charing Cross Road, and is therefore not considered to harm its setting.

Impact on significance of 12 Flitcroft Street

- 9.103 The proposed development would not impact the historical and architectural interest or significance of 12 Flitcroft Street. The principal views of this listed building are near to its main elevation on Flitcroft Street, where there are

more limited views of the application site. Where the site is visible, it is viewed in the context of an already densely developed and changing urban setting.

Impact on significance of Seven Dials Conservation Area

- 9.104 Due to the impact of the proposed roof extension dominating and detracting from the existing form and composition of the listed building, the proposals would cause harm to the setting of the Seven Dials Conservation Area. Due to the modest contribution the building makes to this heritage asset and the limited and restricted views of the extension, the harm would be minor.
- 9.105 Reinstating the original theatre use at the site would have some moderate heritage benefit to the setting of the conservation area by supporting its Theatreland character in this location and the theatres and entertainment venues within the conservation area.

Impact on significance of Denmark Street Conservation Area

- 9.106 Similarly, the proposed roof extension would cause harm to the Denmark Street Conservation Area; however, given the greater contribution made by the application building to this conservation area and the more open views, the harm would be moderate rather than minor.
- 9.107 There would also be a similar moderate heritage benefit arising from the reinstatement of a theatre in this location.

Impact on significance of Phoenix Gardens

- 9.108 The proposals development would have a significant impact on the setting of the Locally Listed gardens. Even though the existing urban context surrounding the gardens includes a number of tall, modern buildings; given the proximity of the site to the gardens and the significant height and massing of the proposed roof extension, the proposed development would dominate and overshadow the space, causing a moderate level of less than substantial harm.
- 9.109 As the proposals will harm this non-designated heritage asset, this is a matter of planning balance as set out in paragraph 216 of the NPPF:

*216. The effect of an application on the significance of a non-designated heritage asset should be taken into account in determining the application. In weighing applications that directly or indirectly affect non-designated heritage assets, a balanced judgement will be required having regard to the scale of any harm or loss and the significance of the heritage asset.*

**Archaeological impacts**

- 9.110 The site is located within the Lundenwic Tier 1 Archaeological Priority Area. The Proposed Development includes basement excavation and piling, and

as such, an Archaeological Desk-Based Assessment has been prepared by RPS Group to assess any potential impact on below ground heritage assets and any required mitigation measures.

- 9.111 The assessment considered that the site would have had archaeological potential in 1930, or in advance of the building being constructed, but that the construction of the theatre and the below ground excavations to accommodate the stalls floor and two basement levels to a depth of over 8m below ground level would have removed the site's archaeological potential.
- 9.112 Historic England's Greater London Archaeological Advisory Service (GLAAS) were consulted and confirmed that the existing double basement will have removed any archaeological remains from the within the site footprint. No further archaeological works are therefore required. However, given the extent of internal demolition proposed, they have recommended a programme of Level 2 Historic Building Recording is carried out both prior to and during the works in order to record any currently hidden surviving elements of the historic structure. Such a condition shall be imposed should planning permission be granted (condition 3).

#### ***Design and heritage conclusion***

- 9.113 The proposed development, through the scale of the upwards extension and downwards extension, the loss of remaining historic fabric and the change of use of the building's principal spaces away from cultural / entertainment use to an alternative use would cause a high level of less than substantial harm to the listed building, a minor level of less than substantial harm to the Seven Dials Conservation Area and a moderate level of less than substantial harm to the Denmark Street Conservation Area. This level of harm is consistent with that identified by Historic England and the GLA.
- 9.114 The revised proposals are considered to reduce the level of harm caused slightly as the detailed design, architectural treatment and reduced massing of the roof extension would go some way to ameliorate the harmful impacts of the height and massing of the roof extension. Nevertheless, the level of harm caused would still be at the high end of less than substantial.
- 9.115 An architect-retention clause would be included as a Section 106 Head of Term if planning permission is granted, to ensure continuing design quality through to the build stage.

## **10. IMPACT ON NEIGHBOURING AMENITY**

- 10.1 Local Plan Policies A1 and A4 and the Amenity CPG are all relevant with regards to the impact on the amenity of residential properties in the area, requiring careful consideration of the impacts of development on light, outlook, privacy and noise. Impact from construction works are also relevant but dealt with in the 'Transport' section. The thrust of the policies is that the

quality of life of current and occupiers should be protected and development which causes an unacceptable level of harm to amenity should be refused.

### ***Daylight and sunlight***

- 10.2 A Daylight, Sunlight and Overshadowing Report has been submitted as part of the application which details any impacts upon neighbouring properties. At the request of officers, the applicant has also submitted transient overshadowing diagrams to determine the hourly impact on Phoenix Gardens, and a cumulative Daylight, Sunlight and Overshadowing Report which considers the cumulative effects of the proposed developments at 135 Shaftesbury Avenue, 125 Shaftesbury Avenue and 151 Shaftesbury (the “cumulative impact”).
- 10.3 The technical information in the report, as well as the methodology, has been reviewed for the Council by independent third-party assessor, Lichfields.
- 10.4 The leading industry guidelines on daylight and sunlight are published by the Building Research Establishment in BR209 ‘Site Layout Planning for Daylight and Sunlight: A Guide to Good Practice’ (third edition, 2022) (BRE). The development plan supports the use of the BRE guidance for assessment purposes, however, it should not be applied rigidly and should be used to quantify and understand impact when making a balanced judgement.

### **Methodology**

- 10.5 The methodology and criteria used for the assessment is based on the approach set out by BRE guidance. The report makes use of several metrics in its assessment of surrounding buildings which are described in the BRE guidance:

#### ***Vertical Sky Component (VSC)***

- 10.6 The Vertical Sky Component test assesses the amount of daylight hitting a window by measuring the amount of sky visible at the centre of a window. The BRE considers daylight may be adversely affected if, after development, the VSC score is both less than 27% and less than 0.8 times (a reduction of more than 20%) its former value.

#### ***No Sky Line (NSL)***

- 10.7 No Sky Line, also known as Daylight Distribution (DD) is a test of the daylight penetration into a room. It measures the area at desk level (“a working plane”) inside a room that will have a direct view of the sky. The NSL figure can be reduced to 0.8 times its existing value (a reduction of more than 20%) before the daylight loss is noticeable.

#### ***Annual Probable Sunlight Hours (APSH)***

- 10.8 This is a measurement of the amount of sunlight that windows of main living spaces within 90 degrees of due south receive. It measures the number of

hours that direct sunlight reaches unobstructed ground across the whole year and also over the winter period. The main focus is on living rooms.

- 10.9 The BRE considers 25% to be acceptable APSH, including at least 5% during the winter months. If below this, impacts are noticeable if they are reduced to less than 0.8 times their former value and if the reduction in sunlight received over the whole year is greater than 4% of annual probable sunlight hours. It recommends testing living rooms and conservatories.

*Sun-hours on Ground (SoG)*

- 10.10 This is also known as overshadowing and is a measurement of the amount of direct sunlight received by open spaces.
- 10.11 The BRE recommends at least half (50%) of the area should receive at least two hours (120 mins) of sunlight on 21 March (spring equinox). Impacts of development will be noticeable if the area which can receive some sun on 21 March is reduced to less than 0.8 times its former value.

*Categorising impacts and considering context*

- 10.12 BRE guidance also recommends using significance criteria which allows a clearer understanding of where the more significant impacts are, as set out in the table below.

<b>BRE compliant =&lt; 20%</b>	<b>20.1% to 30% reduction</b>	<b>30.1% to 40% reduction</b>	<b>More than 40.1% reduction</b>
Negligible	Minor adverse	Moderate adverse	Major adverse

*Table 3 - Impact criteria*

- 10.13 The BRE guidance targets are based on a model which is meant to apply broadly across the whole country, so it does not tend to account for much denser urban settings like central London or Growth Areas. As a result, it recommends a flexible approach or setting alternative targets which take account of relevant local context.
- 10.14 In these relatively dense urban locations, a retained VSC value of 15-20% VSC can often be considered an acceptable level of retained daylight. The area is in Central London, in a dense urban environment with some narrow streets – as such a retained target of around 16-18% VSC and >50% room area for NSL is often considered reasonable in these contexts. The targets are also consistent with those that have been applied to other schemes in Camden.
- 10.15 Existing windows with balconies above them typically receive less daylight. Because the balcony cuts out light from the top part of the sky, even a modest obstruction opposite may result in a large relative negative impact on the VSC, and on the area receiving direct skylight. Where there are balconies

which can cause obstruction, the BRE guidelines suggest modelling the impacts with and without the balconies. This allows you to test whether the presence of the balcony or overhanging walkway, rather than the size of the new obstruction (the proposed development), is the main factor in the relative loss of light.

### Assessment

10.16 The reports considered the impact on nearby residential blocks which are listed and labelled on the plan below.

1. 1a Phoenix Street
2. 1-8 The Alcazar
3. 1-25 Pendrell House
4. 166-170 Shaftesbury Avenue
5. 166a Shaftesbury Avenue, Gower Street Memorial Chapel
6. 152-156, Shaftesbury Avenue
7. 148 - 150 Shaftesbury Avenue & 1 Earlham Street
8. 5 Earlham Street
9. 7-9 Earlham Street
10. 33-45 Mercer Street & 15-27 Earlham Street
11. 14 - 18 Monmouth Street



Figure 10. The site (dark blue) with the surrounding tested properties



- 10.17 Of the eleven properties tested, the analysis shows that 5 will remain fully compliant with the BRE targets when considering this scheme on its own. When considering the cumulative impact, this reduces to 2 properties (5 Earlam Street and 7-9 Earlam Street remain fully compliant). The independent assessor supported these conclusions.

33-45 Mercer Street

- 10.18 The assessments show that 18 of the 25 windows tested will retain BRE Report VSC compliance and that 15 of the 20 rooms will retain NSL compliance. Review of the VSC results shows that, where transgressions occur, 4 are minor (between 20% and 29.9%) reductions, 1 is a moderate loss (between 30% and 39.9% reduction) and 4 are major (above 40% reduction).
- 10.19 In terms of actual daylight distribution inside the rooms, the 5 NSL transgressions are all minor, being only modestly above the 20% reduction target.
- 10.20 However, the property has deep inset balconies (see below) and when testing with the balconies removed as per BRE guidance, the effects of the proposed development are minimal. As such, it is clear the balconies overly affect the natural light of 33-45 Mercer Street.



*Figure 11: 33-45 Mercer Street*

- 10.21 The cumulative impact would be greater but most windows and rooms remain compliant, with 16 (rather than 18) of the 25 windows tested retaining BRE VSC compliance and 13 (rather than 15) of the 20 rooms retaining NSL compliance.
- 10.22 Overall, whilst effects are noted the retained daylight amenity is considered to be appropriate for this urban area.

166a Shaftesbury Avenue (Chapel)

- 10.23 The data provided shows that 29 of the 62 windows assessed for VSC meet BRE Report guidance, and the cumulative impact shows 23 are compliant. Whilst there are a significant number of transgressions the data shows that 32 are minor with 1 only one moderate reduction. The reductions are greater in the cumulative impact, with 11 being moderate. However, these include windows that are serving circulation spaces.
- 10.24 The NSL data shows that all but 1 of the tested spaces will comply with guidance. Again, the cumulative impact increases that to 5 transgressions, but the 4 new transgressions are minor. The major transgression occurs to a space marked as being a Hall. The space currently sees very little daylight penetration (only 4.3%) where any impact will see a huge relative reduction. Given this, and the use of the space, the effect is not considered to be detrimental to the enjoyment of the area.
- 10.25 The APSH (sunlight) assessments show that 37 of the 41 windows tested will comply with the BRE Report guidance. 4 windows will see minor transgressions, 1 will experience a moderate transgression and 4 will experience a major transgression. The major transgressions are noted as occurring to circulation space and as such are not considered to be significant overall.
- 10.26 The cumulative impact also shows 4 major transgressions, but these are noted as occurring to circulation space and as such are not considered to be significant.
- 10.27 The retained daylight and sunlight are considered appropriate in the context.

166-170 Shaftesbury Avenue

- 10.28 No windows with a view of the proposed development face within 90 degrees of south and as such, as guided by the BRE Report, sunlight assessments have not been undertaken.
- 10.29 Daylight assessments provided show that 27 of the 28 windows (VSC) tested will comply with guidance but only 13 of the 28 would comply in terms of cumulative impact. For NSL, 6 of the 12 rooms will see BRE compliance both individually, and cumulatively.
- 10.30 The VSC transgression is minor and is not considered to be significant.
- 10.31 Of the 6 noted NSL transgressions 3 occur to rooms marked as living rooms and the remainder occur to bedrooms. Bedrooms are considered to have a lesser significance by the BRE guidance and whilst the bedroom transgressions are major in terms of cumulative impact, they are not considered to be particularly detrimental to enjoyment of the property.

- 10.32 However, the transgressions to the living spaces are substantial with each seeing at least a 40% reduction in their current lit areas. The significance is tempered by the urban location and the relative low height of the current 135 Shaftesbury Avenue building but is considered to fall outside of the levels of flexibility typical of urban sites. This is partly because they currently receive poor daylight distribution, but these figures would be almost cut in half. For example, the best currently receives 22% NSL which would drop to 13% NSL (or 12% from cumulative impact), and the worst currently receives 34% NSL which would drop to 17% NSL (or 15% from cumulative impact).
- 10.33 As such, the reductions to these three living spaces are likely to significantly impact enjoyment of the properties, more noticeable in the rooms that currently see restricted daylight.
- 1-25 Pendrell House
- 10.34 The results show some daylight and sunlight effects due to the proposed development. Arrangement details have not been obtained but the independent reviewer considers the room uses assumed to be fair.
- 10.35 VSC analysis shows that 52 of the 74 windows tested will retain BRE compliance, with 24 complying in terms of cumulative impact.
- 10.36 NSL analysis shows that 28 of the 42 rooms tested will also retain BRE compliance, with 17 complying in terms of cumulative impact. Of the transgressions, 23 will be major in terms of cumulative impact.
- 10.37 APSH analysis shows 44 of the 74 windows tested will retain BRE compliance, but only 28 do so under a cumulative impact. Around half of the transgressions under the cumulative impact (23 transgressions) would be major.
- 10.38 The building has several deep set balconies and walkways which affect the results, along with the corner windows being made up of multiple panes of glass service a single space – see below.



Figure 12: 1-25 Pendrell House

- 10.39 The reports provided assessments with the balconies removed. Whilst transgressions will still occur, the balconies do contribute significantly to the noted reductions. The windows and rooms where effects are present are either those below balconies, where the balcony is a clear element in reducing current natural light access, or the effected rooms are likely to be bedrooms, a room use considered to have a lesser daylight and sunlight need.
- 10.40 As such, whilst the reductions in daylight and sunlight values are modest, they translate as significant percentage changes, especially in cumulative impact, that may not fairly represent the experience of occupants.
- 10.41 Overall, the retained natural light amenity with the proposed developments in place is considered appropriate.

1-8 The Alcazar

- 10.42 The analysis shows that some of the windows tested will see both VSC and APSH transgressions, but all tested rooms will remain compliant with the NSL BRE guidance. Even considering cumulative impact, NSL data indicates all but 1 of the tested rooms will remain compliant with BRE targets.
- 10.43 Furthermore, external observation indicates that the windows seeing effects are either secondary windows to the living spaces, where the main windows remain unaffected, or are windows serving bedrooms. Whilst there are transgressions noted, both the levels of retained VSC and APSH and the potential lessening of significance due to room use suggest the transgressions are not significant. In the individual and cumulative scenarios, the light conditions remain appropriate.

1a Phoenix Street

- 10.44 There are numerous transgressions of the BRE guidance with windows and rooms seeing notable (moderate/major) percentage reductions in their current daylight and sunlight values.
- 10.45 The VSC analysis results show that none of the 40 windows tested will see VSC values of 27% or above in the baseline conditions, i.e., compliance with the absolute target given in the BRE Report. With the proposed development in place, 23 windows would see BRE Report compliance, retaining 0.8 times their former values, but none do so under the cumulative impact. The following table compares the impact severity.

Assessment	Total windows	BRE compliant	Minor adverse	Moderate adverse	Major adverse
Individual	40	23	8	8	1
Cumulative	40	0	1	5	34



*Table 4: VSC impact – individual and cumulative*

- 10.46 NSL analysis shows that, with the development in place 27 of the 34 rooms tested see compliance with the 0.8 times former value target, but this drops down to 13 under the cumulative impact. The following table compares the impact severity.

Assessment	Total windows	BRE compliant	Minor adverse	Moderate adverse	Major adverse
Individual	34	27	3	2	2
Cumulative	34	13	4	3	14

*Table 5: NSL impact – individual and cumulative*

- 10.47 APSH tests of the south facing windows show 7 of the 10 windows tested will meet the sunlight criteria. Under the cumulative impact, APSH tests show none of the 10 windows tested will meet the sunlight criteria with 3 seeing minor transgressions and 7 seeing major transgressions.
- 10.48 As can be seen below, most of the windows and rooms are beneath balconies which run along the entire façade.



*Figure 13: 1a Phoenix Street*

- 10.49 The without balconies assessments provided show that all of the windows and rooms tested would retain BRE Report daylight compliance with only the

proposed development in place. This demonstrates that the design of the building itself makes it highly sensitive to development impacts.

- 10.50 The property is in very close proximity to 125 Shaftesbury Avenue and is currently heavily reliant on the natural light amenity that is present due to the undeveloped nature of the north eastern portion of this site, adjacent to Stacey Street.
- 10.51 As shown by the Shapley calculations provided in the cumulative impact report, the majority of noted impact is due to the proposed 125 Shaftesbury Avenue property, albeit cumulative effects also significantly contribute.
- 10.52 Overall, the impacts are significant, particularly if all schemes come forward, and this will lead to noticeable reductions in daylight and sunlight within the property. Whilst the significance is lessened by the current low values, the impacts of this development and the combined reductions will notably impact natural light enjoyment within the property.

*(Cumulative impact only) 14-18 Monmouth Street*

- 10.53 The non-cumulative studies show this property retains daylight compliance. These properties see minor transgressions of the BRE Report guidance in the cumulative tests. 14-18 Monmouth Street sees 1 room (R34 at fourth floor) transgress the NSL guidance with a minor adverse relative reduction. Whilst the reduction will be noticeable, the retained skylight distribution is considered to be appropriate for the area with more than 50% retained.

*(Cumulative impact only) 148-150 Shaftesbury Avenue*

- 10.54 The non-cumulative studies show this property retains daylight compliance. These properties see minor transgressions of the BRE Report guidance in the cumulative tests. 148-150 Shaftesbury Avenue will see 9 windows and 3 rooms transgress the daylight (VSC and NSL) guidance. The reductions noted will see the room and windows retain above 0.7 times their former values (minor adverse). Whilst this is a transgression of the BRE Report 0.8 retention target, the transgression is modest and although noticeable reductions, are within the expectations within urban areas.

*(Cumulative impact only) 152-156 Shaftesbury Avenue*

- 10.55 The non-cumulative studies show this property retains daylight compliance. However, the cumulative studies show that the combined effects will introduce noticeable transgressions.
- 10.56 VSC analysis shows that all of the 30 windows tested will transgress the BRE Report guidance. 21 windows will see minor transgressions and 9 will see moderate transgressions.
- 10.57 NSL assessments show that 3 of the 12 rooms tested will see minor transgressions with the remainder retaining BRE Report compliance.

- 10.58 Whilst daylight transgressions are noted, the retained daylight values and the urban context suggest the effects, whilst noticeable, are within the typical levels for this area.

#### Overshadowing

- 10.59 The main concerns around overshadowing relate to the impact on the open spaces behind the site, including Phoenix Gardens. Whilst impacts on other open spaces are negligible, those on Phoenix Gardens are more noticeable. This is an important open space providing amenity space for those in the area.
- 10.60 The methodology used for assessing the overshadowing impacts of the proposed development follows the BRE guidance. The report shows that any overshadowing due to the proposed development alone will be BRE compliant (more than 50% receiving more than 2hrs). However, the relative reductions would be notable, dropping from 91.8% to 56.6% of the ground receiving at least 2hr of direct sunlight access on the 21 March.
- 10.61 However, with the cumulative impact, there would be a transgression to the south-west element of Phoenix Gardens. The test is undertaken for the 21 March as guided by the BRE Report. An additional testing date is discussed in the BRE Report for the 21 June and the assessments provided show that the area would achieve full compliance on this date even in the cumulative scenario. Whilst the test for the 21 March date shows the cumulative impact transgresses the guidance, tests provided for April to August show the Gardens achieve compliance with the target for at least 50% of the area to see 2hrs of direct sunlight from April to August. As such, the cumulative transgression is not considered to be significant in terms of amenity impact given the levels of light over the summer months.
- 10.62 Whilst the moderate impact on amenity in Phoenix Gardens is considered broadly acceptable, the impact is likely to be more keenly felt by those with protected characteristics. There are several housing blocks in the area with council or housing association tenants who will likely be users of this open space. People with disabilities, older adults (particularly those over 65), and some ethnic groups are more likely to live in social or affordable housing. As such, the amenity impact on the gardens is likely to have a greater impact on those with certain protected characteristics, including disability, age, and race. Nonetheless, the impact is considered moderate, and given the summer conditions, remains acceptable overall.

- 10.63 The impact in respect of biodiversity is covered in the Trees, Greening, and Biodiversity section of the report.

#### Conclusion – daylight and sunlight

- 10.64 Whilst many of the impacts on surrounding properties are notable, most would be commensurate with the local context and the nature of Central

London as it continues to support growth and effective use of land, including visitor accommodation in key entertainment districts and tourist destinations.

- 10.65 However, there are some major adverse impacts, including to three living spaces in 166-170 Shaftesbury Avenue, and more notably to the block at 1a Phoenix Street particularly when the impact from 125 Shaftesbury Avenue proposals is cumulatively factored in.
- 10.66 Any material additional development of these sites would have a disproportionate impact on daylight to these properties, given the narrow width of the streets. Furthermore, the situation at 1A Phoenix Street is exacerbated by the balconies overhanging the windows cutting sky visibility from above.
- 10.67 The impact on residential properties surrounding the sites is generally moderate and considered acceptable, considered individually and cumulatively. However, the impacts on 1a Phoenix Street and 166-170 Shaftesbury Avenue are significant, particularly with the cumulative scenario. The impact on these properties would conflict with the part of Policy A1 which seeks to protect the amenity of communities and neighbours.
- 10.68 The main overshadowing impact is on Phoenix Gardens, which is not BRE compliant under the cumulative scenario. That said, the impact on amenity is not considered significant given the levels of light over the summer months and so would have a moderate and acceptable impact overall.

### ***Overlooking / Privacy***

- 10.69 The nearest neighbouring residential building is Pendrell House, the southern corner of which sits approximately 14.8m directly to the north of the northern corner of the existing building. The proposed development would introduce a number of new windows to the rear and side elevations of the existing building and the proposed roof extension. On floors one to five, the new windows within the existing building that are closest to Pendrell House would face north east and north west rather than directly onto the neighbouring building. The north west facing windows would overlook Phoenix Gardens, and the north east windows would overlook 151 Shaftesbury Avenue, an office building on the opposite side of St Giles Passage. The Council's Amenity CPG recommends a distance of 18m between the windows of habitable rooms in existing proposals directly facing the proposed, but it notes that where there is an existing street or public space, this space is considered to already provide an adequate separation between properties and so the 18m guideline will not apply. In this case, although separation distance between the buildings is less than 18m, there is an existing street junction between them, and the proposed windows would afford only oblique views of Pendrell House.



- 10.70 To the upper levels, the proposed roof extension would be largely glazed, but would feature a dense overcladding system of brick fins which would act as louvres in front of the windows and limit views out of them. The hotel rooms within the new roof extension would be at levels six to nine, which would sit higher than the five storey Pendrell House, offering additional vertical separation.
- 10.71 With a distance of approximately 38m to the other nearest residential windows at 1-8 The Alcazar, and 25m to the windows at 166-170 Shaftesbury Avenue, the proposed development would not result in harmful overlooking of these properties.

### ***Outlook***

- 10.72 Pendrell House would be the nearest neighbouring property whose outlook would be impacted by the proposals. The proposed development would increase the height of the building from five/six storeys to ten storeys with a setback plant floor above. At present, the existing building provides visual relief between its neighbours 151 Shaftesbury Avenue at nine storeys (with permission recently recommended at Planning Committee for one additional storey) and 125 Shaftesbury Avenue at 10 storeys (with a current application for an increase in massing and an additional two storeys).
- 10.73 The windows at Pendrell House closest to the application site face predominantly south west overlooking Phoenix Gardens and south east overlooking no.151 Shaftesbury Avenue. There are also curved bay windows on the southern corner which directly overlook the application site.
- 10.74 Although the proposed extension would undeniably alter the outlook from neighbouring windows, it would be read in context of an already densely built urban environment and those windows closest to the site and most impacted would still benefit from open, unobstructed views across Phoenix Gardens. Therefore, although neighbouring outlook would change, it is not considered to be harmed to an unacceptable degree.

### ***Noise disturbance***

#### Plant and machinery

- 10.75 The proposed development includes the installation of new building services plant and machinery split between the basement and a roof level plant enclosure. The building will be served by several Air Source Heat Pumps (ASHPs), air handling units and ventilation fans.
- 10.76 A Noise Impact Assessment has been carried out to support the planning application which has been reviewed by the Council's Environmental Health Officer (EHO).

- 10.77 Appropriate noise guidelines have been followed within the report such as Noise Policy Statement for England, National Planning Policy Framework (NPPF), Planning Practice Guidance on Noise, BS 8233 Guidance on sound insulation and noise reduction for buildings, Camden's Local Plan, and BS 4142:2014 "Methods for rating and assessing industrial and commercial sound". The EHO has confirmed that noise and vibration from demolition and construction, operational noise including noise from deliveries, servicing, and waste collection and building plant has been adequately considered.
- 10.78 Environmental sound measurements were taken to establish the baseline sound conditions experienced around the site and by neighbouring noise sensitive receptors. Results from the survey have informed the noise impact assessment, particularly in deriving noise emission limits for new building services plant.
- 10.79 The site is subject to relatively high sound levels along Shaftesbury Avenue, which are attributed to road traffic vehicles and people noise. Noise sensitive receptors to the rear of the site along New Compton Street and at Phoenix Gardens experience relatively lower sound levels, although it is noted that distant sound from Shaftesbury Avenue and Charing Cross Road is audible.
- 10.80 Baseline noise levels were used to inform plant noise emission limits in accordance with Local Plan policy. The baseline noise levels and noise emission limits for plant are set out in table 6 below. The assessment identified the need for physical noise control measures to be integrated within the design, including acoustic attenuation to the ASHPs, sound attenuators to the air inlets and outlets of all ventilation plant, and a solid acoustic screen enclosing the rooftop plant area. The assessment indicates that with these measures in place, the proposed mechanical plant installation should be capable of achieving the Local Plan environmental noise criteria at the nearest and potentially most affected noise sensitive receptors.

Receptor	Period	Representative measured background sound level, dB LA90,15min	Maximum rating noise limit for new building services plant, dB LA <sub>r,Tr</sub>
Residential buildings on New Compton Street and Phoenix Street	Day (0700-2300)	48	38
	Evening (1900-2300)	48	38
	Night (2300-0700)	44	34
The Phoenix Garden	Day (0700-2300)	48	38
	Evening (1900-2300)	48	38
	Night (2300-0700)	44	34
Commercial offices at 125 Shaftesbury Avenue and Shaftesbury House	Day (0700-2300)	55	55
	Evening (1900-2300)	54	54
	Night (2300-0700)	48	48

*Table 6: Proposed plant noise limits*

- 10.81 The Council's EHO has therefore confirmed they are satisfied that the submitted acoustic submission and associated technical details meet Local Plan guidelines and are acceptable in environmental health terms subject to conditions securing noise levels for the proposed plant and the installation of anti-vibration measures (conditions 36 and 37).

Noise disturbance from proposed uses

*Theatre and hotel noise*

- 10.82 Production sound from the theatre will need to be contained within the venue to minimise impact upon neighbouring buildings. The theatre will be fully located below ground level, thereby designing out direct sound-transfer paths to outside.
- 10.83 The theatre will be built within an acoustic box to protect the venue against noise from underground trains, as well as to limit sound transfer to other parts of the development. The Noise Assessment notes that the main potential path for sound breakout is therefore indirect sound escaping through the ventilation system. It is proposed for this to be controlled via the use of sound attenuators installed within the ventilation ductwork. The attenuators will be specified to reduce theatre sound to an appropriately low sound level in line with Local Plan policy on entertainment noise (Appendix 3 of the Local Plan).
- 10.84 The Council's EHO has suggested a further condition to restrict music noise levels so that they do not exceed reasonable levels in nearby habitable rooms. This shall be secured should planning permission be granted (condition 26).
- 10.85 Although the site benefits from excellent transport links, it is anticipated that a number of hotel guests would be arriving by taxi. Taxi pick up and set down of passengers will continue in line with the existing arrangements, taking place on the roads in close proximity to the site. The draft hotel Operation Management Plan submitted with the application sets out that if guests do require a taxi, they will be directed towards TFL taxi rank located adjacent to Dominion Theatre on Tottenham Court Road, a five minute walk away, which will help to limit taxi visits to drop-offs only. It is not considered that there would be an unreasonable number of taxi drop offs to the site, and where they do occur, it will likely be closer to the hotel entrance to the north west corner of the building away from residential neighbours, and as such, is not considered to cause undue disturbance.
- 10.86 It is possible that the hotel and theatre could attract the arrival of coach parties which could cause noise, disturbance, traffic delays and safety issues in the surrounding areas. The development will therefore be secured as coach-free by S106 legal agreement so that no coach party bookings will be accepted and a ban on customers being picked up or dropped off by coach

at any time directly outside the hotel and theatre will be imposed, in accordance with Camden Local Plan Policy E3.

- 10.87 To prevent excessive disturbance from theatre patrons queuing outside the theatre, they would be directed to queue along the Shaftesbury Avenue façade and not to use the quieter side streets, which would help to keep any associated noise away from the nearest residential dwellings on New Compton Street and Stacey Street. Given Shaftesbury Avenue is already a very busy thoroughfare with high numbers of cars and pedestrians, the additional numbers of theatre patrons are not considered to materially increase this background noise when their access and queuing into the site is controlled as discussed. This will be secured as part of the theatre Operation Management Plan which shall be secured by S106 legal agreement.
- 10.88 Additional controls will be secured by condition to ensure the proposed bar and restaurant spaces do not cause undue disturbance. The hours of use of the ground floor bar and restaurant shall only be open to members of the public (not including hotel guests) between the hours of 09:00 – 00:00 Monday to Sunday and the opening doors serving the hotel front of house area at fifth floor level shall be closed by 2300 on Monday to Saturday and by 2200 on Sundays and bank holidays (conditions 45 and 46).

Noise and vibration from demolition and construction

- 10.89 The assessment gives consideration to noise and vibration that can arise during the demolition and construction phases. The management of noise and vibration is covered by the Control of Pollution Act 1947 and the implementation of best practicable means to reduce noise to a minimum. An Outline Construction Management Plan (CMP) has been submitted with the application which includes preliminary noise and vibration control measures. These include a commitment to real-time monitoring of noise and vibration throughout construction.
- 10.90 The requirement for a detailed CMP to be submitted once a principal contractor is appointed shall be secured by S106 legal agreement should planning permission be granted. The CMP would be reviewed by the Council's Transport, Highways and Environmental Health teams prior to sign off.

Noise from deliveries, servicing and waste collection

- 10.91 A framework Delivery, Waste and Servicing Plan has been submitted with the application which sets out that these activities will take place during times aligning with Camden's standard requirements. A detailed Delivery, Waste and Servicing Plan would be secured by S106 legal agreement if planning permission were granted to help ensure that any operational impacts associated with delivery and servicing movements will be mitigated.

- 10.92 Deliveries and servicing shall also be restricted to the hours of 08:00 to 20:00 in line with CPG Amenity guidance to ensure these activities did not cause unreasonable disturbance to nearby neighbouring residents. These hours shall be secured by condition (condition 39).

***Amenity conclusion***

- 10.93 It is acknowledged that there would be some notable daylight / sunlight impacts on surrounding properties, but these are generally negligible to moderate and are considered acceptable in the urban context. Some of the blocks, like Pendrell House and The Alcazar, are housing association blocks which, as discussed previously, are more likely to have occupiers with certain protected characteristics (particularly disability, age, and race). However, these are where the impacts are considered acceptable. There are some major adverse impacts to 166-170 Shaftesbury Avenue, and more notably to the block at 1a Phoenix Street particularly when the impact from 125 Shaftesbury Avenue proposals is cumulatively factored in. In respect of these two blocks, there would be a conflict with policy A1. These two blocks appear to be private and so the significant impacts are less likely to have a disproportionate effect on those with protected characteristics in this regard.
- 10.94 There would also be some overshadowing of Phoenix Gardens, especially when considering the cumulative scenario. That said, the main impact would not be over the summer months and therefore the impacts on amenity are not considered significant and are acceptable and in accordance with policy A1.
- 10.95 The proposals would not cause undue harm to neighbouring privacy or outlook given the Central London location, and subject to conditions controlling hours of use, plant noise, deliveries and servicing hours, the proposals would not cause undue harm to neighbouring amenity in this regard.

**11. BASEMENT DEVELOPMENT**

- 11.1 Policy A5 (Basements) states that the Council will only permit basement development where it is demonstrated that it will not cause harm to neighbouring properties; the structural, ground, or water conditions of the area; the character and amenity of the area; the architectural character of the building; or the significance of heritage assets.
- 11.2 The siting, location, scale and design of basements must have minimal impact on, and be subordinate to, the host building and property, and the policy provides a number of criteria that basement development should comply with to ensure this is the case, set out in points (f) to (m). The proposed basement development would not comply with points (f) and (g), i.e. to not comprise more than one storey, and to not be built under an

existing basement; however, the policy notes that exceptions may be made on large comprehensively planned sites such as in this instance.

- 11.3 The site currently has two levels of basement extending to a depth of 8.5m below ground level. The proposed development includes the deepening of the existing two storey basement to five storeys, extending it to 22.21m below ground level. The basement footprint would remain the same and would be supported by an embedded piled wall.
- 11.4 The application was accompanied by a Basement Impact Assessment (BIA) prepared by A-Squared Studio (A2), with the authors' qualifications meeting the requirements of CPG Basements. The independent review by the Council's basement consultant (Campbell Reith) concluded that the BIA is adequate and in accordance with policy A5 and guidance contained in the Basements CPG, subject to the completion of a Basement Construction Plan (BCP), which shall be secured by S106. Due to the size and depth of the basement, a BCP is required to confirm the construction details and final design because if any of the assumptions made are significantly altered, additional assessment will be required.
- 11.5 The applicant has satisfactorily demonstrated that the proposed basement would not cause harm to the built and natural environment and would not result in flooding or ground instability, subject to BCP, and that a maximum of Burland Category 1 damage (very slight) can be achieved, as required by policy. Planning permission would be granted subject to a condition requiring details of the appointment of a suitably qualified chartered engineer to inspect, approve and monitor the critical elements of the basement construction (condition 7).
- 11.6 As such the proposed basement development is considered to accord with Policy A5 and the Basements CPG subject to a BCP being secured by S106 legal agreement, and the proposals are acceptable in this regard.

## **12. TRANSPORT**

### ***Policy review***

- 12.1 Policy T1 of the Local Plan promotes sustainable transport by prioritising walking, cycling and public transport in the borough. Policy T2 seeks to limit the availability of car parking and requires all new developments in the borough to be car-free.
- 12.2 Policy T3 sets out how the Council will seek improvements to transport infrastructure in the borough. Policy T4 addresses how the Council will promote the sustainable movement of goods and materials and seeks to minimise the movement of goods and materials by road.

- 12.3 Camden's Transport Strategy (CTS) aims to transform transport and mobility in Camden, enabling and encouraging people to travel, and goods to be transported, healthily and sustainably. The CTS sets the Council's objectives, policies, and measures for achieving this goal. The Council's priorities include increased walking and cycling, improving public transport in the borough, reducing car ownership and use, improving the quality of our air, and making our streets and transport networks safe, accessible and inclusive for all.
- 12.4 On 13th November 2024, Cabinet agreed to implement the next phase of CTS for 2025 to 2028, investing in more environmentally friendly, healthier forms of travel and creating more welcoming streets and neighbourhoods. The Strategy includes commitments to:
- i. Implement the Shaftesbury Avenue Safe and Healthy Streets scheme
  - ii. Develop a comprehensive network of electric vehicle charge points (EVCPs)
  - iii. Continue to expand our dockless bike and e-scooter hire network
  - iv. Contribute to the implementation of the CTS Cycling Action Plan and Walking and Accessibility Action Plan.
- 12.5 The Council consulted on the Shaftesbury Avenue Area Safe and Healthy Streets scheme between 14 October and 10 November 2024, and Officers are in the process of reviewing the consultation feedback and finalising proposals. The application site is within the scheme area, where the following improvements are planned:
- h. new segregated cycle lanes on Shaftesbury Avenue adjacent to the site,
  - i. establishing cycle links with the existing cycleways on Gower Street/Bloomsbury Way/Shaftesbury Avenue in the north, the Holborn Liveable Neighbourhood (250m north of the site), and other Safe and Healthy Streets projects within the area,
  - j. changes to traffic management on New Compton Street and Stacey Street (adjacent to the site) and Phoenix Street (50m north of the site),
  - k. footway widening, narrowing of side road junctions and introduction of new and improved pedestrian crossings,
  - l. St Giles Passage and Stacey Street improvements adjacent to the site.
- 12.6 London Plan policies on transport of relevance include:
- Policy T1 (Strategic approach to transport)
  - Policy T2 (Healthy Streets)
  - Policy T3 (Transport capacity, connectivity, and safeguarding)
  - Policy T4 (Assessing and mitigating transport impacts)
  - Policy T5 (Cycling)

- Policy T6 (Car parking)
- Policy T7 (Deliveries, servicing, and construction)
- Policy T9 (Funding transport infrastructure through planning)

- 12.7 London Plan Policy T1 (Strategic approach to transport) states that Development Plans should support, and development proposals should facilitate, the delivery of the Mayor's strategic target of 95% per cent of all trips in central London to be made by foot, cycle, or public transport by 2041.
- 12.8 London Plan Policy T1 also states that all development should make the most effective use of land, reflecting its connectivity and accessibility by existing and future public transport, walking, and cycling routes, and ensure that any impacts on London's transport networks and supporting infrastructure are mitigated.

***Site location and access to public transport***

- 12.9 The site is located in the Central London area, bounded by Shaftesbury Avenue, Stacey Street, New Compton Street, and St Giles Passage. Shaftesbury Avenue forms part of the Strategic Road Network (SRN). The Council is the highway authority for the roads surrounding the site and is therefore responsible for their maintenance. However, TfL has a duty under the Traffic Management Act 2004 to ensure that any development does not have an adverse impact on the SRN.
- 12.10 The site is easily accessible by public transport with a Public Transport Accessibility Level (PTAL) rating of 6b (excellent).
- 12.11 The closest London Underground stations in the borough are Tottenham Court Road and Holborn, located approximately 400m north and 700m north east of the site, respectively. Tottenham Court Road station also provides Elizabeth Line services. Numerous bus stops serve the site from Cambridge Circus, Charing Cross Road, St Giles High Street and Tottenham Court Road.
- 12.12 The site is easily accessible from the Strategic Cycle Network with Cycleway C10 to the east at Endell Street and C52 at Great Queen Street. The nearest Santander cycle hire docking station is located on Moor Street approximately 200m southwest of the site. There are dedicated parking bays for dockless rental e-bikes and rental e-scooters in the area, namely on St Giles High Street, Earlham Street and Tower Street. However, these bays are already showing signs of overcapacity and increasing demand.
- 12.13 Camden's Transport Strategy department has commissioned a project to identify Shared Transport Availability Level (STAL) which mirrors a PTAL rating, but in this case only including shared and micromobility transport modes: Car Clubs, Santander hire bikes, and rental E-scooters and E-bikes. The STAL analysis shows grades between 1a and 3 throughout the area,



which indicates opportunities for improvement. The Council has plans to expand the network of dockless rental e-bikes and rental e-scooter bays in the area which could be funded by S106 contributions where appropriate.

### ***Trip generation***

12.14 At present, the site hosts four cinema screens, with a maximum on-site capacity of 739 seats.

12.15 The proposal is for a provision of:

- 6,663 sqm GEA Hotel (C1) with 220 bedrooms,
- 4,917 sqm GEA Theatre (Sui Generis) with 294 seat capacity,
- 1,369 sqm GEA Ancillary / Plant area.

12.16 Trip generation was calculated by interrogating TRICS database for the hotel and using maximum theatre occupancy for two daily Cirque du Soleil performances. The forecast net person trips for the proposed development are presented in Table 5.6 of the TA and reproduced here:

Time Range	Daily		AM Peak (09:00 – 10:00)		PM Peak (19:00 – 20:00)	
	Arrival Trips	Departure Trips	Arrival Trips	Departure Trips	Arrival Trips	Departure Trips
Underground, metro, light rail, tram	-118	-78	1	14	68	112
Elizabeth Line	-21	0	1	8	27	44
Train	4	13	0	4	9	14
Bus, minibus, or coach	-16	5	1	8	26	42
Taxi	11	23	0	6	12	18
Motorcycle, scooter or moped	0	0	0	0	0	0
Driving a car or van	0	0	0	0	0	0
Passenger in a car or van	7	9	0	1	2	3
Bicycle	-1	12	0	6	15	23
On foot	-10	10	1	8	25	39
<b>Total</b>	<b>-144</b>	<b>-5</b>	<b>4</b>	<b>55</b>	<b>183</b>	<b>293</b>

*Table 7: Forecast net person trips*

12.17 The development will result in a significant increase in peak trips, the majority of which are projected to be taken by active travel or public transport. The vehicle trips will mainly comprise taxi pick-up / drop-off activity.

12.18 Based on other developments in the area, it is anticipated that a high volume of the walking trips are likely to be made from Tottenham Court Road and Holborn London Underground stations, bus stops at Cambridge Circus, Charing Cross Road, St Giles High Street and Tottenham Court Road.

- 12.19 Given the increase in active travel to and from the site, the applicant will be requested to provide a financial contribution towards the aforementioned Shaftesbury Avenue Safe and Healthy Streets scheme and other Safe and Healthy Streets improvements in the area. This will be secured as part of the pedestrian, cycling and environmental improvements contribution (discussed in more detail below).
- 12.20 The Active Travel Zone (ATZ) assessment included in the Transport Assessment focuses on 14 walking routes and 1 cycling route to key destinations. The analysis shows some areas would benefit from better footway quality and width, improved lighting, and more bus shelters.

### ***Travel planning***

- 12.21 A draft Travel Plan is contained within the Transport Assessment in support of the planning application. This is welcomed as it demonstrates a commitment to encouraging and promoting trips by sustainable modes of transport; however, the projected modal share for walking and cycling could be more ambitious.
- 12.22 A Travel Plan, which should be a dedicated document covering hotel and theatre use targeted towards staff and visitors, and an associated monitoring and measures contribution of £11,348, shall be secured by legal agreement if planning permission is granted.

### ***Access and permeability***

- 12.23 Access to the theatre and restaurant is from Shaftesbury Avenue, and pedestrian entrance to the hotel is provided from New Compton Street. A further pedestrian access along St Giles Passage will enable artists and those working at the proposed theatre to access the Back of House. Loading for the hotel is also provided on New Compton Street. All access points are step-free.
- 12.24 All doors serving the entry points at Stacey Street, St Giles Passage and New Compton Street should open inwards to minimise the possibility of obstructing pedestrian traffic, considering the widths of the footways range between 1.2m and 2m. Along the site frontage, Shaftesbury Avenue has a wider footway of approximately 3.5m.
- 12.25 The long stay cycle parking for the hotel use at first floor level is to be accessed via a lift accessed directly off New Compton Street via the hotel loading lobby. The theatre cycle parking is provided at basement mezzanine level B1 and is also accessible via New Compton Street via a goods/evacuation lift to basement level.
- 12.26 Servicing access is proposed from a shared loading/residential bay on New Compton Street (discussed in more detail in paragraph 12.54).

- 12.27 The building design includes three illuminated glass canopies with feature metal framing which oversail some areas on Shaftesbury Avenue, Stacey Street and New Compton Street. These canopies would provide approximately 3m clearance between the canopy and the footway and as such there would not be any impact on pedestrian comfort or safety.

***Cycle parking***

- 12.28 The Council requires high quality cycle parking to be provided in accordance with Local Plan Policy T1, CPG Transport, the London Cycling Design Standards (LCDS), and London Plan Policy T5 for:
- Hotels: 1 long-stay space per 20 bedrooms, and 1 short-stay space per 50 bedrooms.
  - Theatre: 1 long-stay space per eight full-time staff, and 1 short stay space per 30 seats.
- 12.29 This equates to a requirement for 5 short stay and 11 long stay spaces for the hotel and 10 short stay and 15 long stay spaces for the theatre.
- 12.30 It is intended that dinner and theatre tickets would be sold as a package so that during theatre operating hours, all trips associated with the restaurant would be linked to the theatre. Therefore, the proposed restaurant has been incorporated into the theatre for the purpose of cycle parking calculations. This is considered acceptable.
- 12.31 32 long-stay and 18 short-stay cycle parking spaces are proposed which exceed the requirements. The long stay cycle store for the hotel would be provided at first floor level, and for the theatre at basement mezzanine level B1, both accessible via a lift. Two spaces – one in each of the cycle stores – would be provided for larger cycles in the form of Sheffield stands, whilst 30 spaces would consist of two-tier racks. The proposals would be in line with the London Plan and CPG Transport guidance.
- 12.32 As there is no external land within the applicant's demise, short stay cycle parking is proposed to be provided on available footways and public realm surrounding the site. An off-site contribution of £2,700 towards nine Sheffield stands to be able to accommodate 18 bicycles would need to be secured as a S106 planning obligation if planning permission is granted. Officers would determine the most appropriate location(s) for these short-stay cycle parking spaces. One possible location is St Giles Passage, which forms part of the Shaftesbury Avenue Safe and Healthy Streets improvement scheme.
- 12.33 The installation and retention of the long stay cycle stores shall be secured by condition (condition 27).

### ***Car parking and vehicle access***

- 12.34 The site is located in controlled parking zone CA-C (Single Yellow lines), which operates 08:30-18:30 Monday to Friday and 08:30-18:30 on Saturday, with 24hrs Residents Bays.
- 12.35 The development is proposed as car-free which is welcomed and shall be secured by S106 legal agreement. As part of the aforementioned Shaftesbury Avenue Area Safe and Healthy Streets scheme, it is proposed to relocate the three residential parking bays adjacent to the site on Stacey Steet to outside Pendrell House, and in their place introduce a loading bay.
- 12.36 Regarding disabled parking, London Plan Policy T6.5 'Non-residential disabled persons parking,' section A states: '*...all non-residential elements should provide access to at least one on or off-street disabled persons parking bay.*' Furthermore, lower case text in the London Plan Clause 10.6.23 recommends: '*All proposals should include an appropriate amount of Blue Badge parking, providing at least one space even if no general parking is provided.*'
- 12.37 Paragraph 5.19 of the Camden Planning Guidance on Transport states: 'For all major developments the Council will expect that disabled car parking is accommodated on-site.' Paragraph 5.20 further informs: '...in any case the maximum distance Blue Badge holders should be expected to travel is 50 metres from the entrance to the site'.
- 12.38 'National disability, accessibility and blue badge statistics: 2021 to 2022' published on 18 January 2023, report that on 31 March 2022, 4.3% of the population held a Blue Badge, an increase of 3.6% since March 2021.
- 12.39 The applicant has agreed to an off-site contribution of £4,000 for a disabled parking bay to be provided on the public highway in a suitable location within 50m from the site. The disabled parking bay would be located on New Compton Street.
- 12.40 Officers expect the large majority of visitors, guests and staff to travel to the site by sustainable modes of transport. However, there is potential for some visitors with electric vehicles to drive to the site with a view to parking in an 'Electric Vehicles Only' parking bay in the controlled parking zone. The uptake of electric vehicles is increasing significantly, and there are many EV resident permit holders in the vicinity of the site. This would put pressure on infrastructure which has been provided primarily for local stakeholders. Officers therefore suggest that an additional electric vehicle charging point (fast charger) be provided on the public highway in the general vicinity of the site. A financial contribution of £20,000 will be secured by legal agreement in accordance with Local Plan Policy A1 if planning permission were granted.

### ***Controlled Parking Zone (CPZ) review***

- 12.41 Objective 2 of the CTS sets out to reduce car ownership and use, and motor traffic levels in the borough, and features several measures in support of achieving this objective. Measure 2d states that the Council will '*undertake a study to provide a robust evidence base using all relevant data and local context to identify where amendments to Controlled Parking Zone (CPZ) hours of control or size will have an impact on car ownership and car use, and use that study to help guide future reviews and decisions.*'
- 12.42 In alignment with that action, Camden's Controlled Parking Zones (CPZ) Review final report, which was published in February 2023, independently appraised all of Camden CPZs using a multi-criteria assessment. The findings show that there is a greater need to manage parking demand in the borough through the hours of CPZ controls. The CPZ Assessment Results show that CA-C CPZ where the site is located performed relatively poorly in terms of the impact of its current hours of control in helping manage demand, and was attributed a "Red" RAG status, which present the greatest need and/or justification for increasing the regulation parking. The review recommends, amongst others, that the CA-C hours of operation of single yellow lines and sessional P&D parking are extended subject to consultation and decision-making processes.
- 12.43 At present, the CA-C CPZ control hours do not extend into the evening, which presents an opportunity for visitors to drive to the site and park on-street outside of hours of control, or indeed within hours, using paid for parking/visitor vouchers. This has a potential to increase on-street parking pressure which may drive demand for CPZ reviews. Considering the scale and the location of the proposed development, it is appropriate to request a contribution of £30,000 towards the CA-C CPZ review, which is likely to take place in 2025/26.

### ***Coach parking and taxis***

- 12.44 It is possible that the hotel and theatre could attract the arrival of coach parties. This could cause delays and safety issues on Shaftesbury Avenue and in close vicinity of the site. The development will therefore be secured as coach-free by S106 legal agreement so that no coach party bookings will be accepted and a ban on customers being picked up or dropped off by coach at any time directly outside the hotel and theatre will be imposed, in accordance with Camden Local Plan Policy E3.
- 12.45 Taxi pick up and set down of passengers will continue in line with the existing arrangements, taking place on the roads in close proximity to the site.

### ***Construction management***

- 12.46 Construction management plans are used to demonstrate how developments will minimise impacts from the movement of goods and

materials during the construction process (including any demolition works). A Construction Management Plan was submitted, using the Council's CMP pro-forma.

- 12.47 The site fronts Shaftesbury Avenue which forms part of the strategic road network and strategic cycle route network. Traffic congestion is a significant problem in this part of the borough, particularly during peak periods but often throughout the day on Monday to Friday. The Council's primary concern is public safety, but we also need to ensure that construction traffic does not create (or add to existing) traffic congestion in the local area. The proposal is also likely to lead to a variety of amenity issues for local people (e.g., noise, vibration, air quality, temporary loss of parking, etc). The Council needs to ensure that the development can be implemented without being detrimental to amenity or the safe and efficient operation of the highway network in the local area.
- 12.48 The Council will expect construction vehicle movements to and from the site to be scheduled to avoid peak periods to minimise the impacts of construction on the transport network. The site is within the Cumulative Impact Area (CIA) where Saturday working is not permitted, unless agreed with the Council.
- 12.49 Access arrangements for construction vehicles should take account of the Shaftesbury Avenue Safe and Healthy Streets scheme, especially the introduction of segregated cycle lanes on Shaftesbury Avenue. The Council would need to safeguard the segregated cycle lanes on Shaftesbury Avenue during construction and demolition of the development proposals. Any temporary changes to the public highway to facilitate construction of the development proposals would need to be funded by the developer or their appointed contractor.
- 12.50 A CMP document will also be secured by legal agreement in accordance with Local Plan Policy A1 if planning permission is granted.
- 12.51 The development will require input from officers at demolition and construction stage. This will relate to the development and assessment of the CMP as well as ongoing monitoring and enforcement of the CMP during demolition and construction. A CMP implementation support contribution of £30,513 and a construction impact bond of £32,000 for the demolition and construction phases of the development works will therefore be secured by legal agreement in accordance with Local Plan Policy A1 if planning permission is granted.
- 12.52 The contractor will need to register the works with the Considerate Constructors' Scheme. The contractor will also need to adhere to the CLOCS standard for Construction Logistics and Community Safety.

- 12.53 A further requirement to form a construction working group consisting of representatives from the local community prior to commencement of demolition or construction will also be secured by legal agreement if planning permission is granted. This will allow representatives from different groups and with different characteristics to feed into the programme, identifying opportunities to minimise or mitigate any disproportionate impacts.

***Deliveries and servicing***

- 12.54 A draft Delivery and Servicing Plan (DSP) forms part of the Transport Assessment. Deliveries to the existing development take place from Stacey Street. The development is to be serviced from the proposed loading bay on New Compton Street, which forms part of the Shaftesbury Avenue Safe and Healthy Streets scheme, with detailed plans in the process of being finalised. A maximum of 82 weekly servicing trips, including waste collections, are anticipated to be generated by the proposal, with 22 trips on the busiest day of the week. It is anticipated that these will be spread out throughout the day between the local servicing hours of 8am-8pm. Dwell time for deliveries and servicing trips is anticipated to be around 10-15 minutes.
- 12.55 A detailed DSP would be secured by S106 legal agreement if planning permission were granted. This will help to ensure that any operational impacts associated with delivery and servicing movements will be mitigated. The applicant is expected to refer to the Shaftesbury Avenue Safe and Healthy Streets scheme proposals when designing the servicing arrangements, to ensure the operational hours of the proposed loading bay will meet the development's requirements.

***Highway works***

- 12.56 The proposed development will require extensive demolition and construction works which may cause damage to the public highway. A highways contribution of £50,000 will be secured by legal agreement if planning permission is granted to cover the cost of any changes or repairs needed to the public highway, e.g. repaving footways and parking and loading changes directly adjacent to the site.

***Pedestrian, cycling and environmental improvements***

- 12.57 In line with the projected increase in walking and cycle trips generated by the development and further promoted by the Travel Plan, and the need for pedestrian, road safety and public realm enhancements, the Council will seek a contribution towards several improvement schemes to enhance the pedestrian and cycling environment in the vicinity of the site. The total contribution agreed with the applicant will be £375,000 which would be used towards local improvement schemes to enhance the pedestrian and cycling environment in the vicinity. These include:

Shaftesbury Avenue Safe and Healthy Streets scheme, which includes:

- new segregated cycle lanes on Shaftesbury Avenue adjacent to the site, from St Giles High Street to Charing Cross Road, to strengthen a north-south strategic cycling corridor, and establish links with the existing cycleways on Gower Street/Bloomsbury Way/Shaftesbury Avenue in the north, the Holborn Liveable Neighbourhood (250m north of the site), and other Safe and Healthy Streets projects within the area,
- new continuous footways across New Compton Street at the junction with St Giles High Street, and across Stacey Street at the junction with Shaftesbury Avenue, adjacent to the site,
- pedestrian and cycle only zone on St Giles Passage adjacent to the site and Phoenix Street, 50m north of the site,
- footway widening, narrowing of side road junctions and introduction of new pedestrian crossings,
- Stacey Street public realm enhancements adjacent to the site, including road safety improvements and greening.

Holborn Liveable Neighbourhood project:

- It is the Council's intention to transform Holborn into a place for people with attractive, healthy, accessible, and safe streets for everyone, and ensure getting around by sustainable and healthy types of transport is easier and faster. To achieve this, the Council is creating ideas for transforming the area through various measures. Schemes in close proximity to the site entail:
  - improvements for pedestrians at the High Holborn (A40) junction with Shaftesbury Avenue, and
  - wider pavements on Grape Street and improved feel of the area.

12.58 This contribution would be secured by S106 legal agreement if planning permission is granted.

***Micro and shared mobility improvements***

12.59 Parking bays for dockless rental e-bikes and rental e-scooters are located nearby. However, these provide capacity for existing usage by residents and people who work in or visit the area. The Council has plans to expand the network of dockless rental e-bikes and rental e-scooter bays, car club bays, and electric vehicle bays in the area. Considering the very low STAL grades and the demand arising for this transport mode from the proposal, it is appropriate that additional bays are provided in the future via developer contributions.

12.60 A cycle/e-scooter hire improvements contribution of £10,000 would therefore be secured as a Section 106 planning obligation if planning permission is



granted. This would allow the Council to provide additional capacity for the parking of dockless rental e-bikes and rental e-scooters in the local area (e.g., by expanding existing bays and providing additional bays). Officers anticipate staff and visitors using these modes of transport as an alternative to public transport, especially when their primary mode of transport is rail with a secondary trip by micromobility vehicles.

***Basement excavations adjacent to the public highway***

- 12.61 The proposal would involve basement excavations directly adjacent to the public highway along all 4 frontages. The Council has to ensure that the stability of the public highway adjacent to the site is not compromised by the proposed basement excavations.
- 12.62 The applicant would be required to submit an 'Approval in Principle' (AIP) report to the Council's Highways Structures & Bridges Team within Engineering Services as a pre-commencement Section 106 planning obligation. This is a requirement of British Standard BD2/12. The AIP report would need to include structural details and calculations to demonstrate that the proposed development would not affect the stability of the public highway adjacent to the site. The AIP would also need to include an explanation of any mitigation measures which might be required.
- 12.63 The AIP report and an associated assessment fee of £1851.33 would need to be secured via S106 Legal Agreement if planning permission is granted.

***Conclusion***

- 12.64 The proposals are acceptable in terms of transport implications and would accord with London Plan and Local Plan transport policies, subject to the following conditions and planning obligations being secured by S106 legal agreement:
- Travel Plan and associated monitoring and measures contribution of £11,348.
  - Off-site cycle parking contribution of £2,700.
  - Car-free development.
  - Coach-free development.
  - Off-site accessible car parking contribution of £4,000.
  - Electric vehicle charging infrastructure (fast charger) contribution of £20,000.
  - CA-C CPZ review contribution of £30,000.
  - Construction management plan (CMP), and CMP implementation support contribution of £30,513 and CMP Impact Bond of £32,000.
  - Requirement to form a construction working group consisting of representatives from the local community.
  - Delivery and Servicing Plan.
  - Highway works contribution of £50,000.

- Pedestrian, Cycling and Environmental Improvements contribution £375,000.
- Micro and shared mobility improvements contribution of £10,000.
- Approval in principle report and associated assessment fee of £1851.33.
- A condition securing the installation of long stay cycle parking for 32 bicycles.

### **13. ACCESSIBILITY**

- 13.1 Policy C6 of the Local Plan seeks to promote fair access and remove the barriers that prevent everyone from accessing facilities and opportunities by expecting all buildings and places to meet the highest practicable standards of accessible and inclusive design so they can be used safely, easily and with dignity by all.
- 13.2 The existing building does not benefit from step-free access at the main entrance from Shaftesbury Avenue, with three steps from pavement level up to the raised ground floor level. However, there is step free access via the secondary entrance on Stacey Street. The development originally proposed to lower the internal ground level to allow an internal floor level flush with street level to allow step free access to the building. However, significant concerns were raised by the Council's Lead Local Flood Authority (LLFA) at this arrangement as the building is located in an area with a high risk of surface water flooding to the site. By lowering the ground level and removing the existing initial flood defence barrier of the raised entrance, surface water flash flooding would flow into the building unrestricted. Given the location of the staircase down to basement level and the new vulnerable basement use (an entertainment venue whereby patrons wouldn't be familiar with the layout or emergency evacuation points), there would be an unacceptable potential for flood water ingress to the basement levels and risk to visitors. Although the applicant suggested automatic flood barriers that would be raised in the event of flooding in order to be able maintain step free access, the Council's LLFA did not consider that this alone would be sufficient mitigation and that the existing raised entrance must be retained. The applicant has therefore revised the proposals to include three entrance steps as per the historic arrangement, alongside a new Sesame Lift. This is a hydraulic lift system that is often used in listed buildings as it maintains the appearance of existing steps but retracts horizontally providing a platform lift for wheelchair uses when required. An example is shown in figure 14.
- 13.3 Clearly, providing an accessible and inclusive environment is a key objective of policy C6 which is further supported by the Equality Act 2010. Barriers to access impact on those with mobility constraints and disproportionately affect certain groups, particularly the disabled, elderly, very young, and those with young children (disability, age, and maternity all being protected

characteristics). Although it would be officers' preference for step-free access to be provided to overcome this impact, given the extent of the other internal alterations proposed, and given the historic and original arrangement features stepped access from Shaftesbury Avenue which would be retained, and acknowledging the very serious risk to occupants from potential flood risk, the proposed Sesame lift is considered an acceptable compromise to provide step-free access and would accord with Policy C6 of the Local Plan.



*Figure 14: Example of Sesame platform lift*

- 13.4 Internally, the remainder of the building will be designed to meet BS 8300-2 (Design of an accessible and inclusive built environment) recommendations as well as the Arts Council guidance on Building Access. Step free access will be available to the hotel entrance via New Compton Street and internally, door widths and circulation spaces will meet the standard of 1800mm where possible. Lift and stair access will be provided to all levels of the theatre and hotel for members of the public. All front of house facilities will be reviewed in detail during RIBA states 3 and 4 with a consideration of access and inclusion, to ensure there is provision for easy access seating, access to and use of all relevant facilities, provision of a suitable assistive listening system and access to accessible viewing spaces with adequate sightlines and provision for companion seating.
- 13.5 The proposed hotel would also include the provision of 10 out of the total 220 rooms as wheelchair accessible hotel rooms which equates to approximately 5% of the rooms. The original submission proposed 21 of the 211 bedrooms as accessible, equating to 10%. The reduction in accessible rooms was a result of changes to the internal configuration to provide a greater total number of hotel rooms in order to be able to make a contribution towards affordable housing. Given housing is the priority land use of the Local Plan and the weight given to this, and in light of the detail provided by CitizenM that across their UK portfolio, the average accessible room booking rate is approximately 3%, the number of accessible rooms provided is considered sufficient.
- 13.6 Overall, the proposed development would meet the highest practicable standards of accessible and inclusive design as required by Policy C6 of the

Local Plan and therefore would accord with the development plan in this regard.

## **14. SUSTAINABILITY AND ENERGY**

14.1 In November 2019, Camden Council formally declared a Climate and Ecological Emergency. The Council adopted the Camden Climate Action Plan 2020-2025 which aims to achieve a net zero carbon Camden by 2030.

14.2 In line with London Plan Policies, SI1, SI2, SI3, SI4, SI5 and SI7 and Camden Local Plan Policies CC1, CC2, CC3, and CC4, development should follow the core principles of sustainable development and circular economy, make the fullest contribution to the mitigation of and adaptation to climate change, to minimise carbon dioxide emissions and contribute to water conservation and sustainable urban drainage.

### ***Redevelopment strategy***

14.3 The proposed development involves the partial retention and refurbishment of the existing building (the front and side facades), the demolition of all internal structures and the partial demolition and rebuilding of the existing rear façade. The original internal theatre layout was historically largely removed during the subsequent conversion to cinema use, and the more modern cinema fit-out would be entirely removed to allow for the construction of a new theatre within a new deepened basement, and a new hotel within the existing building (first floor and above) and new roof extension.

14.4 The development plan promotes circular economy principles and Local plan Policy CC1 and London Plan Policy SI7 require proposals involving substantial demolition to demonstrate that it is not possible to retain and improve the existing building and to optimise resource efficiency.

14.5 In this case, given the existing internal layout is suitable only for cinema use, and the proposals involve the creation of a new theatre which officers are supportive of in land use terms, this extent of demolition is considered acceptable.

14.6 The existing external envelope consists of a steel frame structure with a solid masonry façade which encases the outer steel columns and beams. Given the heritage significance of the external façade, this will be retained, and the inner structure will need to be replaced in order to support the new upper-level extension. In addition, the façade will be thermally upgraded with new high performance glazing.

14.7 The rear façade will be deconstructed and re-assembled after the internal structural work is completed, and will be rebuilt with as many of the existing bricks as possible which has heritage benefits as well as reducing construction waste. A method statement for the removal, storage, cleaning

and re-use of the brickwork shall be secured by LBC condition 3. By demounting and re-using the existing façade, approximately 44 tonnes of materials will be saved from landfill.

- 14.8 The Circular Economy Statement notes that the demolished materials can be used to form crush for the new concrete required for the new structural elements to increase circularity and reduce waste generated. To ensure greater resource efficiency through recycling and reuse of materials, a condition is attached requiring 95% of construction and demolition waste to be reused, recycled, or recovered, and 95% of excavation waste to be put to beneficial use (condition 40).
- 14.9 Although the proposed theatre layout has been designed in conjunction with the proposed operator Cirque du Soleil, to ensure future flexibility the new theatre has been designed to be able to accommodate a variety of stage formats including thrust stage, theatre in the round and a traditional proscenium to ensure the space could be easily adapted should Cirque du Soleil vacate the premises and an alternative operator is secured.

#### ***Whole Life Carbon***

- 14.10 The Whole-Life Carbon (WLC) emissions are the total carbon emissions resulting from the construction and the use of a building over its entire life (this is assessed as 60 years), and it includes its demolition and disposal. This is split into modules that assess each stage of the building's life.
- 14.11 The A-Modules concentrate on the emissions from the building materials (A1-A3 extraction, supply, transport and manufacture) and the construction stages (A4-A5 transport, construction and installation).
- 14.12 The B-Modules concentrate on the use stage of the building (B1-B5 use, maintenance, repair, replacement, refurbishment), but the modules that deal with operational energy and water use are excluded (B6-B7). This is because they are "regulated emissions" and so are considered separately and in detail in relation to the zero-carbon target (see the "Energy and carbon reductions" section below).
- 14.13 The C-Modules deal with the end-of-life stage of the building (C1-C4 deconstruction demolition, transport to disposal, waste processing for reuse, recovery or recycling, disposal).
- 14.14 Carbon sequestration is when carbon dioxide is removed from the atmosphere and held in materials, for example the carbon absorbed by trees as they grow and locked in timber until the end of its life. It is important to consider this in the end-of-life phase because the carbon is released again at the end of its life (when it decomposes), so it is included in the total A-C-Modules.

- 14.15 The GLA WLC assessment guidance sets out minimum benchmarks for different building typologies per square meter of gross internal area in kilograms of carbon equivalent (kgCO<sub>2</sub>e/m<sup>2</sup> GIA). It also encourages development to aim for more ambitious aspirational benchmarks. The table below shows how the development performs against the benchmarks, as well as the aspirational targets. Targets for Office use types have been used as there are no targets for the bespoke mix of uses proposed.

Modules	Min benchmark for OFFICE (kgCO <sub>2</sub> e/m <sup>2</sup> GIA)	Aspirational Benchmark for OFFICE (kgCO <sub>2</sub> e/m <sup>2</sup> GIA)	Proposal (kgCO <sub>2</sub> e/m <sup>2</sup> GIA)
A1-A5	<950	<600	923.5
B-C (excl B6 & B7)	<450	<370	502.9
Total A-C (ex B6&B7 inc sequestration)	<1400	<970	1373.4

*Table 8 - Summary of Whole-Life Carbon results for the office development*

- 14.16 In this case, the development meets the benchmarks for modules A1-A5 and the overall total benchmarks for modules A-C, but would not meet modules B-C benchmarks (use stage and end-of-life stage) as shown in Table 8 above. Although the development is not achieving aspirational targets or minimum benchmarks for modules B-C, the development will seek to reduce emissions further throughout the design and procurement phases. Two example reductions include targeting lower carbon concrete mixes compared to the default assumption of 25% GGBS cement replacement and procuring structural steel from an Electric Arc Furnace. These two measures could decrease upfront carbon (modules A1-A5 only) by 185kgCO<sub>2</sub>e/m<sup>2</sup>. This will be explored during design development and will be dependent on market availability. Condition 8 is attached to secure further consideration of reduction of whole life carbon emissions prior to commencement and condition 30 to make sure a post construction assessment of WLC is completed and provided for monitoring and compliance.

### ***Energy and carbon reductions***

- 14.17 To minimise operational carbon, development should follow the energy hierarchy set out in the London Plan (2021) Chapter 9 (particularly Policy SI2 and Figure 9.2) and major developments should meet the target for net zero carbon. The first stage of the energy hierarchy is to reduce demand (be lean), the second stage is to supply energy locally and efficiently (be clean), and the third step is to use renewable energy (be green). The final step is to monitor, verify and report on energy performance (be seen).

- 14.18 After carbon has been reduced as much as possible on-site, an offset fund payment can be made to achieve net zero carbon.

Energy and carbon summary

- 14.19 The following summary table shows how the proposal performs against the policy targets for operational carbon reductions in major schemes, set out in the London Plan and Camden Local Plan.

Policy requirement (on site)	Min policy target	Proposal reductions
Be lean stage (low demand): LP policy SI2	15%	-3%
Be green stage (renewables): CLP policy CC1	20%	15.5%
Total carbon reduction: LP policy SI2 and LP CC1	35%	13%

*Table 9 - Carbon saving targets (for majors) and the scheme results*

- 14.20 The operational carbon savings and measures set out below will be secured under an Energy and Sustainability Strategy secured by Section 106 legal agreement which includes monitoring.

Total carbon reductions

- 14.21 Reductions are measured against the baseline which are the requirements set out in the Building Regulations. Major development should aim to achieve an on-site reduction of at least 35% in regulated carbon emissions below the minimums set out in the building regulations (Part L of the Building Regulations 2021). To achieve net zero carbon, a carbon offset payment will be secured that offsets the remaining carbon emissions caused by the development after the required on-site reductions, measured from the agreed baseline.
- 14.22 This is charged at £95/tonne CO<sub>2</sub>/yr (over a 30-year period) which is 112.68 tonnes x £95 x 30 years = £321,145. This amount will be spent on delivery of carbon reduction measures in the borough.
- 14.23 It is acknowledged that due to the changes to Part L 2021 with SAP10.2 carbon factors, these targets may be more challenging for non-residential developments to achieve initially. This is because the new Part L baseline now includes low carbon heating (like ASHP) for non-residential developments. Nevertheless, the development's performance against Be Lean targets is particularly poor even considering this fact.
- 14.24 In this case, the development does not meet the policy target of 35% reductions, achieving an overall on-site reduction of 13% below Part L requirements as shown in Table 9 above. The carbon offset of £321,145.00 will be secured by Section 106 legal agreement to bring it to zero carbon, in compliance with the development plan.

Be lean stage (reduce energy demand)

- 14.25 London Plan policy SI 2 sets a policy target of at least a 15% reduction through reduced energy demand at the first stage of the energy hierarchy for non-residential schemes.
- 14.26 In this case, the development does not meet the policy target of 15%, and actually increases emissions by 3% at this stage, contrary to the development plan. Although the development does include energy efficient measures such as Mechanical ventilation with heat recovery (MVHR) and low energy light fittings, the poor performance is partly due to the proposed glazed curtain walling proposed for the roof extension, which does not perform as well in terms of its insulation, air permeability or overheating. The proposed brick fins go some way to reduce overheating but again, as these would be constructed of brick, they are also very carbon-heavy.
- 14.27 Consideration should be given at the next design stage to any additional opportunities to reduce the carbon impact of the building in operation through additional consideration of energy efficiency. Condition 10 is recommended to require a feasibility study with the aim of maximising energy efficiency measures.

Be clean stage (decentralised energy supply)

- 14.28 London Plan Policy SI3 requires developers to prioritise connection to existing or planned decentralised energy networks, where feasible, for the second stage of the energy hierarchy. Camden Local Plan Policy CC1 requires all major developments to assess the feasibility of connecting to an existing decentralised energy network, or where this is not possible establishing a new network.
- 14.29 In this case an assessment of the existing London heat map has been made and demonstrated that there are no existing or planned district energy networks present within connectable range of the scheme. Safeguarded routes from the site boundary to the future location of heat exchanger equipment (facilitating connection to the building heating system) have been included in the design. Given its location, futureproofing connection to a district heat network shall be secured through the S106 legal agreement.

Be green stage (renewables)

- 14.30 Local Plan Policy CC1 requires all developments to achieve a 20% reduction in CO2 emissions through renewable technologies (after savings at Be Lean and Be Clean), where feasible, for the third stage in the energy hierarchy.
- 14.31 In this case, the development does not meet the policy target of 20%, reducing emissions by 15.5% at this stage through renewables. The proposal includes photovoltaic (PV) panels with 361sqm at roof level and 122sqm vertical PVs surrounding the plant screen. Full details including the



installation of a meter to monitor the energy output shall be secured by condition 22, alongside the requirement to carry out a feasibility assessment with the aim of maximising energy efficiency measures. The proposal also includes low carbon heating from Air Source Heat Pumps (ASHPs) which are located within the roof level plant enclosure.

Be seen (energy monitoring)

- 14.32 The London Plan policy SI 2 requires the monitoring of energy demand and carbon emissions to ensure that planning commitments are being delivered. In this case, the development has committed to monitoring and reporting sustainability performance, methodology and data every year. Electrical meters will be provided on the main central ASHPs providing data on plant energy consumption throughout the year. Each area of high energy load will be sub-metered in order to monitor energy consumption in greater granularity and facilitate reporting. All the main sub-systems (i.e. small power, lighting etc) will be separately monitored and their energy usage separately accounted. Energy intensity and carbon emissions will be monitored and reported annually.
- 14.33 The applicant has also completed the planning stage of the GLA's be seen spreadsheet and at future stages will update the spreadsheet and follow the GLA's suggested be seen energy reporting protocols via the appropriate website portals.
- 14.34 The Energy and Sustainability Strategy secured by Section 106 legal agreement will secure reporting to the GLA in line with their published guidance.

***Climate change adaption and sustainable design***

- 14.35 Local Plan Policy CC2 expects non-residential development to meet BREEAM Excellent. Three BREEAM assessments have been submitted – for the theatre, hotel (refurbishment and fit out) and hotel (new construction). The development as a whole is targeting BREEAM Excellent as minimum, with individual scores of 79.57%, 74.71% and 76.88% respectively (a score of 70-84.9% constitutes 'Excellent' and 85%+ is 'Outstanding').
- 14.36 The Hotel new build has an overall score of 76.88% with 69.57% of the available energy credits, 77.78% of the water credits and 92.86% materials credits which meets the requirements. The Hotel refurbishment has an overall score of 74.71% with 52% of the available energy credits, 87.5% of the water credits and 84.62% materials credits which doesn't meet the requirement of 60% for energy and therefore the additional potential credits should be targeted. The Theatre has an overall score of 79.57% with 65.22% of the available energy credits, 75% of the water credits and 85.71% materials credits which meets the requirements. The overall targets and credits for energy, water and materials shall be secured through S106 legal

agreement with at least 60% for the Hotel refurbishment energy. The applicant is currently targeting 13 out of 25 credits and would need to target two more to reach 60%, so officers are satisfied that this could be achieved.

- 14.37 London Plan Policy SI 4 requires major development proposals to demonstrate how they will reduce the potential for overheating and reliance on air conditioning systems (active cooling) in accordance with the cooling hierarchy. The development has applied the cooling hierarchy by incorporating passive measures such as energy efficient lighting with low heat output, incorporating insulation to heating and hot water pipework and minimisation of dead-legs to avoid standing heat loss, and the use of energy efficient equipment with low heat output to reduce unnecessary heat gain. To reduce the amount of heat entering the building in the summer, mitigation methods will be implemented including consideration of the glazing-to-solid ratio of facades with a focus on orientations, specification of suitable g-values to further control solar heat gains, external shading in the form of external fins on the proposed roof extension and the installation of internal blinds to be installed to improve occupant comfort.
- 14.38 The potential for passive ventilation via opening facades to facilitate a mixed-mode ventilation strategy has been considered and is proposed to be evaluated further during the next stage of design.
- 14.39 Despite these measures, active cooling is still proposed in order to keep internal temperatures within acceptable limits, although the incorporation of passive measures will help to ensure that the demand for active cooling is lowered.
- 14.40 The development plan (Local Plan Policy CC3 and London Plan Policy SI12 and SI13) also seeks to ensure development does not increase flood risk, reducing the risk of flooding where possible. Development should incorporate sustainable drainage systems (SUDS) and water efficiency measures.
- 14.41 In this case, the development incorporates green / blue roofs at levels 9, 10 and 11 and Sustainable Urban Drainage Systems (SUDS) to reduce the amount of rainwater discharged to the public sewer during a rainfall event. The total areas of green roof equal 319sqm and the blue roof has a storage of 43m<sup>3</sup> reducing the runoff to a total of 5.7l/s in a 1 in 100 year plus climate change rainfall event. The green / blue roof would be integrated with the solar panels, which would enhance the biodiversity of the site and reduce water runoff. Details of this system will be secured by condition 13. Flood risk is covered in the 'Flood risk and drainage' section of this report.

#### ***Energy and sustainability conclusion***

- 14.42 The development would deliver betterment over Part L of Building Regulations, but would not meet the policy requirement of 20% at be green

stage, and would result in an increase against baseline at the be lean stage. As such, there is a conflict with London Plan Policy SI2, and Camden Local Plan Policies CC1 and CC2. As such, a full policy compliant carbon-offset shall be made. The development will also target BREEAM 'Excellent'.

- 14.43 A feasibility assessment to maximise energy efficiency measures shall be secured by condition, and energy and sustainability targets shall be secured as part of the S106 Energy and Sustainability Strategy which includes monitoring.

## **15. AIR QUALITY**

- 15.1 The whole of the Borough of Camden was declared an Air Quality Management Area (AQMA) in 2002 due to concern over the achievement of long-term NO<sub>2</sub> AQS objective and short-term PM<sub>10</sub> AQS objective.

- 15.2 Camden's Local Plan requires the submission of air quality assessments for developments that could cause harm to air quality. Mitigation measures are expected in developments located in areas of poor air quality.

### ***Impact on occupants***

- 15.3 The proposals are located in an area of poor air quality, where the annual mean NO<sub>2</sub> concentrations were monitored as 49.64µg/m<sup>3</sup> in the most recent reporting year of 2023 which is significantly over the national annual mean objective of 40 µg/m<sup>3</sup>.

- 15.4 As the site is for commercial use, the proposed use is therefore generally considered suitable; however, the exposure of people who work at the site would need to be considered further. Any air inlets for the ventilation system must also be located as close to the roof level as possible and away from any busy roads and emission sources to minimise exposure. Full details of the mechanical ventilation system including air inlet locations and any necessary filtration and a maintenance programme shall therefore be secured by condition (condition 14).

- 15.5 It is noted that the Air Quality Impact Assessment also does not include any site specific modelling, and therefore needs to reconsider any mitigation to protect the health of the occupants against the poor air quality in the location. Consequently, an updated AQA with modelling and suitable mitigation shall be secured by condition (condition 4).

### ***Impacts on local air quality***

- 15.6 The energy strategy for the proposed development is all-electric utilising Air Source Heat Pumps (ASHPs), a zero emission technology and a non-combustion form of heating which will not add to the air pollution in the area. As the development is also car-free, it is considered Air Quality neutral.

- 15.7 However, a diesel generator is also proposed for emergency back-up use only which will be tested for maintenance purposes for fewer than 18 hours per year. Given the poor air quality at the site, full details of the diesel generator shall be secured by condition (condition 18).
- 15.8 The traffic generated by the Proposed Development was supplied by Momentum Transport, the appointed transport consultant, and has been screened against the criteria set-out in the Environmental Protection United Kingdom (EPUK) and Institute of Air Quality Management (IAQM) planning guidance to determine the need for a detailed assessment. This showed that the potential impact of additional road traffic on local air quality is considered insignificant and a detailed assessment is not required.

### ***Construction impacts***

- 15.9 The impacts of demolition and construction work on dust soiling and ambient fine particulate matter concentrations have been assessed and the construction dust risk is currently considered medium risk and as such at least 2 real time dust monitors and appropriate mitigation is required.
- 15.10 Mitigation measures to control construction-related air quality impacts should be secured within the Construction Management Plan as per the standard CMP Pro-Forma. The applicant will be required to complete the checklist and demonstrate that all mitigation measures relevant to the level of identified risk are being included. An informative will be added to the decision notice to remind the applicant of this. Condition 5 will also secure the installation of air quality monitoring on site.

## **16. FLOOD RISK AND DRAINAGE**

- 16.1 The development plan (Local Plan policy CC3 and London Plan policies SI12 and SI13) seeks to ensure development does not increase flood risk, reducing the risk of flooding where possible. Local Plan Policy CC3 expects major developments to:
- Achieve greenfield run-off rates wherever feasible and as a minimum, 50% reduction in run off rates.
  - To include Sustainable Urban Drainage Systems (SuDS), unless demonstrated to be inappropriate.
  - To follow the drainage hierarchy in policy 5.13 of the London Plan.
  - To constrain run-off volumes to greenfield run-off volumes for the 1 in 100 year 6 hour event plus climate change.
- 16.2 The proposals originally included the lowering of the existing ground floor threshold to sit flush with the street level; however, significant concerns were raised by the Council's Lead Local Flood Authority. The concerns were due to the fact that new Environment Agency modelling indicates a high risk of surface water flooding to the site, and the proposals are introducing a

vulnerable basement use (an entertainment venue whereby patrons wouldn't be familiar with the layout or emergency evacuation points). The existing stepped access to the building provides some protection against flood risk, and their removal and the lowering of the floor levels would mean there is a potential for water ingress to the basement levels from the foyer by the internal staircase.

- 16.3 Consequently, the proposals were amended to include the retention of the existing stepped access to a raised floor level of 450mm above the street level, including a 150mm ramped entrance to the internal staircase down to basement level, which when combined would deliver a sufficient raised ground level of 600mm from the boundary of the site to protect against a 1 in 100 year flood event.
- 16.4 In addition, further flood protection in the form of automatic flood shutters at the main entrance on Shaftesbury Avenue and on Stacey Street are proposed with single door flood barriers for the new bar entrance on Shaftesbury Avenue and the entrance to the bar store on St Giles Passage. Flood barriers (temporary or integrated) designed to protect the foyer stairwell from any potential water ingress in the event of failure of other flood protection measures should also be provided, and details of these shall be secured by condition (condition 16).
- 16.5 A Flood Risk Emergency Plan with safe access / egress located above the 1 in 1000 flood levels with climate change will also be required and shall be secured by condition (condition 12).
- 16.6 Sustainable drainage to reduce run off from the site is proposed by way of two blue roofs with a total capacity of 43m<sup>3</sup>. Blue Roof 1 will be restricted to a flow rate of 0.27 l/s and Blue Roof 2 will be restricted to a flow rate of 3.5 l/s, with total runoff from the site limited to 5.7l/s including unrestricted areas. An updated Flood Risk Assessment / Drainage Strategy including further details of the blue roofs and exceedance flows and implementation of the blue/green roofs shall be secured through condition (condition 13).

## **17. REFUSE AND RECYCLING**

- 17.1 Camden Local Plan policy CC5 (Waste) and Camden Planning Guidance (Design) are relevant with regards to waste and recycling storage and seek to ensure that appropriate storage for waste and recyclables is provided in all developments.
- 17.2 A Framework Delivery, Waste and Servicing Plan has been submitted with the application prepared by Momentum Transport Consultancy. Two separate waste stores are proposed at ground floor level, with direct access onto New Compton Street, one for the hotel waste and one for theatre and

restaurant waste. The following waste storage would be provided within each store:

- Hotel waste:
  - 1 x 1100L Eurobin for general waste
  - 1 x 1100L Eurobin for paper and cardboard
  - 1 x 360L wheeled bin for glass waste
  - 10 x 140L wheeled bins for food waste
- Theatre & Restaurant waste:
  - 1 x 660L wheeled bin for general waste
  - 1 x 1100L Eurobin for paper and cardboard
  - 1 x 360L wheeled bin for glass waste
  - 2 x 140L wheeled bins for food waste

17.3 Deliveries and servicing currently take place via Stacey Street, and the development is proposed to be serviced from a new loading bay on New Compton Street which is proposed as part of the Shaftesbury Avenue Safe and Healthy Streets scheme.

17.4 A Waste Management Strategy has been prepared that would be adopted by the site's facilities management once in operation. The strategy includes various measures such as the assignment of responsibility for the waste strategy to a relevant site employee, bin volume surveys, tenant awareness and regular reviews to monitor progress and identify future improvements in recycling.

17.5 The proposed waste storage and strategy are reasonable for a development of this size and sufficient internal space has been provided to accommodate the storage facility. Full details of the waste management strategy shall be secured as part of the Delivery and Servicing Plan secured by S106 legal agreement which would need to be agreed by the Council's Principal Environmental Services Officer, and the provision and retention of the refuse and recycling store shall be secured by condition (condition 28). An additional condition will also prevent refuse and recycling bins being left on the public highway (condition 42).

17.6 A detailed delivery and servicing plan shall also be secured by S106 legal agreement which would help to ensure that any operational impacts associated with delivery and servicing will be mitigated.

## **18. TREES, GREENING, AND BIODIVERSITY**

### ***Impact on trees, greening and biodiversity***

18.1 Local Plan policy A3 deals with biodiversity and expects development to protect and enhance nature conservation and biodiversity, securing benefits and enhancements where possible. It resists the removal of trees and

vegetation of significant value and expects developments to incorporate additional trees and vegetation. This approach is supported by London Plan policy G5 which uses Urban Greening Factor (UGF) targets to evaluate the quality and quantity of urban greening. The policy applies a target of 0.4 for mainly residential schemes, and 0.3 for mainly commercial schemes.

- 18.2 The site itself has no current green infrastructure, but the red line includes three street trees on the highway to the rear of the site. On the site itself (not the highway) the proposals include a range of green infrastructure including extensive green roofs and a modular living wall. Raised planters were proposed in various areas, but these have been removed following some concerns around design and safety. Nonetheless, these are to be replaced with other green infrastructure.
- 18.3 The proposals also include replacement street trees to compensate for the removal of the three Category C street trees (low quality, 10yrs life) which are to be removed to facilitate development at the rear of the site (T2, T3, and T4). These trees are on New Compton Street and outside the control of the applicant and so would need to be subject to separate discussions with the street trees team to agree justification and removal, along with any compensation replanting on the highway. Discussions with the street trees team are ongoing but if removal of the trees is justified, and so compensation is required for replanting, a Replacement Tree Contribution (value TBC) would be secured by s106 agreement.
- 18.4 The applicant also intends to apply for canopy reduction pruning to three other street trees on Shaftesbury Avenue (T5, T6, and T7), with protection measures required, particularly for the stem of T5. These are three high quality Category A London Plane trees and so condition 6 requires final details of tree protection measures to be approved and implemented prior to any works. As a Council-owned tree, the applicant would need to go through a separate approval process with the Street Trees Team.
- 18.5 The London Plan uses the UGF scores to help objectively evaluate the quality and quantity of urban greening. Given this is a commercial-led scheme, the 0.3 value is an appropriate target. The proposals achieve an UGF of 0.32, exceeding the target, with the highest individual contributions coming from the extensive green roof, and the modular green wall. Although the planters have been removed and any replacement street trees will be down to the street tree team to deliver, alternative green infrastructure should still be able to secure compliance with the UGF target through adequate details and quality.
- 18.6 The final measures for appropriate greening and biodiversity would be secured by condition 19 which requires details of the green roof and wall, as well as the other greening and landscaping measures. It also requires details of species and density along with maintenance details. This will ensure

inclusion of greening like night-scented herbs which can attract insects, in turn supporting a foraging environment for other wildlife such as bats. Condition 23 would require details of bird and bat boxes, also helping to provide habitat support.

- 18.7 Overall, the on-site measures are considered acceptable and in accordance with the objectives of the development plan.

***Surrounding open spaces including Phoenix Gardens***

- 18.8 When considering biodiversity impacts on Phoenix Gardens for the refused appeal scheme, the Planning Inspector found a moderate adverse impact but concluded it would not be major or significant.

- 18.9 However, as discussed in the Amenity section of the report, there would be a notable impact from the cumulative schemes in terms of overshadowing on Phoenix Gardens with less than 50% of the area seeing at least 2hrs of direct sunlight on 21 March. This impact is relevant to the greening and biodiversity of Phoenix Gardens, as well as impact on amenity. This is important to consider because the Gardens are designated as public open space, and as a Site of Importance for Nature Conservation (SINC). The plants in the Gardens, along with other features like the pond, also support other wildlife like birds, insects and invertebrates, providing a crucial green space in this part of the borough which can help promote community, social interaction, and health outcomes as well as providing direct positive environmental benefits.

- 18.10 The lower levels of direct sunlight are from late autumn through to early spring, as summarised in the table below taken from the Point 2 report for 135 – 149 Shaftesbury Avenue.

Impact	Mar	Apr	May	Jun	Jul	Aug	Sept
<b>Existing</b>	91.8	95	97.6	98.2	97.7	95.3	84.6
<b>Proposed</b>	56.6	94.3	97.1	97.6	97.2	94.7	62.7
<b>Cumulative</b>	<b>33.9</b>	89.8	96.3	97.2	96.4	91.3	<b>39.2</b>

*Table 10. Phoenix Gardens overshadowing (% of area receiving 2hrs sun in a day)*

- 18.11 The numbers provided for April to August show that the space achieves compliance with the target for at least 50% of the area to see 2hrs of direct sunlight and the sunlight levels rise significantly throughout April, May, June, July and August. Although the level of sunlight on 21 March is 34%, below the target 50%, only 9 days later (on 30 March) the level rises to the 50% target.

- 18.12 Although the growing season for most plants in the UK is from March to September, April generally marks the start of the main growing season and



June to August is the peak growing season when the days are longest and the strongest sunlight occurs. As such, the cumulative impact would have the biggest impact in the winter months when many plants are dormant, and so the impact is somewhat mitigated. Nonetheless, it may restrict the growing season for some plants, particularly in certain areas of the Gardens, but overall the space can adapt with ongoing maintenance and replanting, and many plants would be unaffected. Without adaption and replanting in the Gardens, the impact to plants and other supported wildlife could be considered unacceptable, with a major adverse impact on the quality of the space and SINC.

18.13 Although the impact from the schemes is generally acceptable taken in isolation, the impact of 125 Shaftesbury Avenue is negligible with 78.37% still receiving 2hrs in March, whereas 135 – 149 Shaftesbury Avenue is more significant and close to the target 50%, with only 56.6% receiving 2hrs in March. This means the proposal for 135 – 149 Shaftesbury Avenue, closer to and directly to the south of Phoenix Gardens, is the larger contributor to the cumulative impact on Phoenix Gardens.

18.14 To help mitigate these impacts a Phoenix Gardens Planting Mitigation Contribution of £50,000 would be secured by s106 agreement in accordance with Local Plan Policies A2 and A3.

#### ***Overall impact***

18.15 Given the above, considering the schemes individually and cumulatively, there would be a moderate impact but the proposals are considered acceptable in nature conservation, landscape and biodiversity terms in line with the development plan overall.

#### ***Statutory Biodiversity Net Gain***

18.16 As well as the requirements of the development plan, there are statutory requirements for 10% Biodiversity Net Gain (BNG).

18.17 BNG is a way of creating and improving natural habitats with a measurably positive impact ('net gain') on biodiversity, compared to what was there before development. Every grant of planning permission is deemed to have been granted subject to a condition which requires the submission of a Biodiversity Net Gain Plan (BGP) before development can commence, showing how the 10% gain will be met.

18.18 This gain can be achieved through onsite biodiversity gains, registered offsite biodiversity gains (for example, on other land or developments owned by the applicant), or by purchasing statutory biodiversity credits.

18.19 Based on the information provided, this scheme will require the approval of a BGP before development begins. This is because the red line for the application site includes three trees which have value. These are all

proposed to be removed (subject to ongoing discussions with the street trees team).

18.20 Council's Nature Conservation Officer considers that the biodiversity gain condition is capable of being discharged successfully. The 10% gain cannot be met on-site but could be achieved by providing trees (or a habitat of higher distinctiveness) 'off-site' to meet trading rules, or as a last resort, statutory credits. The statutory condition will not be repeated on the decision notice, in line with guidance, but informatives explaining the statutory obligations will be included on the decision.

18.21 The on-site gain is notable with the extensive green roofs and so the management plan secured for the green infrastructure would ensure on-site gains are realised.

## 19. EMPLOYMENT AND TRAINING OPPORTUNITIES

19.1 The proposed development would generate increased employment opportunities during the construction phase as it provides an uplift of more than 1,000sqm and over £3million in construction costs. To ensure local people benefit from these opportunities in line with Local Plan Policy E1, discussions have already commenced between the Council's Inclusive Economy Team and the developer to deliver several benefits from the development.

### ***During construction***

- **Apprenticeships** - the applicant will be expected to recruit a construction apprentice, paid at least London Living Wage, for every £3million of build costs with a support fee of £1,700 per apprentice as per section 63 of the Employment sites and business premises CPG. Recruitment of construction apprentices should be conducted through the Council's Euston Skills Centre (moved to a new location hence a new name). With an estimated build cost of £111 million, this would mean 37 construction apprentices and a £62,900 support fee.
- **Construction Work Experience Placements** - the applicant should provide 12 construction work placement opportunities of not less than 2 weeks each, to be undertaken over the course of the development construction. This is based on a net uplift of 6,391sqm hotel/theatre space, with one placement required per 500sqm. This would be recruited through the Council's Euston Skills Centre, as per section 69 of the Employment sites and business premises CPG.
- **Local Recruitment** - the applicant will work with the Euston Skills Centre to recruit to vacancies, targeting 20% local recruitment, advertising with Camden for no less than a week before the roles are advertised more widely.

- **Local Procurement** - the applicant will also sign up to the Camden Local Procurement Code, as per section 61 of the Employment sites and business premises CPG, and two 'meet the buyer' events for local SMEs. This sets a target of 10% of the total value of the construction contract. The Inclusive Economy team will liaise and assist with the developer to provide details of local suppliers and subcontractors.

### ***Occupation phase***

- 19.2 Policy E2 of the Local Plan also encourages end uses to support employment opportunities through apprenticeships and training placements. This applies to major commercial developments which will result in a net increase of 1,000sqm (GIA) or more of employment space including office, hotel and leisure developments.
- 19.3 The Council's Inclusive Economy Team has suggested a package of measures they would like to see secured which the applicant has agreed to in full:

#### **Recruit locally through Good Work Camden (GWC)**

- Commitment to a target of 50% local employment on the site.
- Measures to ensure that all those employed at the Development are paid at least London Living Wage (LLW).
- Partnership between the operators of the hotel (Citizen M) and the bar and restaurant (Incipio Group), and Good Work Camden to support local recruitment to roles across the site occupiers:
  - A commitment to providing clear job descriptions, information sessions and workplace visits for local job seekers to demystify and promote roles via Good Work Camden.
  - A willingness to consider alternative and inclusive recruitment processes that work for disabled residents, such as job trials.
  - Development of employer-led and pre-recruitment training programmes for specific job vacancies and guaranteed interviews for those who engage in the training.
- Financial contribution to the delivery of employment and skills initiatives – this is dependent on the commercial floorspace uplift and the formula is set out in section 73 of the Employment Sites and Business Premises CPG. As the new theatre and bar space is roughly equivalent in size to the existing cinema space, then the relevant uplift is the hotel space. A 220 bedroom hotel equates to a training and employment cash contribution of £32,299.6 (according to guidance formula).

Ring-fenced opportunities for Camden residents, recruited/brokered by Good Work Camden

- A rolling programme of end use apprenticeships such that 5 apprentices are employed on the site at all times for 10 years following the occupation of the development, to be recruited through Good Work Camden.
- Provision of 5 paid internships per year for Camden Youth Mission cohorts to be brokered via Good Work Camden.
- Provision of 10 work experience placements per year, to be brokered by Camden STEAM/Camden Learning or Good Work Camden.
- Provision of 2 supported internships per year.

Education

- Cirque du Soleil to consider signing up to the Camden STEAM Pledge.
- 2 day per year commitment to open day, showcasing careers within theatre industry – local schools / higher education / local residents.

19.4 In addition to the above, the applicant has put forward their own additional package of Culture and Community measures that would include the following:

- Places for Camden residents on Cirque du Monde, a program devised by Cirque du Soleil that uses circus arts to empower at-risk youth.
- The provision of 10 days per year free space of 278sqm (including the stage and runways) for rehearsal/practice purposes for partner organisations.
- Subsidised rate ticket price (20% discount) entry to Camden Residents for daytime performances. 100 tickets to be provided per quarter, 50 of which would be free and guaranteed, with the remaining 50 free but subject to them not having been sold to customers.
- Provision of 200 free tickets per annum to Camden Residents of Cirque du Soleil shows at the Royal Albert Hall.
- 2 day per year commitment to open day, showcasing the cultural heritage of the building – open house / interest groups.
- Provision of space for local artists to display their work in the theatre foyer and partnership opportunities for local artists to display their work in the hotel.
- Provision of free resident access to hotel communal areas to use for work and meetings.

19.5 The above measures are considered a significant benefit of the proposals and would be included in a package of Employment and Training measures secured by s106 agreement in accordance with Local Plan Policy E1 and the CPG.

## **20. SAFETY AND SECURITY**

- 20.1 Policy C5 of the Local Plan seeks to make the borough a safer place by working with our partners including the Camden Community Safety Partnership to tackle crime, fear of crime and antisocial behaviours. Developments are required to demonstrate that they have incorporated design principles which contribute to community safety and security, particularly in wards with relatively high levels of crime including Covent Garden where the site is located. Appropriate security and community safety measures are required, and development should promote safer streets and public areas. Fearing crime or the chances of being a victim of crime vary notably across age, gender, and race (protected characteristics under the Public Sector Equality Duty), and these discrepancies mean that if the environment is not perceived as a safe public space for all users, certain groups are likely to be excluded or suffer greater impact, contrary therefore not only to CLP policy C5 but also CLP policy C6 which aims to secure access for all.
- 20.2 Where a development has been identified as being potentially vulnerable to terrorism, the Council will expect Counter terrorism measures to be incorporated into the design of buildings and associated public areas to increase security.
- 20.3 The Metropolitan's Design Out Crime Officer (DOCO) reviewed the proposed development and raised a number of concerns from a crime and safety perspective.
- 20.4 The existing building currently suffers with poor activation on the Stacey Street and St Giles Passage elevations. Concerns were raised that the proposals did not significantly increase activation on these elevations and that the hotel entrance was recessed meaning people could loiter here. In response to these concerns, the hotel entrance was widened to provide greater visibility around the corner and the applicant confirmed that the entrance area would be fully monitored by CCTV. The increased footfall to the site from theatre-goers and hotel guests would also provide additional activation of the streets surrounding the site. To address concerns surrounding the lack of staff presence within the ground floor lobby and potential access to the ground floor luggage store, the applicant confirmed that arriving guests entering the ground floor can only access the lifts (all other areas, including the self-service luggage room are only accessible by radio frequency identity tags (RFID)). From the lifts, guests can only access the 5th floor prior to check-in, as the lifts are also operating with RFID restrictions. At nighttime, entrance to the ground floor is only possible by RFID, or using the video intercom connected with the reception. CitizenM operates in similar conditions (ground floor with access to lifts and self-service luggage) in other properties in Copenhagen Paris.

- 20.5 Other amendments were also made at fifth floor level to ensure that planters could not be used as a climbing aid as requested, and it was confirmed that after hours, non-guests cannot enter the hotel without having a guest-room key.
- 20.6 The applicant has confirmed that they will incorporate the suggestions made regarding CCTV and lighting which is welcomed, and a CCTV strategy shall be secured by condition 32 if planning permission is granted. Conditions 24 and 47 shall also secure the submission of evidence to demonstrate that the development can achieve secured by design accreditation, and require the development to achieve and maintain a silver award accreditation.
- 20.7 The DOCO also recommended that advice be sought from the Counter Terrorist Security Advisor (CTSA) and in response, the applicant held a meeting with the CTSA whereby a number of recommendations were made to the applicant. They have confirmed that these recommendations will be considered at the appropriate RIBA design stage. The CTSA recommended that a Counter Terrorism Risk Assessment is undertaken and this shall be secured by condition (condition 25).

## **21. CONTAMINATED LAND**

- 21.1 The existing building was constructed by 1931. Prior to this date, the site was occupied by commercial properties often with residential accommodation above. The site is reported to have been developed hundreds of years earlier, possibly as far back as the 1680s. Historical land uses in the vicinity of the site include a mixture of commercial and residential buildings, a church, recreational field and car parks.
- 21.2 A Land Contamination Risk Management – Preliminary Risk Assessment report prepared by Pell Frischmann has been submitted in support of the application. The report summarises a previous desk study and site investigation which was undertaken in 2017.
- 21.3 Ground conditions comprised made ground (dark brown silty sandy very gravelly clay with brick and concrete fragments and occasional coal fragments) to 3.50m below ground level overlying Lynch Hill Gravel, London Clay and Lambeth Group in turn. Two made ground samples were collected, with all contaminants of concern recorded below the assessment criteria for a commercial end use, and no asbestos detected.
- 21.4 It is considered likely that the majority of made ground on site will have been removed during the 1930s excavation and construction of the double basement, and additional made ground will be removed as part of the current proposed development for deepening the existing basement.

- 21.5 The report has been reviewed by the Council's Contaminated Land Officer who has confirmed the report conclusions are considered appropriate, with no unacceptable risks anticipated to the end users, noting the continued commercial use of the site, and the extension of the basement which will likely remove made ground beneath the site (hence no viable exposure pathways are anticipated).
- 21.6 It is recommended that a watching brief is conducted during excavation earthworks in the event that any unexpected contamination is encountered during the development which shall be secured by condition should planning permission be granted (condition 34).

### ***Secondary Aquifer***

- 21.7 The site is within the area of the borough's Secondary Aquifer, and given the extent of the basement excavations, the development is expected to demonstrate that there would be no risk to the borough's water quality.
- 21.8 The Contamination Risk Assessment notes that the Made Ground onsite will be almost entirely excavated/removed to facilitate the proposed basement extension. The 2017 Made Ground geochemical results did not detect hydrocarbons within the Made Ground or elevated concentrations of heavy metals. On this basis, the residual Made Ground (if present) is unlikely to present a viable source of contamination for the underlying aquifer. The superficial deposits across most of the site will have been excavated in the 1930s for the double storey basement, therefore superficial deposits are only likely to be present towards the edges of the site. The Risk Assessment therefore concludes that land contamination risks to controlled water are highly unlikely with respect to the Made Ground onsite.
- 21.9 As such, officers are satisfied that the proposals would not impact the borough's water supply, and if planning permission is granted, a condition would be imposed requiring the submission of a Foundation Works Risk Assessment to ensure risks to groundwater are minimised (condition 9).

## **22. FIRE SAFETY**

- 22.1 Policy D12 (Fire safety) of the London Plan requires all major development proposals to be submitted with a Fire Statement. A Fire Statement has been submitted with the application, prepared by a suitably qualified fire engineer (OFR Consultants Ltd).
- 22.2 A Fire Statement has been prepared which provides details of the building's construction (methods, products and materials), the means of escape for all building users, features which reduce the risk to life, access for fire service personnel and equipment, and access for fire appliances. The building is more than 18 metres high and the upper floors, comprising the hotel element, would therefore be provided with two escape staircases. The building is also

to be provided with one fire evacuation lift in the theatre portion of the building, and one in the hotel portion.

- 22.3 Should planning permission be granted, a condition would be applied to any planning approval requiring a Fire Statement to be produced by an independent third party. It would be required to detail the building's construction, methods, products and materials used; the means of escape for all building users including those who are disabled or require level access together with the associated management plan; access for fire service personnel and equipment; ongoing maintenance and monitoring and how provision would be made within the site to enable fire appliances to gain access to the building. The submitted details would be assessed by the Council's Building Control department (condition 17).

## **23. COMMUNITY INFRASTRUCTURE LEVY (CIL)**

- 23.1 The CIL applies to all proposals which add 100m<sup>2</sup> of new floorspace or an extra dwelling. The amount to pay is the increase in floorspace (m<sup>2</sup>) multiplied by the rate in the CIL charging schedule. The final CIL liability will be determined by the CIL team.
- 23.2 The proposal will be liable for the Mayor of London's Community Infrastructure Levy (MCIL2) with an estimated liability of £1,255,079.65.
- 23.3 The proposal will also be liable for the Camden Community Infrastructure Levy (CIL). The site lies in Zone A where CIL is calculated using rates based on the relevant proposed uses. The estimated Camden CIL liability is £657,500.40.

## **24. CONCLUSION**

- 24.1 The proposals would see the loss of the existing cinema facility at the site, and the provision of a new theatre and 220-bedroom hotel. The existing cinema is a popular and well-used facility, and it has not been demonstrated that there is no longer a demand for the existing facility, in conflict with the requirements of policy C3. However, it is recognised that the existing operator the Odeon has already vacated the site, and even if it were to remain in cinema use, it would be unlikely that the same offering would be provided were another operator to take over the premises. As set out in the policy, exceptionally, it may be practicable for a cultural or leisure facility to be re-provided on site through redevelopment, and if a replacement facility is provided, it should be at the same or better standard than the facility which is lost and accessible to its existing users. The proposals would provide a new high-quality theatre, returning the historic theatre use to the site and the West End which is considered an exceptional situation, and a number of discounted tickets would be provided local residents to make it more accessible to them. On balance, the proposed loss of the cinema and re-



provision of a new theatre is considered acceptable and would be in accordance with Policy C3 of the Local Plan as well as the draft new Local Plan site allocation. The proposals would also be in accordance with London Plan Policies HC5 and HC6, which support the promotion and enhancement of London's cultural assets and visitor attractions. The West End theatre district is a key cultural asset to London and this proposal would further enhance this area. As such, the reinstatement of the theatre use is strongly supported.

- 24.2 The proposals are considered to be materially different from the previously refused scheme, which failed to address Policy C3, both by not demonstrating to the Council's satisfaction that there was no longer a demand for the existing facility and because the proposed cinema was not considered an adequate replacement, being significantly diminished in size and offering. For the reasons set out above, the current proposals are considered to comply with Policy C3. The GLA have also confirmed their strong support for the reinstated theatre which would respond positively to the London Plan's cultural and visitor attractions policies. The hotel use was also confirmed to be in line with the strategic function of the Central Activities Zone and was supported. This Central London Location is an appropriate one for a new hotel of the size proposed, where it would be easily reached by public transport and would not harm the balance and mix of uses in the area. The proposed hotel would therefore accord with policies SD4 and E10 of the London Plan and Policy E3 of the Local Plan.
- 24.3 In land use terms, the proposals would therefore be in compliance with the development plan.
- 24.4 Given the significant floorspace uplift proposed, the development is required to make a contribution towards the delivery of self-contained housing. Officers accept that it would not be practicable to provide the housing requirement on site, and therefore that a payment in lieu of the required housing is appropriate and in accordance with Policy H2 of the Local Plan. Although the submitted financial viability assessment demonstrates that the submitted scheme could not viably make a contribution towards housing, the applicant has reconfigured the internal layouts of the hotel to create an additional 9 bedrooms and has agreed to make a contribution of 75% of the full policy requirement.
- 24.5 The development would deliver a number of heritage benefits to the listed building, notably, the repair and restoration of original significant features such as the frieze and principal elevations; however, the scale of the proposed roof extension is considered to cause harm to the significance of the listed building and nearby heritage assets. The detailed design, materiality and quality of the proposed roof extension would go some way to ameliorate the impact of the height and massing of the roof extension, but

the level of harm caused is considered to remain at the upper end of less than substantial. The applicant has demonstrated through their financial viability assessment that the level of uplift of hotel floorspace is the minimum necessary to make the scheme deliverable. The Council's independent auditors came to a contradictory position, finding the proposals to result in a financial deficit, but when asked why they would proceed with a loss-making scheme, the applicant advised that they are choosing to pursue the scheme on the basis of their own expectations, experience, and agreements with the operators rather than the market data, which officers have accepted.

- 24.6 The development would see the significant demolition of the entirety of the building's interior, as well as the deconstruction and rebuilding of the existing rear elevation, and the excavation of additional basement levels in order to provide the new theatre. Although the loss of the remaining internal features would cause some harm to the significance of the building, it is accepted that the remaining historic fabric is fragmentary and the removal of this fabric is necessary to deliver a theatre of the size proposed. It has been suggested by local groups and the Theatre's Trust that a viable theatre could be provided within the original building envelope. In response to this, the applicant has provided details of the exploratory work conducted which demonstrated that due to current building, health and safety and fire standards, the size of the theatre that could be delivered would be much smaller, in the region of 200-300 seats. The applicant's viability assessment also demonstrates that a theatre-only scheme would be loss-making which the Council's independent auditors verified.
- 24.7 The proposed development would result in some noticeable impacts to the daylight and sunlight levels of surrounding properties, but most would be commensurate with the local context and the nature of Central London as it continues to support growth and effective use of land. However, there are some major adverse impacts, including to three living spaces in 166-170 Shaftesbury Avenue, and more notably to the block at 1a Phoenix Street particularly when the impact from neighbouring 125 Shaftesbury Avenue proposals is cumulatively factored in. With regard to these two properties, the impacts are significant and considered to be in conflict with policy A1 which seek to protect the amenity of communities and neighbours. However, considering the benefits of the scheme (listed in full below), officers consider that on balance the impact on light is acceptable and in compliance with the development plan as a whole.
- 24.8 Likewise, there would be a notable impact from the cumulative schemes in terms of overshadowing on Phoenix Gardens with less than 50% of the area seeing at least 2hrs of direct sunlight on 21 March, contrary to BRE guidance. However, when looking at the impacts across April to September, it can be seen that the space achieves BRE compliance with the sunlight levels rising significantly throughout April, May, June, July and August. Considering UK

growing seasons, the greatest cumulative impacts would be over winter when many plants are dormant. Nevertheless, there may be impacts on some plants and it is therefore considered necessary to secure a contribution of £50,000 to mitigate these impacts and allow for adaptation and replanting in the gardens to ensure there was not a major adverse impact on the quality of the space and its value as a site important for nature conservation. With the suggested mitigation secured, the proposals would comply with the development plan in this regard.

- 24.9 Although the development would deliver a betterment against Part L of the Building Regulations from on-site renewables (be green stage), this would not meet the full policy requirement, and the development would see an increase against Part L at the Be Lean stage, meaning the development would not meet the policy target of an overall reduction of 35%, contrary to Local Plan policies CC1 and CC2 and London Plan Policy SI 2. Nevertheless the applicant has confirmed they will make a policy compliant carbon offset contribution and the development would target BREEAM excellent.
- 24.10 When considering the impact of a proposed development on the significance of a heritage asset, great weight should be given to the asset's conservation and clear and convincing justification for the harm is required. The applicant has sought to mitigate harm as far as possible, this scheme having evolved from an earlier proposal where the roof extension was higher and the detailed design was a lower quality. However, despite revisions being made, harm has been identified to designated and non-designated heritage assets. The proposed development would cause a high level of less than substantial harm to the application site, the former Saville Theatre, a moderate level of less than substantial harm to the Denmark Street Conservation Area and a minor level of less than substantial harm to the Seven Dials Conservation Area. The proposals would also cause a moderate level of harm to the locally listed Phoenix Gardens. In this respect there is conflict with development plan Policy D2 of the Local Plan and HC1 of the London Plan.
- 24.11 Great weight must be given to that harm and paragraph 215 of the NPPF requires this harm to be weighed against the public benefits of the proposal. Paragraph 216 of the NPPF states that the impact on a non-designated heritage asset should be taken into account in determining the application and requires a balanced judgement.
- 24.12 The public benefits that would be delivered by the scheme and the weight afforded to them are set out below.

#### *Environmental benefits*

- The proposed repairs and restoration of the existing building, including repairs to the masonry and stone work and the Gilbert Bayes Frieze and roundels, the reinstatement of lost architectural details

including the original entrance arched window and canopy and works to rectify the damage and cracking caused by Regents Street Disease to ensure the long term preservation and longevity of the listed building is considered to deliver significant heritage and public benefit.

- The delivery of a new high-quality theatre, reinstating the original theatre use of the site and the 'missing tooth' in Theatreland. Although the heritage benefits associated with the new theatre would be limited by the fact it is not within the original building envelope, the delivery of a new theatre at the site, currently planned to provide a permanent HQ for the renowned Cirque du Soleil, but also flexible and adaptable for alternative theatre layouts and operators, would provide a significant public benefit.
- Improvements to the local environment, by improving the quality of the public realm around the site. The proposed development would increase activation of the public realm surrounding the site and this part of Shaftesbury Avenue within London's Theatreland. The applicant has also agreed to a significant Pedestrian, Cycling and Environmental contribution of £375,000.00 which would go towards the delivery of the Shaftesbury Avenue Safe and Healthy Streets Scheme which would significantly improve the pedestrian environment on Shaftesbury Avenue, St Giles Passage, New Compton Street and Stacey Street. This is considered a moderate public benefit.
- The delivery of a package of landscaping and urban greening measures at the site which would improve the site's biodiversity. This is considered a minor public benefit.
- The delivery of a betterment over Part L of Building Regulations, the achievement of BREEAM 'Excellent', and the delivery of a carbon-offset payment. This is given low weight as a public benefit as the scheme would not meet policy targets and less weight is given to the carbon savings than if they had been delivered on-site.

#### *Social benefits*

- A contribution of £4,214,812.00 towards the delivery of affordable housing in the borough. Housing is the priority land use in the borough, and the Council is not meeting their five-year housing target. This is therefore considered a significant public benefit.
- The delivery of a very high-quality package of employment and training measures and community benefits, including education partnerships, free and discounted tickets for local residents, construction and end-use apprenticeships and work placements. This is considered a moderate public benefit.

### *Economic benefits*

- The proposed development would deliver economic benefits by drawing in more visitors to this part of the West End and Theatreland and increasing spending in the area. The contribution to the local economy from the new commercial uses is considered a minor public benefit.

- 24.13 Overall, the package offered is considered to provide significant public benefits which include some heritage benefits. As previously discussed, the proposed development would result in a high level of less than substantial harm to the former Saville Theatre, a moderate level of less than substantial harm to the Denmark Street Conservation Area and a minor level of less than substantial harm to the Seven Dials Conservation Area. Officers consider it to be a very fine balance between the heritage harm identified and the public benefits delivered, but that ultimately, when taken together, the harms identified would be outweighed by the benefits.
- 24.14 The previously refused scheme is a material consideration in the assessment of the current proposals given their similarity – both proposing a new hotel to the upper floor levels with a new cultural / entertainment facility at basement level. As discussed above, the proposed development is considered to have satisfactorily addressed policy C3, and the proposals are considered acceptable in land use terms unlike the previous application.
- 24.15 Both applications proposed the erection of a roof extension which was assessed to cause harm at the upper end of less than substantial harm to the significance of the listed building due to its height and mass and dominance of the original building. However, unlike the previously refused scheme, the current proposals would provide a high quality, well-designed theatre space to provide a new London headquarters for Cirque du Soleil. Whilst larger, the design of roof extension proposed by this application is considered to be a superior quality, and the architects have submitted detailed drawings and information to assure officers that the design could be delivered to the required standard. The submitted viability assessment has demonstrated that the proposals constitute the minimum hotel floorspace necessary in order to make the scheme as a whole viable for the applicant to proceed with the development. The architects would be secured by S106 agreement to ensure design continuity.
- 24.16 In conclusion, although there would be conflicts with certain parts of the development plan; namely policy C3, A1, and D2 of the Local Plan and policy HC1 of the London Plan, there are a number of public benefits that would be delivered by the proposals, and on balance, the proposals would comply with the development plan as a whole. The scheme will deliver a new high-quality theatre and hotel in the West End's Theatreland as well as a safer and more attractive public realm. The proposals would deliver economic benefits to the

area and a considered package of community benefits has been offered. Taking account of the policies of development plan and all the material planning considerations, the proposals would deliver social, environmental and economic benefits that outweigh the less than substantial harm to heritage assets and it is therefore recommended that planning permission be granted.

## **25. RECOMMENDATION**

25.1 Planning Permission is recommended subject to conditions and a Section 106 Legal Agreement with the following heads of terms:

### ***Affordable housing:***

- Payment in lieu of affordable housing of £4,214,812.00.

### ***Theatre marketing strategy:***

- Submission of a Theatre Marketing Strategy in the event that the theatre space becomes vacant.

### ***Transport:***

- Travel Plan and associated monitoring and measures contribution of £11,348.
- Off-site cycle parking contribution of £2,700.
- Car-free development.
- Coach-free development.
- Off-site accessible car parking contribution of £4,000.
- Electric vehicle charging infrastructure (fast charger) contribution of £20,000.
- CA-C CPZ review contribution of £30,000.
- Construction management plan (CMP), and CMP implementation support contribution of £30,513 and CMP Impact Bond of £32,000.
- Requirement to form a construction working group consisting of representatives from the local community.
- Delivery and Servicing Plan.
- Highway works contribution of £50,000.
- Pedestrian, Cycling and Environmental Improvements contribution £375,000.
- Micro and shared mobility improvements contribution of £10,000.
- Approval in principle report and associated assessment fee £1851.33.

### ***Land use operation management:***

- Hotel Operation Management Plan
- Theatre Operation Management Plan
- Restaurant and bar Operation Management Plan

***Energy and Sustainability Plan, to include:***

- Carbon offset contribution of £321,145.00
- Sustainability measures indicating BREEAM Excellent
- Further investigations to maximise BREEAM credits
- Measures to enable future connection to a local energy network that has been designed in accordance with the “CIBSE heat networks; code of practice for the UK” at the boundary of the Property including:
  - safeguarded space for a future heat exchanger;
  - provisions made in the building fabric/ design (such as soft-points in the building plant room walls) to allow pipes to be routed through from the outside to a later date;
  - the provision of domestic hot water isolation valves to facilitate the connection of an interfacing heat exchanger;
  - provision for external buried pipework routes to be safeguarded to a nearby road or similar where connection to the DHN would be made.
  - Provision of contact details of the person(s) responsible for the development’s energy provision for the purpose of engagement over future connection to a network

***Biodiversity/ecology contributions***

- Phoenix Gardens Planting Mitigation Contribution of £50,000
- Replacement Tree Contribution (TBC)

***Basement Construction Plan******Employment and Training Package including (full details set out in Employment and Training section:***

- 37 construction apprentices and a £62,900 support fee
- 12 construction work placement opportunities
- Local recruitment
- Local procurement and two ‘meet the buyer’ events for local SMEs
- Recruit locally through Good Work Camden, including commitment to 50% local employment on site and payment of LLW to all employees.
- Ring-fenced opportunities for Camden residents recruited/brokered by Good Work Camden, including rolling programme of 5 end use apprenticeships for 10 years and 5 paid internships, 10 work experience placements, and 2 supported internships per year.
- Employment and skills initiatives contribution of £32,299.60
- Education opportunities including commitment to 2 open days per year showcasing careers in the theatre industry.

***Culture and community plan:***

- Places for Camden residents on Cirque du Monde, a program devised by Cirque du Soleil that uses circus arts to empower at-risk youth.
- The provision of 10 days per year free space of 278sqm (including the stage and runways) for rehearsal/practice purposes for partner organisations.
- Subsidised rate ticket price (20% discount) entry to Camden Residents for daytime performances. 100 tickets to be provided per quarter, 50 of which would be free and guaranteed, with the remaining 50 free but subject to them not having been sold to customers.
- Provision of 200 free tickets per annum to Camden Residents of Cirque du Soleil shows at the Royal Albert Hall.
- 2 day per year commitment to open day, showcasing the cultural heritage of the building – open house / interest groups.
- Provision of space for local artists to display their work in the theatre foyer and partnership opportunities for local artists to display their work in the hotel.
- Provision of free resident access to hotel communal areas to use for work and meetings.

***Façade retention strategy***

***Architect retention***

25.2 Listed building consent is recommended subject to conditions.

**26. LEGAL COMMENTS**

26.1 Members are referred to the note from the Legal Division at the start of the Agenda.

**27. CONDITIONS**

***Standard conditions***

**1 Time limit**

The development hereby permitted must be begun not later than three years from the date of this permission.

Reason: In order to comply with the provisions of Section 91 of the Town and Country Planning Act 1990 (as amended).

**2 Approved drawings**

The development hereby permitted shall be carried out in accordance with the following approved plans and documents:



2111-SPP-ST-B2-DR-A-95-1001 P0.02, 2111-SPP-ST-B1-DR-A-95-1002 P0.02, 2111-SPP-ST-0G-DR-A-95-1003 P0.03, 2111-SPP-ST-01-DR-A-95-1004 P0.03, 2111-SPP-ST-02-DR-A-95-1005 P0.03, 2111-SPP-ST-03-DR-A-95-1006 P0.03, 2111-SPP-ST-04-DR-A-95-1007 P0.03, 2111-SPP-ST-05-DR-A-95-1008 P0.03, 2111-SPP-ST-RL-DR-A-95-1009 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3001 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3002 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3003 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3004 P0.03, 2111-SPP-ST-ZZ-DR-A-95-2001 P0.03, 2111-SPP-ST-ZZ-DR-A-95-2002 P0.03.

2111-SPP-ST-ZZ-DR-A-00-0001 P0.04, 2111-SPP-ST-B4-DR-A-20-1000 P0.03, 2111-SPP-ST-B3-DR-A-20-1001 P0.03, 2111-SPP-ST-B2-DR-A-20-1002 P0.03, 2111-SPP-ST-B1-DR-A-20-1003 P0.03, 2111-SPP-ST-B1-DR-A-20-1003A P0.02, 2111-SPP-ST-B1-DR-A-20-1003B P0.02, 2111-SPP-ST-0G-DR-A-20-1004 P0.04, 2111-SPP-ST-01-DR-A-20-1005 P0.04, 2111-SPP-ST-02-DR-A-20-1006 P0.04, 2111-SPP-ST-03-DR-A-20-1007 P0.04, 2111-SPP-ST-04-DR-A-20-1008 P0.03, 2111-SPP-ST-05-DR-A-20-1009 P0.03, 2111-SPP-ST-06-DR-A-20-1010 P0.03, 2111-SPP-ST-07-DR-A-20-1011 P0.03, 2111-SPP-ST-08-DR-A-20-1012 P0.03, 2111-SPP-ST-09-DR-A-20-1013 P0.04, 2111-SPP-ST-10-DR-A-20-1014 P0.04, 2111-SPP-ST-11-DR-A-20-1015 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3001 P0.06, 2111-SPP-ST-ZZ-DR-A-25-3002 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3003 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3004 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3018 P0.02, 2111-SPP-ST-ZZ-DR-A-25-3019 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3100 P0.02, 2111-SPP-ST-ZZ-DR-A-25-3101 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3102 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3103 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3010 P0.02, 2111-SPP-ST-ZZ-DR-A-26-2001 P0.06, 2111-SPP-ST-ZZ-DR-A-26-2002 P0.06, 2111-SPP-ST-ZZ-DR-A-21-4001 P0.03, 2111-SPP-ST-ZZ-DR-A-21-4002 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4003 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4004 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4005 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4006 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4007 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4008 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4009 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4010 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4011 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4012 P0.01.

Reason: For the avoidance of doubt and in the interest of proper planning.

### ***Pre-start conditions (any works)***

## **3 Written scheme of historic building investigation (WSI)**

No demolition shall take place until a written scheme of historic building investigation (WSI) has been submitted to and approved in writing by the local planning authority. For buildings that are included within the WSI, no demolition or development shall take place other than in accordance with the agreed WSI, which shall include the statement of significance and research objectives, and:

- a) The programme and methodology of historic building investigation and recording and the nomination of a competent person(s) or organisation to undertake the agreed works.
- b) The programme for post-investigation assessment and subsequent analysis, publication and dissemination and deposition of resulting material. This part of the condition shall not be discharged until these elements have been fulfilled in accordance with the programme set out in the WSI.

Reason: To safeguard the archaeological interest on the site in accordance with the requirements of policy D2 of the London Borough of Camden Local Plan 2017.

#### **4 Air Quality Assessment**

At least 3 months prior to commencement of development, a revised air quality assessment report, written in accordance with the relevant current guidance, for the existing site and proposed development shall be submitted to and approved in writing by the Local Planning Authority.

The development shall be at least “Air Quality Neutral” and an air quality neutral assessment for both the building and transport shall be included in the report.

The assessment shall assess the current baseline situation in the vicinity of the proposed development. The report shall include all calculations and baseline data, and be set out so that the Local Planning Authority can fully audit the report and critically analyse the content and recommendations.

An updated assessment should be made of the construction dust risk and appropriate mitigation proposed and implemented.

If required, a scheme for air pollution design solutions or mitigation measures based on the findings of the report shall be submitted to and approved in writing by the Local Planning Authority prior to development. This shall include mitigation for when air quality neutral transport and building assessments do not meet the benchmarks.

The approved design or mitigation scheme shall be constructed and maintained in accordance with the approved details.

Reason: To protect the amenity of residents in accordance with Policy CC4 of the London Borough of Camden Local Plan 2017 and Policy SI 1.1 of the London Plan 2021.

#### **5 Air Quality Monitoring**

No demolition or development shall commence until all the following have been complied with:

- a) prior to installing monitors, full details of the air quality monitors have been submitted to and approved in writing by the local planning authority. Such details shall include the location, number and specification of the monitors, including evidence of the fact that they will be installed in line with guidance outlined in the GLA’s Control of Dust and Emissions during Construction and Demolition Supplementary Planning Guidance;
- b) A confirmation email should be sent to [airquality@camden.gov.uk](mailto:airquality@camden.gov.uk) no later than one day after the monitors have been installed with photographic evidence in line with the approved details; and
- c) Prior to commencement, a baseline monitoring report including evidence that the monitors have been in place and recording valid air quality data for at least 3 months prior to the proposed implementation date shall be submitted to the Local Planning Authority and approved in writing.

The monitors shall be retained and maintained on site in the locations agreed with the local planning authority for the duration of the development works, monthly summary reports and automatic notification of any exceedances provided in accordance with the details thus approved. Any changes to the monitoring arrangements must be submitted to the Local Planning Authority and approved in writing.

Reason: Development must not commence before this condition is discharged to manage and mitigate the impact of the development on the air quality and dust emissions in the area, and London as a whole, and to avoid irreversible and unacceptable damage to the environment, in accordance with policies A1, A4 and CC4 of the Camden Local Plan 2017 and policy SI1 of the London Plan 2021.

**6 Tree protection details**

Prior to the commencement of any works on site, full details demonstrating how trees to be retained, including street trees near the site, shall be protected during construction work shall be submitted to and approved by the local planning authority in writing. Such details shall follow guidelines and standards set out in BS5837:2012 "Trees in Relation to Construction". Details shall include a full auditable schedule of arboricultural monitoring for the duration of the development including site clearance and demolition. All trees on the site, or trees growing from adjoining sites and streets shall be retained and protected from damage in accordance with the approved protection details, unless specified as being removed with agreement of the council's street tree team.

Reason: To ensure that the development will not have an adverse effect on existing trees and in order to maintain the character and amenity of the area in accordance with the requirements of policies A2 and A3 of the London Borough of Camden Local Plan 2017.

**7 Basement engineer**

The development hereby approved shall not commence until such time as a suitably qualified chartered engineer with membership of the appropriate professional body has been appointed to inspect, approve and monitor the critical elements of both permanent and temporary basement construction works throughout their duration to ensure compliance with the design which has been checked and approved by a building control body. Details of the appointment and the appointee's responsibilities shall be submitted to and approved in writing by the local planning authority prior to the commencement of development. Any subsequent change or reappointment shall be confirmed forthwith for the duration of the construction works.

Reason: To safeguard the appearance and structural stability of neighbouring buildings and the character of the immediate area in accordance with the requirements of policies D1, D2 and A5 of the London Borough of Camden Local Plan 2017.

**8 Pre-Commencement Whole Life-Cycle Carbon Assessment**

An updated Whole Life Carbon Assessment shall be submitted to and approved in writing by the Local Planning Authority at each of the following stages of development:

(a) Prior to commencement of any work on site including all works of deconstruction and demolition.

(b) Prior to commencement of any construction works.

Where the updated assessment submitted pursuant to (a) or (b) above identifies that changes to the design, procurement or delivery of the approved development will result in an increase in embodied carbon (A1-A5) above 923.5kgCO<sub>2</sub>e/m<sup>2</sup> and/or Whole Life Carbon (A1-C4) above 1,373.4kgCO<sub>2</sub>e/m<sup>2</sup>, which are the

benchmarks established by your application stage Whole Life Carbon assessment, you must identify measures that will ensure that the additional carbon footprint of the development will be minimised.

Each stage of development pursuant to (a) and (b) above must thereby be completed in accordance with the updated Whole Life Cycle Assessment approved.

Reason: To ensure the development minimises carbon emissions throughout its whole life cycle and optimises resource efficiency in accordance with Policy CC1 of the Camden Local Plan 2017 and Policy SI2 of the London Plan 2021.

***Pre-start conditions (other than demolition)***

**9 Foundation Works Risk Assessment**

Prior to commencement of works (other than demolition), a Foundation Works Risk Assessment (FWRA) demonstrating that risks to groundwater are minimised shall be submitted to and approved in writing by the local planning authority.

Reason: To ensure that the development avoids harm to the water environment in accordance with Policy CC3 of the London Borough of Camden Local Plan 2017.

**10 Maximising energy efficiency**

Prior to commencement of development (other than demolition), a feasibility assessment to consider potential improved energy efficiency measures, with the aim of maximising energy efficiency and as a minimum not increasing carbon emissions at Be Lean over the Baseline unless clearly justified, should be submitted to the local planning authority and approved in writing. The building shall not be occupied until the approved details have been implemented and these works shall be permanently retained and maintained thereafter.

Reason: To ensure the development reduces carbon dioxide emissions in accordance with the requirements of policy CC1 of the London Borough of Camden Local Plan 2017.

**11 Piling Method Statement**

No piling shall take place until a Piling Method Statement (detailing the depth and type of piling to be undertaken and the methodology by which such piling will be carried out, including measures to prevent and minimise the potential for damage to subsurface sewerage infrastructure, and the programme for the works) and piling layout plan including all Thames Water wastewater assets, the local topography and clearance between the face of the pile to the face of a pipe has been submitted to and approved in writing by the local planning authority in consultation with Thames Water. Any piling must be undertaken in accordance with the terms of the approved piling method statement and piling layout plan.

Reason: To safeguard existing below ground public utility infrastructure and controlled waters in accordance with the requirements of Policy CC3 (Water and flooding) of the London Borough of Camden Local Plan 2017.

**12 Flood risk emergency plan**

Prior to commencement of development (other than demolition), a Flood Risk Emergency Plan should be prepared in accordance with the aims and objectives of the ADEPT/Environment Agency Flood Risk Emergency Plans for New

Development guidance and submitted to the Local Planning Authority and approved in writing.

Reason: To protect the occupants in the event of a flood in accordance with policy CC3 of the London Borough of Camden Local Plan 2017.

### **13 SuDS: Further details**

Prior to commencement of development (other than demolition), full details of the sustainable drainage system including 43m<sup>3</sup> of blue roof capacity plus 319m<sup>2</sup> total of green roof areas shall be submitted to and approved in writing by the local planning authority. Such a system should be designed to accommodate all storms up to and including a 1:100 year storm with a 40% provision for climate change such that flooding does not occur in any part of a building or in any utility plant susceptible to water, or on any part of the entire development site for up to and including a 1:30 year storm. The details shall demonstrate a site run-off rate conforming to the runoff rate of 5.7l/s approved by the Local Planning Authority. An up to date Flood Risk Assessment, drainage statement, SuDS pro-forma, a lifetime maintenance plan and supporting evidence should be provided including:

- The proposed SuDS or drainage measures including storage capacities
- The proposed surface water discharge rates or volumes
- Exceedance flows

Systems shall thereafter be retained and maintained in accordance with the approved details.

Reason: To reduce the rate of surface water run-off from the buildings and limit the impact on the storm-water drainage system in accordance with policies CC2 and CC3 of the London Borough of Camden Local Plan 2017 and Policy SI 13 of the London Plan 2021.

### **14 Mechanical Ventilation with NO<sub>2</sub> and Particulate Filtration**

Prior to commencement of development (other than demolition), full details of the mechanical ventilation system including:

- a) air inlet locations. Air inlet locations should be located away from busy roads and any other emission sources and as close to roof level as possible, to protect internal air quality.
- b) if required by the updated Air Quality Assessment, details of appropriate NO<sub>2</sub> and Particulate filtration system on the mechanical ventilation intake to be installed and a detailed mechanism to secure maintenance of this system shall be submitted to and approved by the local planning authority in writing.
- c) the development shall thereafter be constructed and maintained in accordance with the approved details.

Reason: To protect the amenity of residents in accordance with London Borough of Camden Local Plan Policy CC4 and London Plan policy SI 1.

### ***Prior to above ground works***

#### **15 Detailed design drawings and samples**

Notwithstanding the details shown on the approved plans, prior to commencement of above ground works (excluding demolition and any site preparation works), detailed drawings, or samples of materials as appropriate, in respect of the following, shall be submitted to and approved in writing by the local planning authority before the relevant part of the work is begun:

- a. Detailed drawings including plans, coloured elevations and sections of all windows (including jambs, head and cill), external doors, screening, balconies, balustrades, parapets, planters, canopies and associated elements at a scale of 1:20;
- b. Detailed drawings including plans, coloured elevations and sections showing the assembly of the upper façade layers including the framing structure which is supporting the brick fin façade.
- c. Detailed drawings of the reinstated entrance arched window and canopy at a scale of 1:20;
- d. Manufacturer's specification details of all facing materials (to be submitted to the Local Planning Authority) and samples of those materials (to be provided on site). Sample bay panel of materials to be provided at a suitable size (provided on site / at agreed location for review) to include typical window with all neighbouring materials and details;
- e. Details of the external lighting strategy, including detailed drawings of light fittings, locations and luminance levels.
- f. Detailed drawings of proposed front entrance steps and pavement at a scale of 1:50.

The relevant part of the works shall be carried out in accordance with the details thus approved and all approved samples shall be retained on site during the course of the works.

Reason: To safeguard the appearance of the premises and the character of the immediate area in accordance with the requirements of policies D1 and D2 of the Camden Local Plan 2017.

#### **16 Flood protection measures**

Prior to commencement of above ground works (excluding demolition and any site preparation works) full details of flood protection measures shall be submitted to and approved in writing by the local planning authority. The details shall include:

- a finished floor level of 450mm,
- a ramp to the internal stairwell up to 150mm,
- flood shutters and flood barriers for entrances at risk of flooding in a 1 in 100 flood event plus climate change, and
- details of flood barriers to protect the foyer stairwell from water ingress.

Systems shall thereafter be permanently retained and maintained in accordance with the approved details.

Reason: To protect the occupants in the event of a flood in accordance with policy CC3 of the London Borough of Camden Local Plan 2017.

**17 Fire statement**

Prior to commencement of above ground works (excluding demolition and any site preparation works) a Fire Statement shall have been submitted to and approved in writing by the Local Planning Authority. The Fire Statement shall be produced by an independent third party suitably qualified assessor which shall detail the building's construction, methods, products and materials used; the means of escape for all building users including those who are disabled or require level access together with the associated management plan; access for fire service personnel and equipment; ongoing maintenance and monitoring and how provision will be made within the site to enable fire appliances to gain access to the building. The development shall be carried out in accordance with the approved details.

Reason: In order to provide a safe and secure development in accordance with Policies D5 and D12 of the London Plan 2021.

**18 Diesel back up generator**

Prior to commencement of above ground works (excluding demolition and any site preparation works) details of the proposed Emergency Diesel Generator Plant and any associated abatement technologies including make, model and emission details shall have been submitted to and approved by the Local Planning Authority in writing. Generators should be appropriately sized for life saving functions only, alternatives to diesel fully considered, and testing minimised.

The flue/exhaust from the generator should be located away from air inlet locations. The maintenance and cleaning of the systems shall be undertaken regularly in accordance with manufacturer specifications and details of emission certificates by an accredited MCERTS organisation shall be provided following installation and thereafter every three years to verify compliance with regulations made by the Secretary of State.

Reason: To safeguard the amenity of occupants, adjoining premises and the area generally in accordance with the requirements of policies A1 and CC4 of the London Borough of Camden Local Plan 2017.

**19 Details of green infrastructure**

Prior to commencement of above ground works, full details of the green infrastructure and planting across the site, including living roofs and walls, shall be submitted to and approved in writing by the local planning authority. The details shall include:

- a) a detailed scheme of maintenance incorporating a management plan;
- b) sections at a scale of 1:20 with manufacturers details demonstrating the construction and materials used; and
- c) full details of planting species and density promoting insects and invertebrates to achieve a minimum Urban Greening Factor (UGF) of 0.3.

The green infrastructure shall be fully provided in accordance with the approved details prior to first occupation and thereafter retained and maintained in accordance with the approved scheme.

Reason: To ensure the development undertakes reasonable measures to take account of biodiversity and the water environment in accordance with policies G1, CC1, CC2, CC3, CC4, D1, D2 and A3 of the London Borough of Camden Local Plan 2017.

**20 Landscaping details**

Prior to commencement of above-ground development (excluding demolition and any site preparation works), full details in respect of the landscaping to the terrace at fifth floor level shall be submitted to and approved in writing by the local planning authority. Details shall include species, indicative images and details of the maintenance programme. The building shall not be occupied until the approved details have been implemented and these works shall be permanently retained and maintained thereafter.

Reason: In order to ensure the development undertakes reasonable measures to take account of biodiversity and the water environment in accordance with policies A3, CC2 and CC3 of the London Borough of Camden Local Plan policies.

**21 Air source heat pump (ASHP) details**

Prior to commencement of above ground works (excluding demolition and any site preparation works), details, drawings and data sheets showing the location, SCOP of at least 3.4 unless fully justified, and Be Green stage carbon saving of the air source heat pumps and associated equipment to be installed on the building, shall have been submitted to and approved by the Local Planning Authority in writing. The measures shall include the installation of a metering details including estimated costs to occupants and commitment to monitor performance of the system post construction. A site-specific lifetime maintenance schedule for each system, including safe access arrangements, shall be provided. The equipment shall be installed in full accordance with the details approved by the Local Planning Authority and permanently retained and maintained thereafter.

Reason: To ensure the development provides adequate on-site renewable energy facilities in accordance with the requirements of policy CC1 of the London Borough of Camden Local Plan 2017.

**22 Maximising solar PV and evidence of installation**

Prior to commencement of above ground works (excluding demolition and any site preparation works), a feasibility assessment with the aim of maximising the provision of solar photovoltaics should be submitted to the local planning authority and approved in writing. The proposals should include as a minimum the approved 361sqm at roof level and 122m<sup>2</sup> vertical PVs, and predicted energy generation of photovoltaic cells of at least 77,133kwh/annum from the PV arrays.

The details shall include energy generation capacity and associated equipment installed on the building, as well as details of the maintenance programme and the installation of a meter to monitor the energy output from the approved renewable energy systems.

The buildings shall not be occupied until the approved details have been implemented and these works shall be permanently retained and maintained thereafter.



Reason: To ensure the development provides adequate on-site renewable energy facilities in accordance with the requirements of policy CC1 (Climate change mitigation) of the London Borough of Camden Local Plan 2017.

**23 Bird and bat boxes**

Prior to commencement of above ground works (other than demolition, site clearance and preparation), details of bird and bat boxes shall be submitted to and approved in writing by the Local Planning Authority. These should be incorporated into the fabric of the building where feasible.

The boxes shall be installed in accordance with the approved plans prior to the occupation of the development and thereafter permanently retained.

Reason: To secure appropriate design features to conserve and enhance wildlife habitats and biodiversity measures within the development, in accordance with the requirements of policy D1 and A3 of the Camden Local Plan 2017.

**24 Secured by design accreditation**

Prior to commencement of above ground works (other than demolition, site clearance and preparation), evidence that the approved development can achieve Secured by Design accreditation must be submitted to and approved in writing by the Local Planning Authority.

Reason: To ensure the development takes reasonable measures to make the borough a safer place in accordance with Policy C5 of the London Borough of Camden Local Plan 2017.

**25 Counter terrorism**

Prior to commencement of above ground works (other than demolition and site preparation), a Counter Terrorism Strategy, prepared with input from the Counter Terrorism Security Advisor, shall be submitted to and approved in writing by the Local Planning Authority. The Strategy shall include the following:

- i. Counter Terrorism Risk Assessment and Operational Requirement for the development.
- ii. Vehicle Dynamics Assessment (VDA) and install rated and tested hostile vehicle mitigation (HVM) measures accordingly.
- iii. Explosive Consequence Analysis (ECA) (previously known as a Blast Impact Assessment) and incorporate mitigation measures accordingly.
- iv. Ensure adequate detection and verification is installed in accordance with the Risk Assessment and Operational Requirement.
- v. Install an access control system in accordance with the Risk Assessment and Operational Requirement with the ability to lockdown the building dynamically.

Reason: To ensure the development takes reasonable measures to make the borough a safer place in accordance with Policy C5 of the London Borough of Camden Local Plan 2017.

**26 Music noise levels**

Prior to commencement of the proposal, details shall be submitted to the Local Planning Authority for approval to demonstrate the level of entertainment noise emitted from the application building i.e. amplified music, but excluding plant noise, shall be inaudible at the nearest noise sensitive premises. To demonstrate

compliance, music noise levels in the 63Hz and 125Hz octave centre frequency bands (LZeq) should be controlled so as not to exceed (in habitable rooms) 47dB and 41dB (LZeq), respectively.

Reason: To safeguard the amenities of the adjoining premises and the area generally in accordance with the requirements of policies A1, and A4 of the London Borough of Camden Local Plan 2017.

***Prior to occupation or use***

**27 Cycle parking**

Prior to first occupation of the building, the following long stay bicycle parking shall be provided in its entirety:

- Secure and covered parking for 14 bicycles for the hotel use.
- Secure and covered cycle parking for 19 bicycles for the theatre use.

All such facilities shall thereafter be permanently maintained and retained.

Reason: To ensure that the scheme makes adequate provision for cycle users in accordance with Policies T1 and T2 of the London Borough of Camden Local Plan 2017.

**28 Waste and refuse storage**

The refuse and recycling facility as approved shall be provided prior to the first occupation of the building and permanently retained thereafter.

Reason: To ensure that sufficient provision for the storage and collection of waste has been made in accordance with the requirements of policy CC5, A1 and A4 of the London Borough of Camden Local Plan 2017.

**29 SuDS: Evidence of installation**

Prior to occupation, evidence that the SuDS system has been implemented in accordance with the approved details as part of the development shall be submitted to the Local Planning Authority and approved in writing. The systems shall thereafter be retained and maintained in accordance with the approved maintenance plan.

Reason: To reduce the rate of surface water run-off from the buildings and limit the impact on the storm-water drainage system in accordance with policies CC2 and CC3 of the London Borough of Camden Local Plan 2017 and Policy SI 13 of the London Plan 2021.

**30 Whole Life Carbon – post construction assessment**

Prior to the occupation of the development:

- a) the post-construction tab of the GLA's Whole Life-Cycle Carbon Assessment template should be completed in line with the GLA's Whole Life-Cycle Carbon Assessment Guidance. The post-construction assessment should be submitted to the GLA at: [ZeroCarbonPlanning@london.gov.uk](mailto:ZeroCarbonPlanning@london.gov.uk), along with any supporting evidence as per the guidance, and
- b) confirmation of submission to the GLA shall be submitted to, and approved in writing by, the local planning authority.

Reason: In the interests of sustainable development and to maximise on-site carbon dioxide savings in accordance with policies CC1, CC2, CC3, and CC4 of the London Borough of Camden Local Plan and policies SI1, SI2, SI3, SI4, SI5 and SI7 of the London Plan 2021.

**31 Thames Water confirmation**

Prior to the occupation of development, confirmation shall be provided that either:

- (a) all water network upgrades required to accommodate the additional demand to serve the development have been completed; or
- (b) a development and infrastructure phasing plan has been agreed with Thames Water to allow development to be occupied.

Where a development and infrastructure phasing plan is agreed, no occupation shall take place other than in accordance with the agreed development and infrastructure phasing plan.

Reason: The development may lead to no / low water pressure and network reinforcement works are anticipated to be necessary to ensure that sufficient capacity is made available to accommodate additional demand anticipated from the new development. Any required reinforcement works will be necessary in order to prevent harm to existing water supply, in accordance with the requirements of policies A5 and CC3 of the London Borough of Camden Local Plan 2017.

**32 CCTV Strategy**

Prior to the first occupation of the development, details of the proposed CCTV strategy, including full location, design and management details of any proposed CCTV equipment, shall be submitted to an approved in writing by the Local Planning Authority. The development shall not be carried out otherwise than in accordance with the details thus approved and shall be fully implemented before the development is first occupied.

Reason: In order to seek to protect the amenity of occupiers from possible instances of crime, fear of crime and anti-social behaviour and to safeguard the appearance of the premises and the character of the immediate area, in accordance with policies A1 (Managing the impact of development) and D1 (Design) of the London Borough of Camden Local Plan 2017.

***Compliance conditions***

**33 Theatre use**

The proposed theatre (Sui Generis) hereby approved shall reach practical completion prior to first occupation of the approved hotel (Class C1) and retained in perpetuity thereafter.

Reason: To ensure that the future occupation of the building provides required cultural and leisure facilities in accordance with policy C3 of the London Borough of Camden Local Plan 2017.

**34 Land contamination**

If during construction/demolition works, evidence of potential contamination is encountered, works shall cease and the site shall be fully assessed to enable an

appropriate remediation plan to be developed. Works shall not recommence until an appropriate remediation scheme has been submitted to, and approved in writing by the local planning authority and the remediation has been completed.

Upon completion of the building works, this condition shall not be discharged until a closure report has been submitted to, and approved in writing by the local planning authority.

Reason: To protect future occupiers of the development from the possible presence of contamination in accordance with policies G1, D1, A1, and DM1 of the London Borough of Camden Local Plan 2017.

**35 Non-road mobile machinery (NRMM)**

No non-road mobile machinery (NRMM) shall be used on the site unless it is compliant with the NRMM Low Emission Zone requirements (or any superseding requirements) and until it has been registered for use on the site on the NRMM register (or any superseding register).

Reason: To safeguard the amenities of the adjoining occupiers, the area generally and contribution of developments to the air quality of the borough in accordance with the requirements of policies A1 and CC4 of the London Borough of Camden Local Plan 2017.

**36 Noise limits for plant**

The external noise level emitted from plant, machinery or equipment at the development, with any specified noise mitigation hereby approved, shall be lower than the typical existing background noise level by at least 10dBA, or by 15dBA where the source is tonal, as assessed according to BS4142:2014 at the nearest or most affected noise sensitive premises, with machinery operating at maximum capacity and thereafter be permanently retained.

Reason: To ensure that the amenity of occupiers of the site and surrounding properties is not adversely affected by noise from mechanical installations and equipment in accordance with the requirements of policies A1 and A4 of the London Borough of Camden Local Plan 2017.

**37 Anti-vibration isolators for plant**

Prior to use, machinery, plant or equipment at the development shall be mounted with proprietary anti-vibration isolators and fan motors shall be vibration isolated from the casing and adequately silenced and maintained as such.

Reason: To ensure that the amenity of occupiers of the development site and surrounding premises is not adversely affected by vibration in accordance with the requirements of policies A1 and A4 of the Camden Local Plan 2017.

**38 Servicing noise**

No removal of refuse or bottles/ cans to external bins or areas at the development site shall be carried out other than between the hours of 08:00 to 20:00.

Reason: To safeguard the amenities of the adjoining premises and the area generally in accordance with the requirements of policies A1 and A4 of the London Borough of Camden Local Plan 2017.

**39 Deliveries and servicing hours**

No deliveries or collections/ loading and unloading shall occur at the development site other than between the hours of 08:00 to 20:00.

Reason: To safeguard the amenities of the adjoining premises and the area generally in accordance with the requirements of policies A1 and A4 of the London Borough of Camden Local Plan 2017.

**40 Reuse and recycling of demolition waste**

The demolition hereby approved shall divert at least 95% of demolition waste from landfill and comply with the Institute for Civil Engineer's Demolition Protocol and either reuse materials on-site or salvage appropriate materials to enable their reuse off-site. Prior to occupation, evidence demonstrating that this has been achieved shall be submitted to and approved in writing by the Local Planning Authority.

Reason: To ensure the development contributes to reducing waste and supporting the circular economy in accordance with the requirements of Policy CC1 of the London Borough of Camden Local Plan 2017 and Policy SI 7 of the London Plan 2021.

**41 No additional external fixtures**

Notwithstanding the Town and Country Planning (General Permitted Development) Order 2015 or any subsequent or superseding orders, no lights, meter boxes, flues, vents or pipes, and no telecommunications equipment, alarm boxes, television aerials, satellite dishes or rooftop 'mansafe' rails shall be fixed or installed on the external face of the building, without the prior approval in writing of the local planning authority.

Reason: To safeguard the appearance of the premises and the character of the immediate area in accordance with the requirements of policies D1 and D2 of the London Borough of Camden Local Plan 2017.

**42 Delivery and refuse items**

All refuse and recycling bins, delivery cages, trolleys and any other items linked to deliveries and collection in association with the development hereby permitted are to be stored within the buildings and only brought out onto the public highway when deliveries are being made or refuse collected and returned to within the building immediately thereafter.

Reason: In the interests of visual amenity and to prevent obstruction and inconvenience to users of the public highways, in accordance with policies A1, CC5 and T1 of the Camden Local Plan 2017.

**43 External doors**

All external doorways, except for fire doors or for access to utilities, should not open outwards towards the public highway/footway/courtyard spaces. The proposed doors must either open inwards or have a sliding door so they do not restrict the flow of pedestrians or risk being opened onto those passing by.

Reason: In order to enhance the free flow of pedestrian movement and promote highway safety and amenity in accordance with policies D1 and T1 of the Camden Local Plan 2017.

**44 Roof terraces**

No flat roofs within the development shall be used as terraces/amenity spaces unless marked as such on the approved plans, without the prior approval in writing of the Local Planning Authority.

Reason: To safeguard the amenities of the future occupiers and adjoining neighbours in accordance with the requirements of policy A1 of the Camden Local Plan 2017.

**45 Roof terrace hours**

The opening doors serving the hotel front of house area at fifth floor level shall be closed by 2300 on Monday to Saturday and by 2200 on Sundays and bank holidays.

Reason: To ensure that the amenity of occupiers of residential properties in the area is not adversely affected by noise and disturbance in accordance with the requirements of policy A1 of the Camden Local Plan 2017.

**46 Ground floor bar and restaurant hours**

The bar and restaurant located at ground floor level shall only be open to members of the public (not including hotel guests) between the hours of 0900 – 00:00 Monday to Sunday.

Reason: To ensure that the amenity of occupiers of residential properties in the area is not adversely affected by noise and disturbance in accordance with the requirements of policy A1 (Managing the impact of development) of the Camden Local Plan 2017.

**47 Secure by design accreditation**

The development shall achieve a Secured by Design accreditation to silver award and to maintain this award for the lifetime of the development.

Reason: To ensure the development takes reasonable measures to make the borough a safer place in accordance with Policy C5 of the London Borough of Camden Local Plan 2017.

**48 Advertisement consent**

Notwithstanding what is shown on the approved documents and drawings, no advertisements shall be displayed on the premises without express permission.

Reason: To safeguard the appearance of the premises and the character of the immediate area in accordance with the requirements of policies D1 and D2 of the Camden Local Plan 2017.

**28. INFORMATIVES**

1. Your proposals may be subject to control under the Building Regulations and/or the London Buildings Acts that cover aspects including fire and emergency escape, access and facilities for people with disabilities and sound insulation between dwellings. You are advised to consult the Council's Building Control Service, Camden Town Hall, Judd St, Kings Cross, London NW1 2QS (tel: 020-7974 6941).

2. This approval does not authorise the use of the public highway. Any requirement to use the public highway, such as for hoardings, temporary road closures and suspension of parking bays, will be subject to approval of relevant licence from the Council's Streetworks Authorisations & Compliance Team London Borough of Camden 5 Pancras Square c/o Town Hall, Judd Street London WC1H 9JE (Tel. No 020 7974 4444). Licences and authorisations need to be sought in advance of proposed works. Where development is subject to a Construction Management Plan (through a requirement in a S106 agreement), no licence or authorisation will be granted until the Construction Management Plan is approved by the Council.
3. Noise from demolition and construction works is subject to control under the Control of Pollution Act 1974. You must carry out any building works that can be heard at the boundary of the site only between 08.00 and 18.00 hours Monday to Friday and 08.00 to 13.00 on Saturday and not at all on Sundays and Public Holidays. You are advised to consult the Council's Noise and Licensing Enforcement Team, Camden Town Hall, Judd St, Kings Cross, London NW1 2QS (Tel. No. 020 7974 4444 or search for 'environmental health' on the Camden website or seek prior approval under Section 61 of the Act if you anticipate any difficulty in carrying out construction other than within the hours stated above.
4. All works should be conducted in accordance with the Camden Minimum Requirements - a copy is available on the Council's website at <https://beta.camden.gov.uk/documents/20142/1269042/Camden+Minimum+Requirements+%281%29.pdf/bb2cd0a2-88b1-aa6d-61f9-525ca0f71319> or contact the Council's Noise and Licensing Enforcement Team, 5 Pancras Square c/o Town Hall, Judd Street London WC1H 9JE (Tel. No. 020 7974 4444)

Noise from demolition and construction works is subject to control under the Control of Pollution Act 1974. You must carry out any building works that can be heard at the boundary of the site only between 08.00 and 18.00 hours Monday to Friday and 08.00 to 13.00 on Saturday and not at all on Sundays and Public Holidays. You must secure the approval of the Council's Noise and Licensing Enforcement Team prior to undertaking such activities outside these hours

5. This permission is granted without prejudice to the necessity of obtaining consent under the Town and Country Planning (Control of Advertisements) (England) Regulations 2007.
6. Your attention is drawn to the fact that there is a separate legal agreement with the Council which relates to the development for which this permission is granted. Information/drawings relating to the discharge of matters covered by the Heads of Terms of the legal agreement should be marked for the attention of the Planning Obligations Officer, Sites Team, Camden Town Hall, Argyle Street, WC1H 8EQ.
7. This proposal may be liable for the Mayor of London's Community Infrastructure Levy (CIL) and the Camden CIL. Both CILs are collected by Camden Council after a liable scheme has started, and could be subject to surcharges for failure to assume liability or submit a commencement notice PRIOR to commencement. We issue formal CIL liability notices setting out how much you may have to pay once a liable party has been established. CIL payments will be subject to indexation in line with construction costs index. You can visit our planning website at [www.camden.gov.uk/cil](http://www.camden.gov.uk/cil) for more information, including guidance on your liability, charges, how to pay and who to contact for more advice.

8. The Foundation Works Risk Assessment (FWRA) must have regard to current available guidance including the Environment Agency's guidance 'Piling in layered ground: risks to groundwater and archaeology', and 'Piling and Penetrative Ground Improvement Methods on Land Affected by Contamination: Guidance on Pollution Prevention' (National Groundwater and Contaminated Land Centre report NC/99/73).
9. Mitigation measures to control construction-related air quality impacts should be secured within the Construction Management Plan as per the standard CMP Pro-Forma. The applicant will be required to complete the checklist and demonstrate that all mitigation measures relevant to the level of identified risk are being included.
10. A licence in accordance with Section 177 of the Highways Act 1980 must be obtained from Camden's Structures Manager (Engineering Services) prior to the construction of any part of the building which would project over a highway maintainable at the public expense. This is necessary to ensure the safety of road users, especially pedestrians.
11. As required by Building regulations part H paragraph 2.36, Thames Water requests that the Applicant should incorporate within their proposal, protection to the property to prevent sewage flooding, by installing a positive pumped device (or equivalent reflecting technological advances), on the assumption that the sewerage network may surcharge to ground level during storm conditions. If as part of the basement development there is a proposal to discharge ground water to the public network, this would require a Groundwater Risk Management Permit from Thames Water. Any discharge made without a permit is deemed illegal and may result in prosecution under the provisions of the Water Industry Act 1991. Thames Water would expect the developer to demonstrate what measures will be undertaken to minimise groundwater discharges into the public sewer. Permit enquiries should be directed to Thames Water's Risk Management Team by telephoning 02035779483 or by emailing [trade.effluent@thameswater.co.uk](mailto:trade.effluent@thameswater.co.uk).
12. There are water mains crossing or close to the application site development. Thames Water do NOT permit the building over or construction within 3m of water mains. If planning significant works near Thames Water mains (within 3m) Thames Water will need to check that the development doesn't reduce capacity, limit repair or maintenance activities during and after construction, or inhibit the services provided in any other way. The applicant is advised to read the TW guide working near or diverting our pipes.
13. Thames Water will aim to provide customers with a minimum pressure of 10m head (approx 1 bar) and a flow rate of 9 litres/minute at the point where it leaves Thames Waters pipes. The developer should take account of this minimum pressure in the design of the proposed development.
14. Biodiversity Net Gain (BNG) Informative (1/2):  
  
The effect of paragraph 13 of Schedule 7A to the Town and Country Planning Act 1990 ("1990 Act") is that planning permission granted in England is subject to the condition ("the biodiversity gain condition") that development may not begin unless:  
  
(a) a Biodiversity Gain Plan has been submitted to the planning authority, and  
(b) the planning authority has approved the plan.



The local planning authority (LPA) that would approve any Biodiversity Gain Plan (BGP) (if required) is London Borough of Camden.

Based on the information provided, this permission WILL require approval of a BGP before development is begun because none of the statutory exemptions or transitional arrangements are considered to apply.

15. Biodiversity Net Gain (BNG) Informative (2/2):

+ Irreplaceable habitat:

If the onsite habitat includes Irreplaceable Habitat (within the meaning of the Biodiversity Gain Requirements (Irreplaceable Habitat) Regulations 2024) there are additional requirements. In addition to information about minimising adverse impacts on the habitat, the BGP must include information on compensation for any impact on the biodiversity of the irreplaceable habitat. The LPA can only approve a BGP if satisfied that the impact on the irreplaceable habitat is minimised and appropriate arrangements have been made for compensating for any impact which do not include the use of biodiversity credits.

++ The effect of section 73(2D) of the Town and Country Planning Act 1990

If planning permission is granted under section 73, and a BGP was approved in relation to the previous planning permission ("the earlier BGP"), the earlier BGP may be regarded as approved for the purpose of discharging the biodiversity gain condition on this permission. It will be regarded as approved if the conditions attached (and so the permission granted) do not affect both the post-development value of the onsite habitat and any arrangements made to compensate irreplaceable habitat as specified in the earlier BGP.

++ Phased development

In the case of phased development, the BGP will be required to be submitted to and approved by the LPA before development can begin (the overall plan), and before each phase of development can begin (phase plans). The modifications in respect of the biodiversity gain condition in phased development are set out in Part 2 of the Biodiversity Gain (Town and Country Planning) (Modifications and Amendments) (England) Regulations 2024.

29. **LISTED BUILDING CONSENT CONDITIONS**

***Standard conditions***

**1 Time limit**

The development hereby permitted must be begun not later than three years from the date of this permission.

Reason: In order to comply with the provisions of Section 18 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

## 2 **Approved drawings**

The development hereby permitted shall be carried out in accordance with the following approved plans and documents:

2111-SPP-ST-B2-DR-A-95-1001 P0.02, 2111-SPP-ST-B1-DR-A-95-1002 P0.02, 2111-SPP-ST-0G-DR-A-95-1003 P0.03, 2111-SPP-ST-01-DR-A-95-1004 P0.03, 2111-SPP-ST-02-DR-A-95-1005 P0.03, 2111-SPP-ST-03-DR-A-95-1006 P0.03, 2111-SPP-ST-04-DR-A-95-1007 P0.03, 2111-SPP-ST-05-DR-A-95-1008 P0.03, 2111-SPP-ST-RL-DR-A-95-1009 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3001 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3002 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3003 P0.03, 2111-SPP-ST-ZZ-DR-A-95-3004 P0.03, 2111-SPP-ST-ZZ-DR-A-95-2001 P0.03, 2111-SPP-ST-ZZ-DR-A-95-2002 P0.03.

2111-SPP-ST-ZZ-DR-A-00-0001 P0.04, 2111-SPP-ST-B4-DR-A-20-1000 P0.03, 2111-SPP-ST-B3-DR-A-20-1001 P0.03, 2111-SPP-ST-B2-DR-A-20-1002 P0.03, 2111-SPP-ST-B1-DR-A-20-1003 P0.03, 2111-SPP-ST-B1-DR-A-20-1003A P0.02, 2111-SPP-ST-B1-DR-A-20-1003B P0.02, 2111-SPP-ST-0G-DR-A-20-1004 P0.04, 2111-SPP-ST-01-DR-A-20-1005 P0.04, 2111-SPP-ST-02-DR-A-20-1006 P0.04, 2111-SPP-ST-03-DR-A-20-1007 P0.04, 2111-SPP-ST-04-DR-A-20-1008 P0.03, 2111-SPP-ST-05-DR-A-20-1009 P0.03, 2111-SPP-ST-06-DR-A-20-1010 P0.03, 2111-SPP-ST-07-DR-A-20-1011 P0.03, 2111-SPP-ST-08-DR-A-20-1012 P0.03, 2111-SPP-ST-09-DR-A-20-1013 P0.04, 2111-SPP-ST-10-DR-A-20-1014 P0.04, 2111-SPP-ST-11-DR-A-20-1015 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3001 P0.06, 2111-SPP-ST-ZZ-DR-A-25-3002 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3003 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3004 P0.05, 2111-SPP-ST-ZZ-DR-A-25-3018 P0.02, 2111-SPP-ST-ZZ-DR-A-25-3019 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3100 P0.02, 2111-SPP-ST-ZZ-DR-A-25-3101 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3102 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3103 P0.01, 2111-SPP-ST-ZZ-DR-A-25-3010 P0.02, 2111-SPP-ST-ZZ-DR-A-26-2001 P0.06, 2111-SPP-ST-ZZ-DR-A-26-2002 P0.06, 2111-SPP-ST-ZZ-DR-A-21-4001 P0.03, 2111-SPP-ST-ZZ-DR-A-21-4002 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4003 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4004 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4005 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4006 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4007 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4008 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4009 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4010 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4011 P0.02, 2111-SPP-ST-ZZ-DR-A-21-4012 P0.01.

Reason: In order to safeguard the special architectural and historic interest of the building in accordance with the requirements of policy D2 of the Camden Local Plan 2017.

### ***Prior to commencement of works***

## 3 **Brick repurposing method statement**

Prior to the commencement of works, a method statement, including details of removal/dismantling of the rear New Compton Street elevation and the cleaning, storage, and re-use of the brickwork shall be submitted to and approved in writing by the local planning authority. The relevant part of the works shall not be carried out otherwise than in accordance with the details thus approved.

Reason: In order to safeguard the special architectural and historic interest of the building in accordance with the requirements of policy D2 of the Camden Local Plan 2017.

#### **4 Repair works method statement**

Prior to the commencement of works, a detailed methodology of the proposed repair works to the decorative frieze, roundels, external elevations, masonry and stonework, including measures to rectify any corrosion and lamination of the structural steel frame and any cleaning of the historic facades, prepared by a suitable professional with the relevant qualifications, shall be submitted to and approved in writing by the local planning authority. The relevant part of the works shall not be carried out otherwise than in accordance with the details thus approved, and all repair works shall be completed prior to occupation of the building.

Reason: In order to safeguard the special architectural and historic interest of the building in accordance with the requirements of policy D2 of the Camden Local Plan 2017.

#### **5 Fly grid repurposing**

Details, including a methodology for the removal of the original fly grid, its storage, cleaning and repurposing within the new theatre shall be submitted to and approved in writing by the local planning authority before the relevant part of the work is begun.

Reason: In order to safeguard the special architectural and historic interest of the building in accordance with the requirements of policy D2 of the Camden Local Plan 2017.

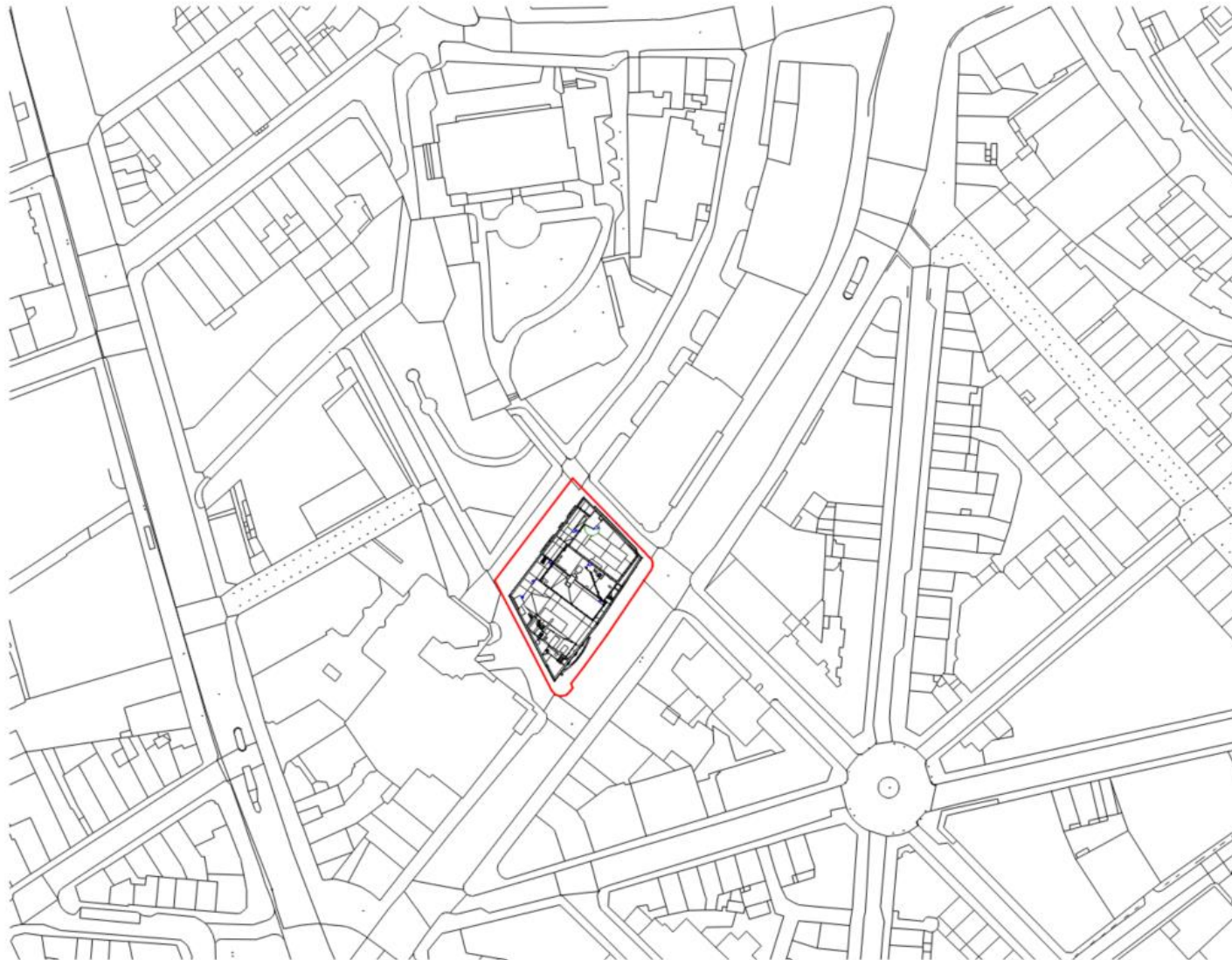
#### **6 Lighting strategy**

Prior to the relevant works, details of the external lighting strategy, including detailed drawings of light fittings, locations and luminance levels shall be submitted to and approved in writing by the local planning authority.

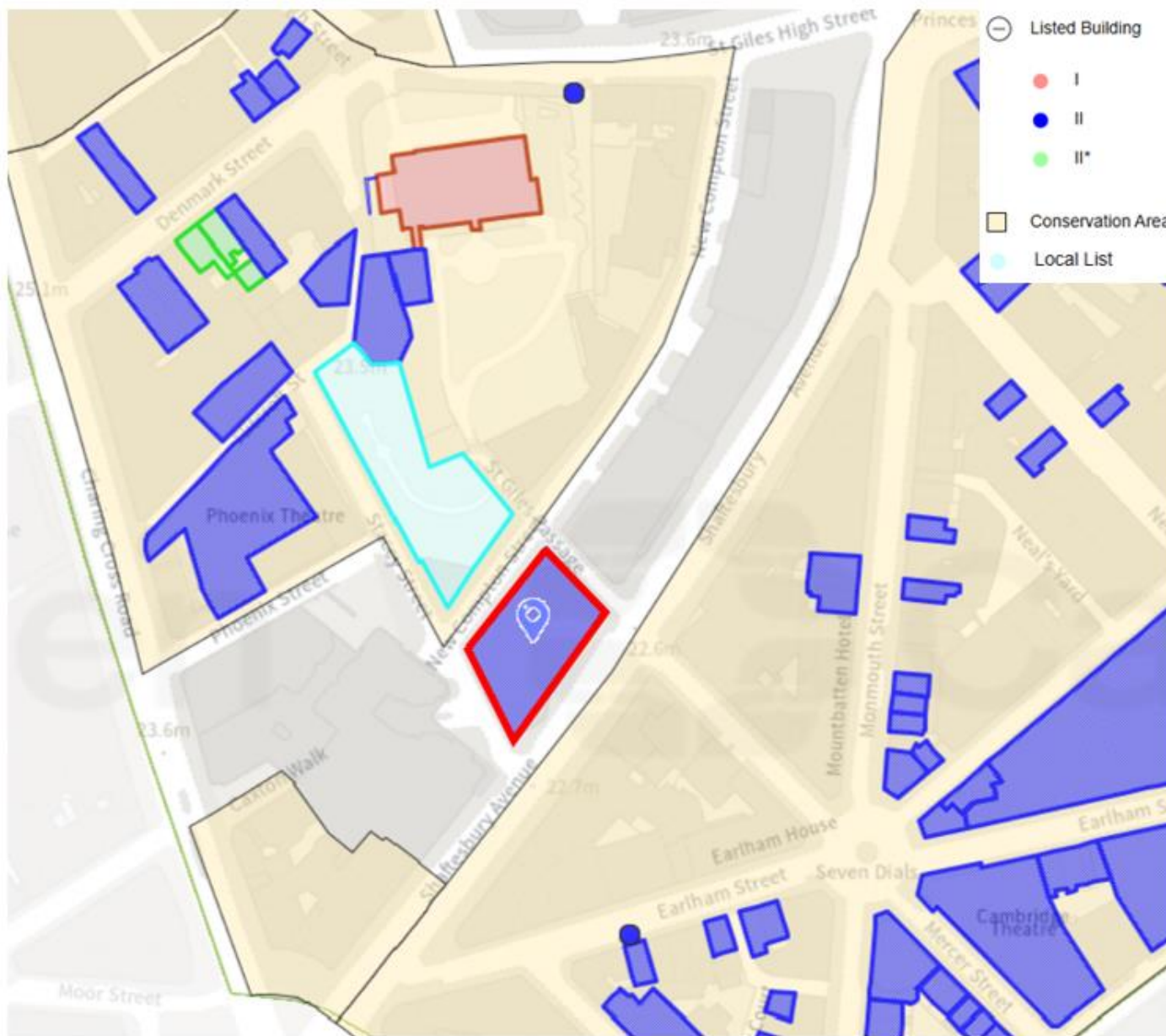
Reason: In order to safeguard the special architectural and historic interest of the building in accordance with the requirements of policy D2 of the Camden Local Plan 2017.

2024/0993/P & 2024/1005/L

135-149 Shaftesbury  
Avenue  
WC2H 8AH



**Location Plan**  
1 : 1250



















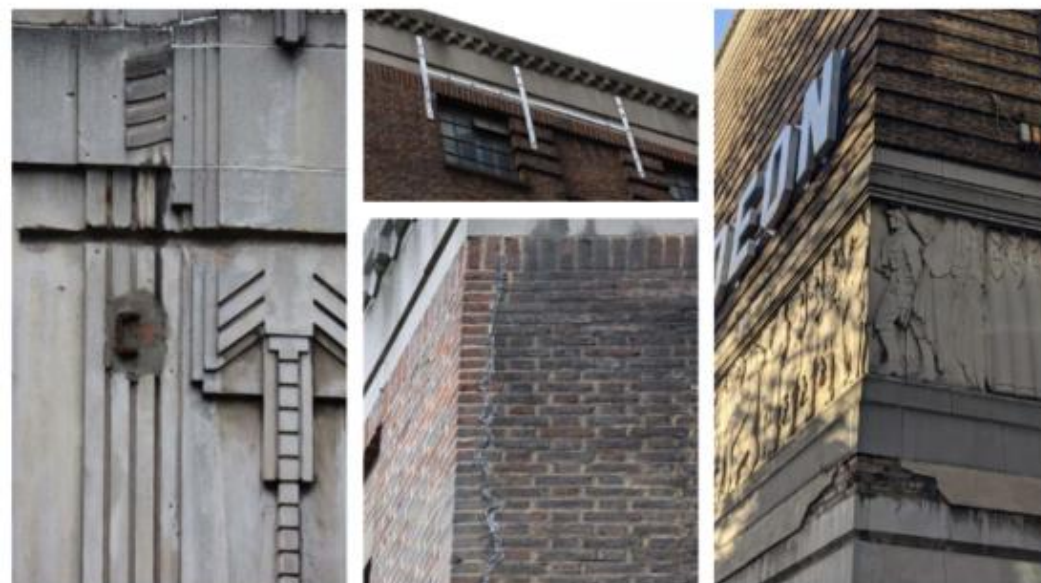
### 3.4 FACADE CONDITION

#### The Building Today

The building façades are in a declining condition with significant cracking at the building corners, at parapet level, and other high level areas including window heads. Vertical cracking is also present at regular intervals across the front elevation. The cracking locations and character indicate this is caused by laminar corrosion of the structural steel building frame which is encased within the external façade. There is a moderate amount of past repair but much of this has been carried out poorly and is inappropriate.

Decay has been caused by a combination of inadequacies in the original design, for example a lack of durable protection to the steel frame to prevent corrosion, and a long term lack of adequate investment and building maintenance.

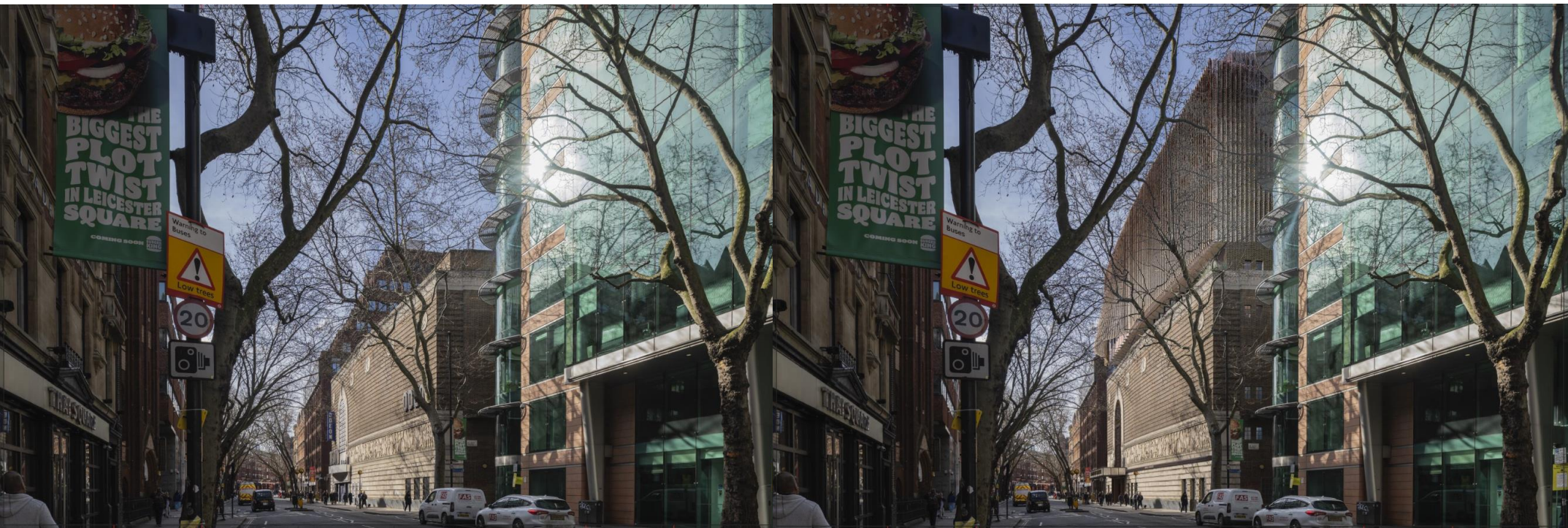
Substantial repair is required if further and more widespread damage is to be prevented.



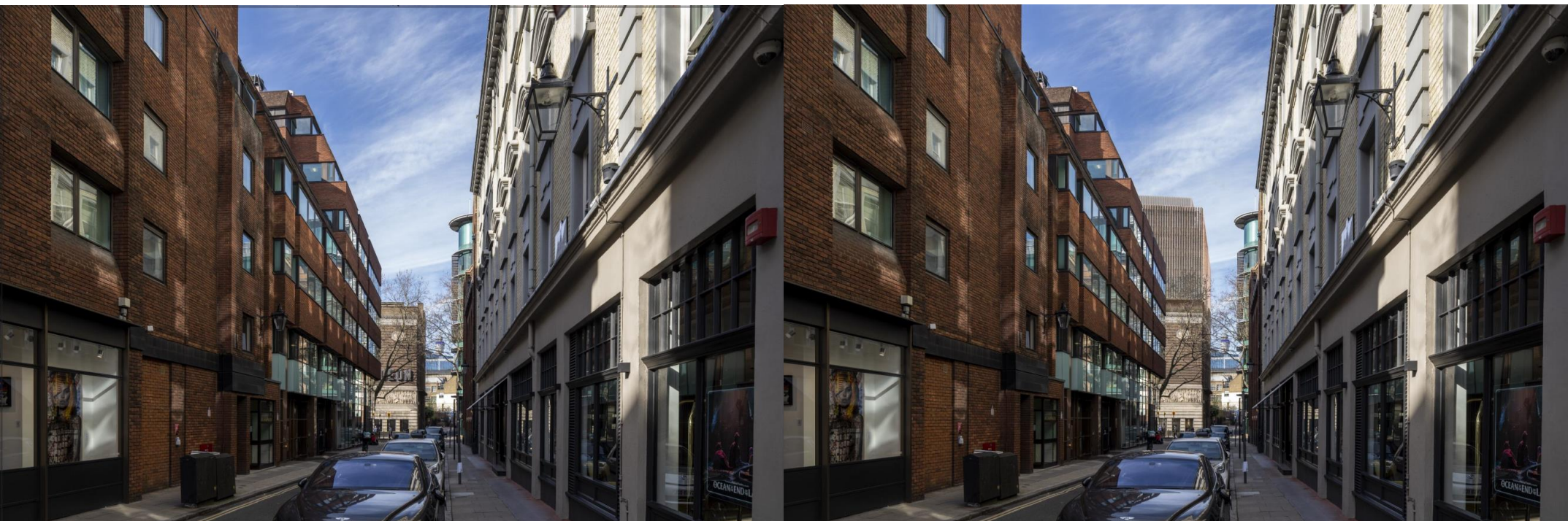




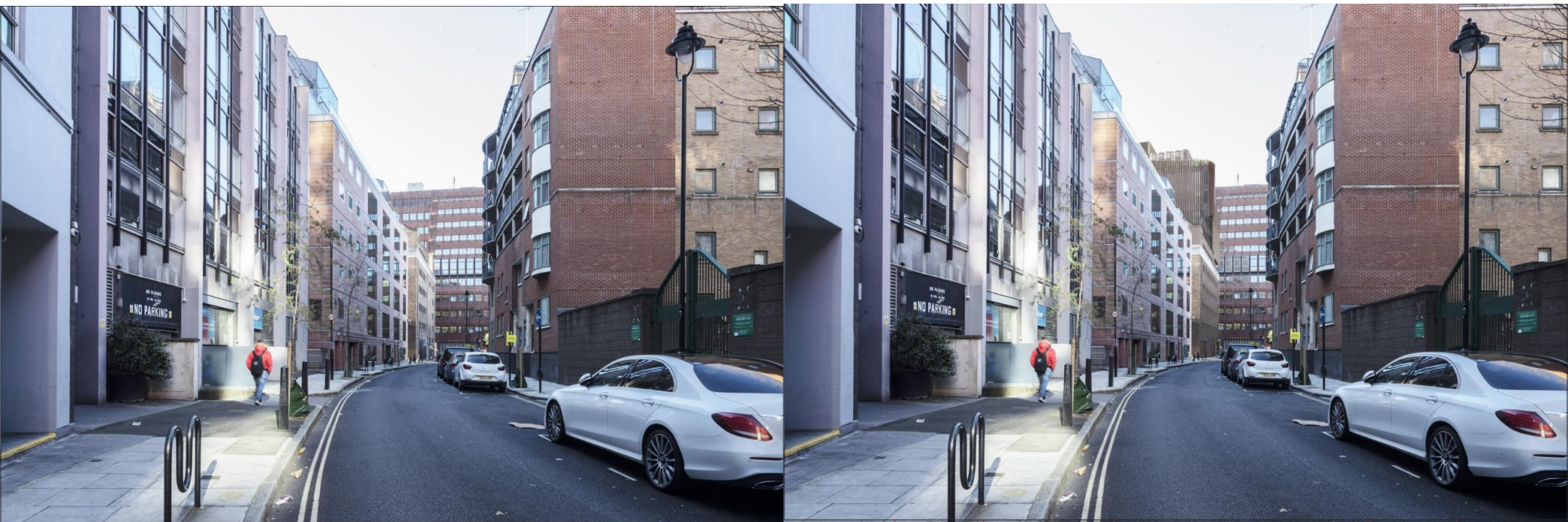




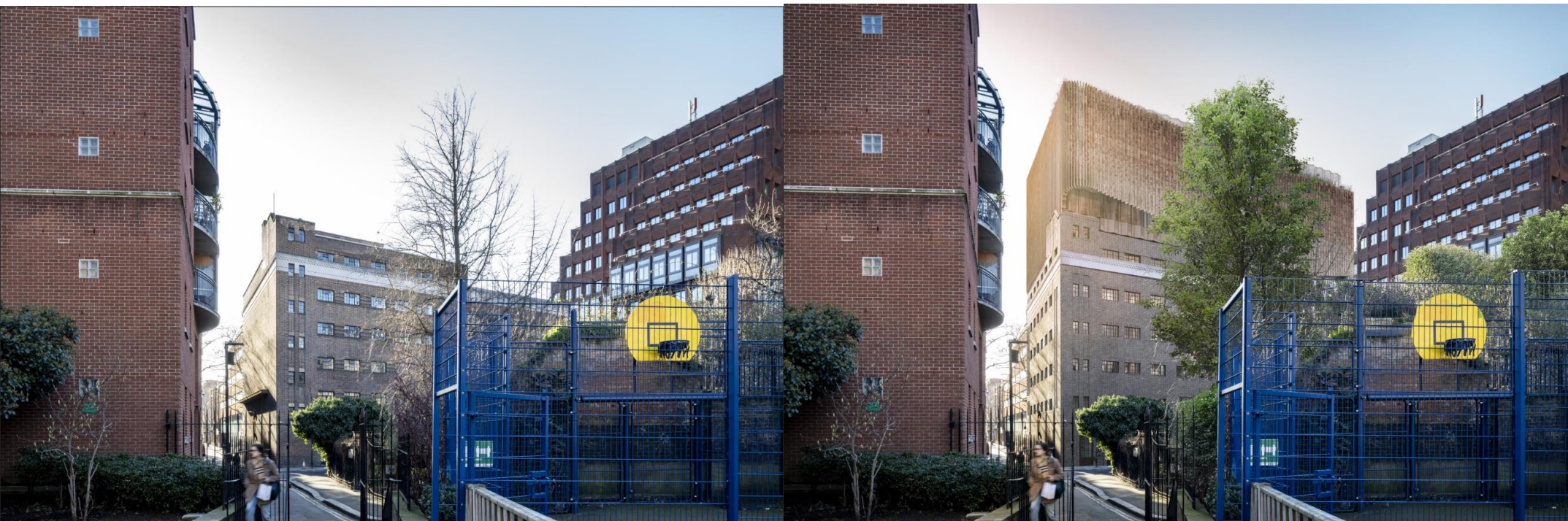








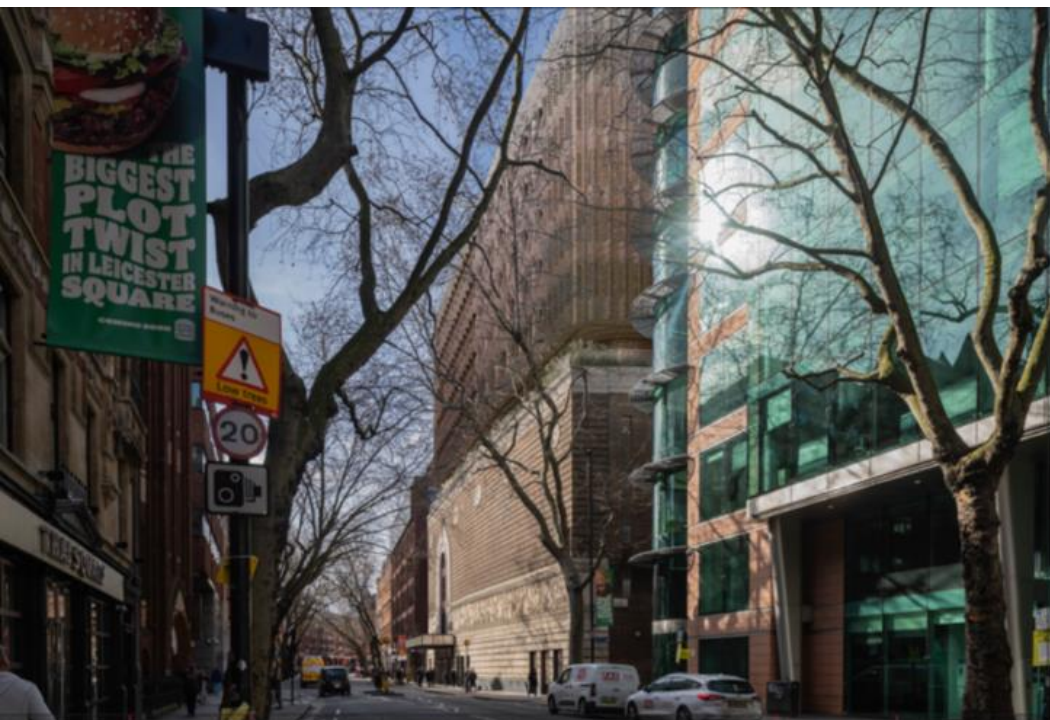




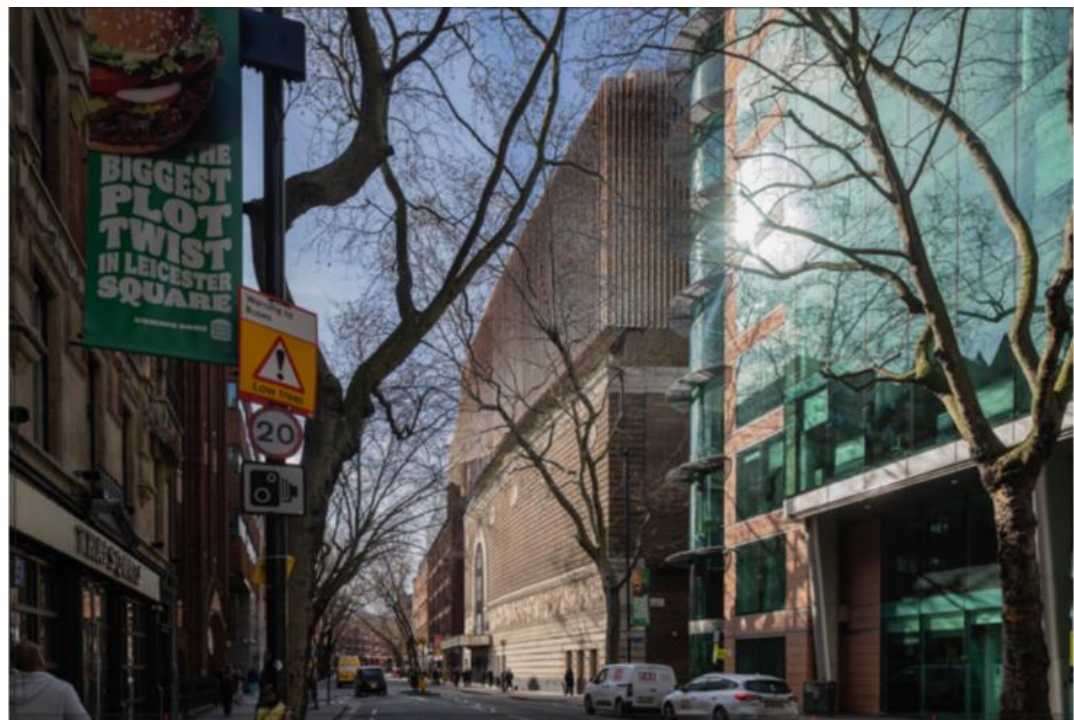




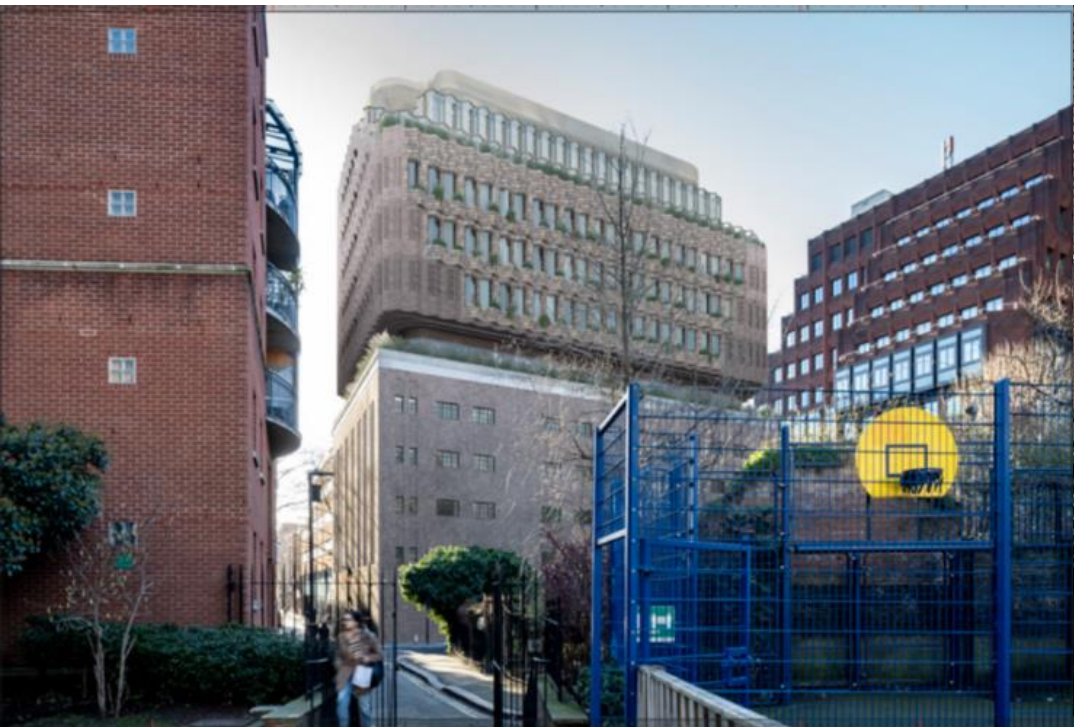




Submitted



Amended



Submitted



Amended









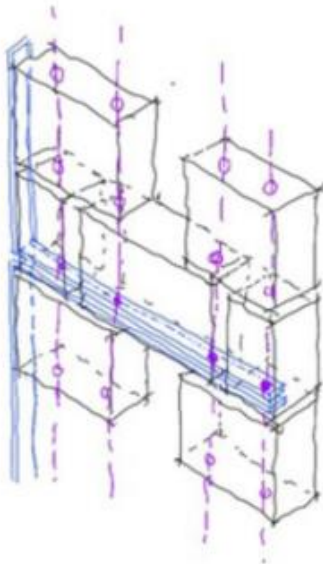
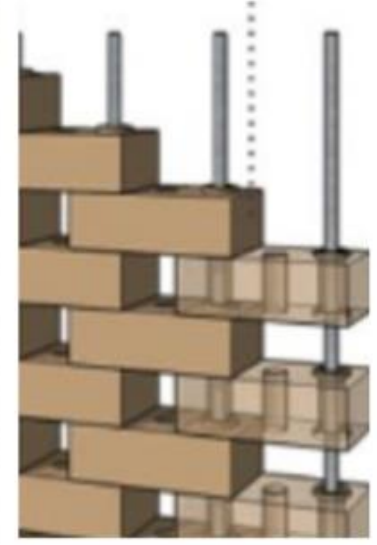
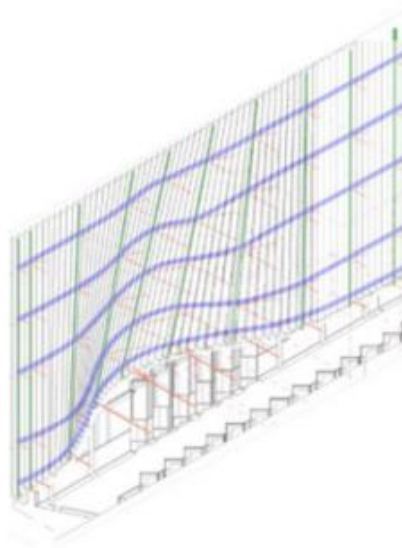
## 5.17 WOVEN MESH

### The Woven Brick Façade

The vertical articulation of the woven brick curtain and integrated glazing assumes a character that is clearly a modern addition yet sensitively and respectfully acknowledges the importance of craft and detail in the original Grade II listed 1931 building on which it cohabits.

The texture and colour calibration of the woven brick will match texture and colour of the existing building façade.

Each brick will be designed to be solid apart from a perforation at either end which allows custom metal rods to be fitted within the bricks for structural integrity.

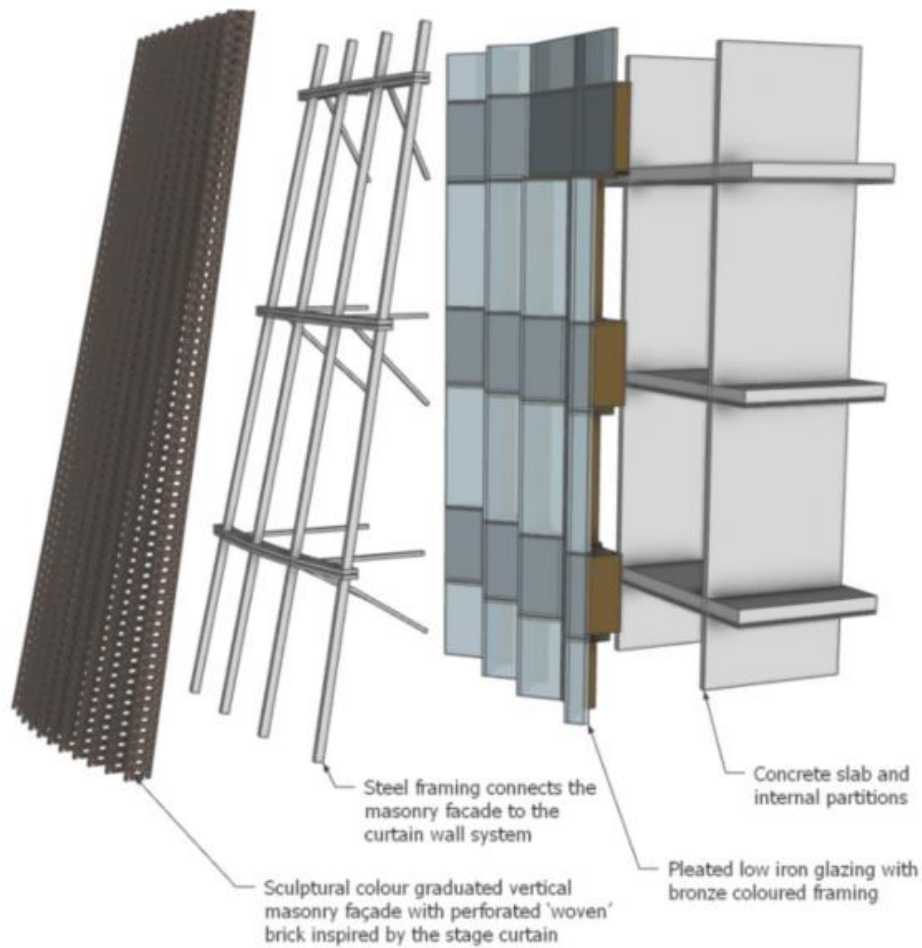




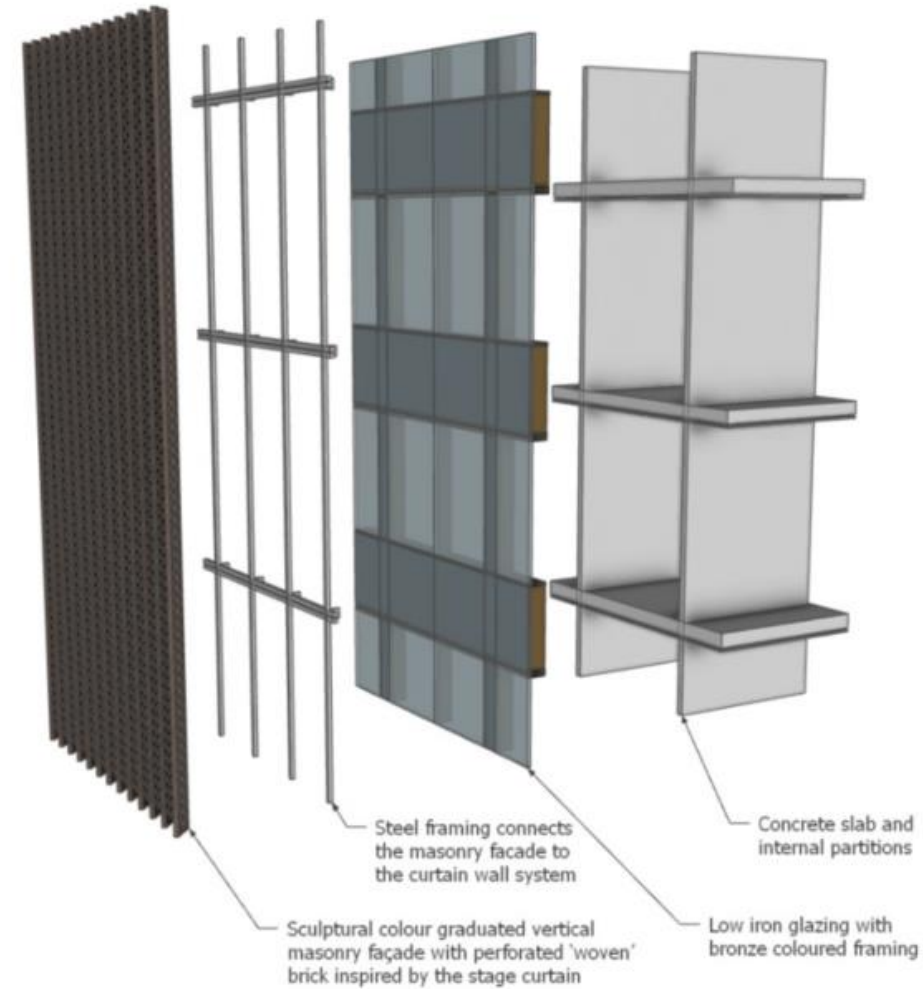
Woven masonry curtain artistic renders by SPPARC







Exploded facade Axonometric Detail 01 - Flare over feature heritage arched window



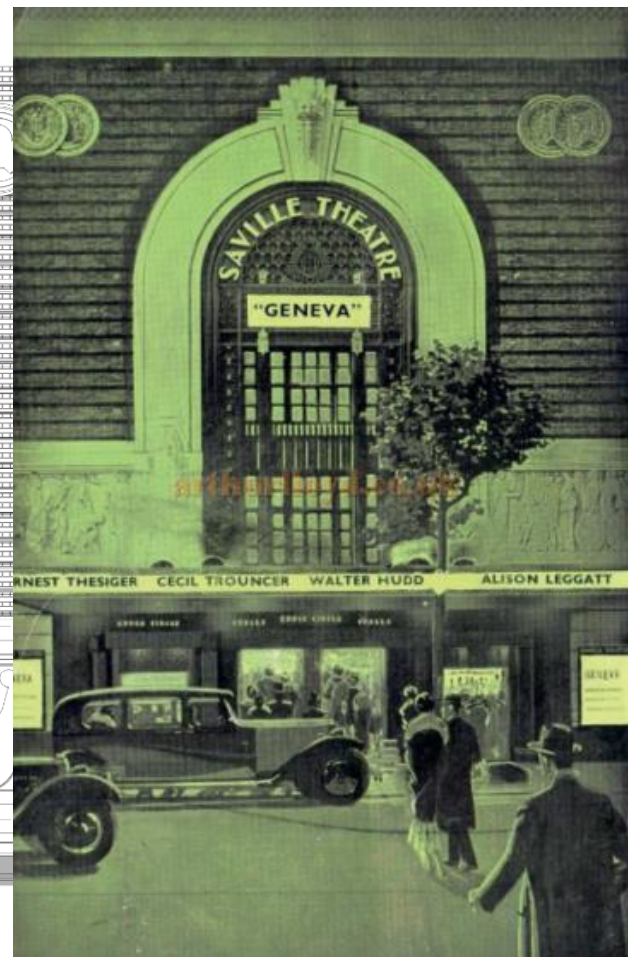
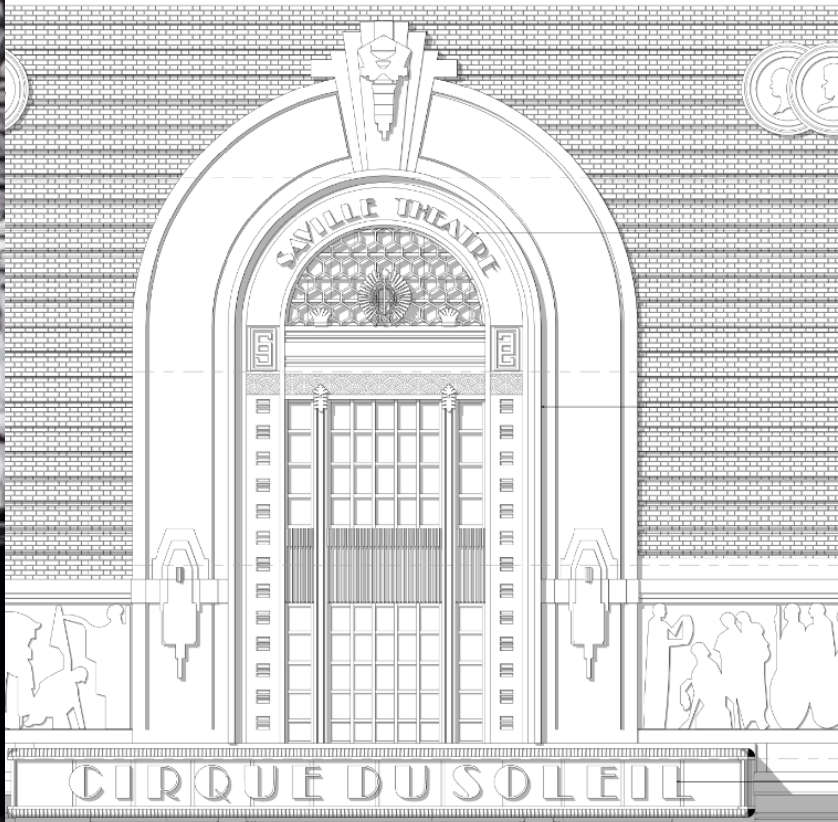
Exploded facade Axonometric Detail 02 - Typical Detail

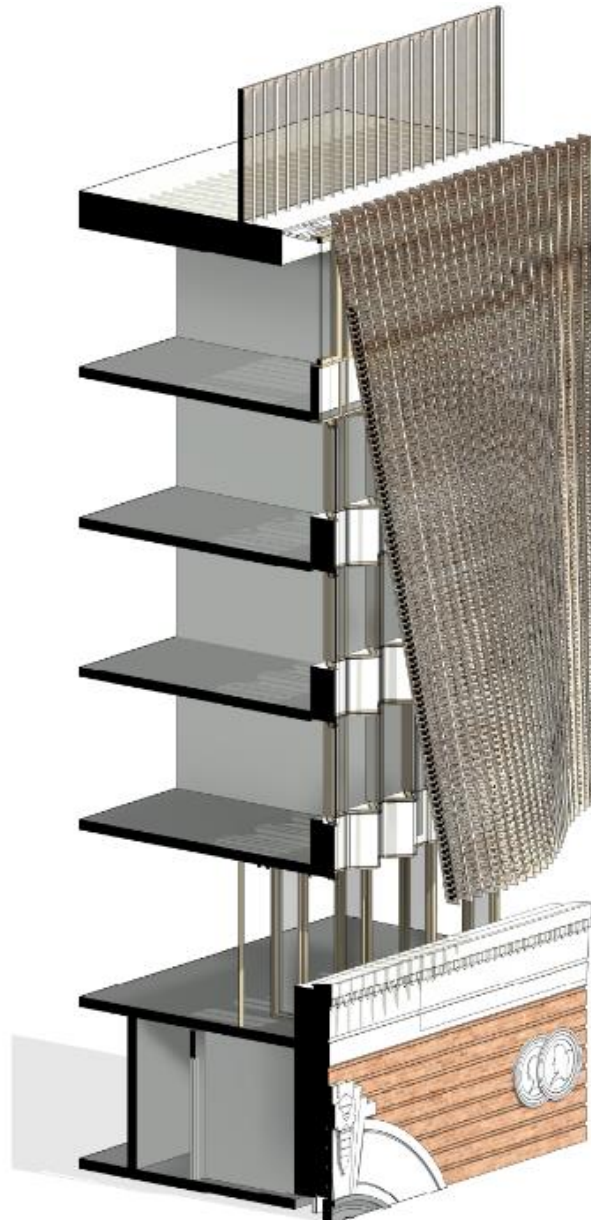
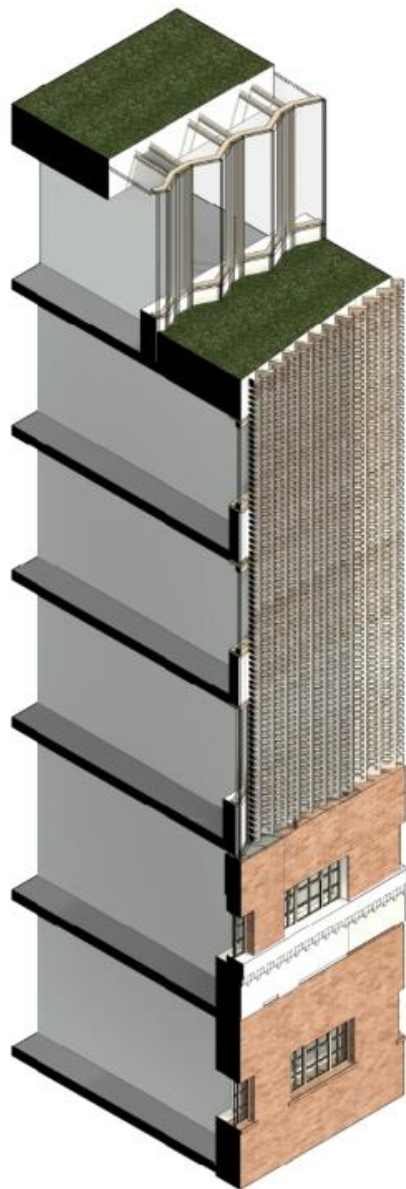
















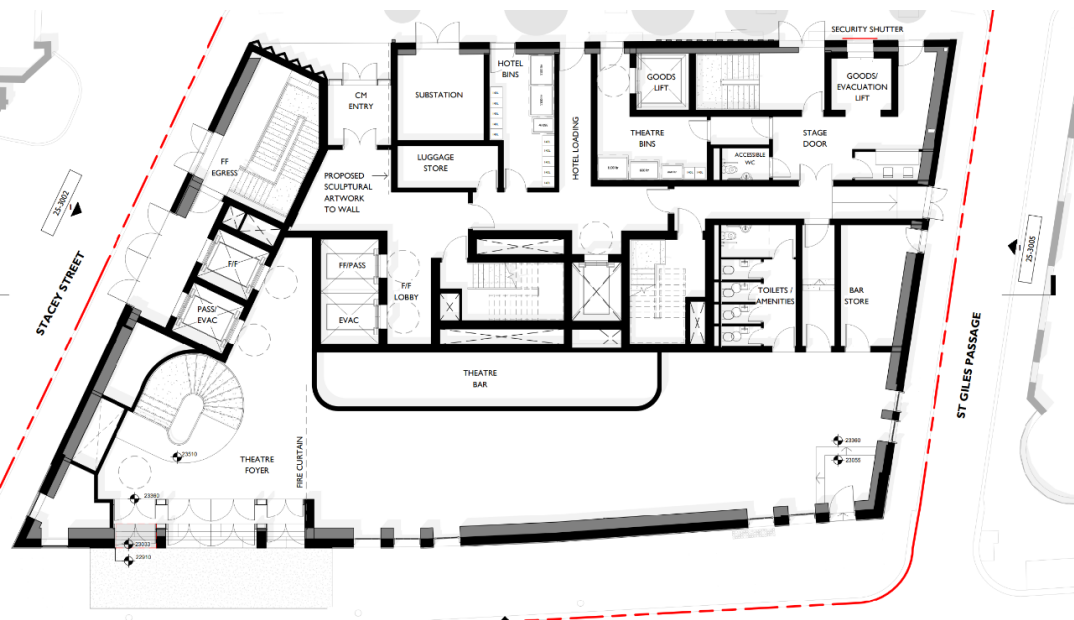
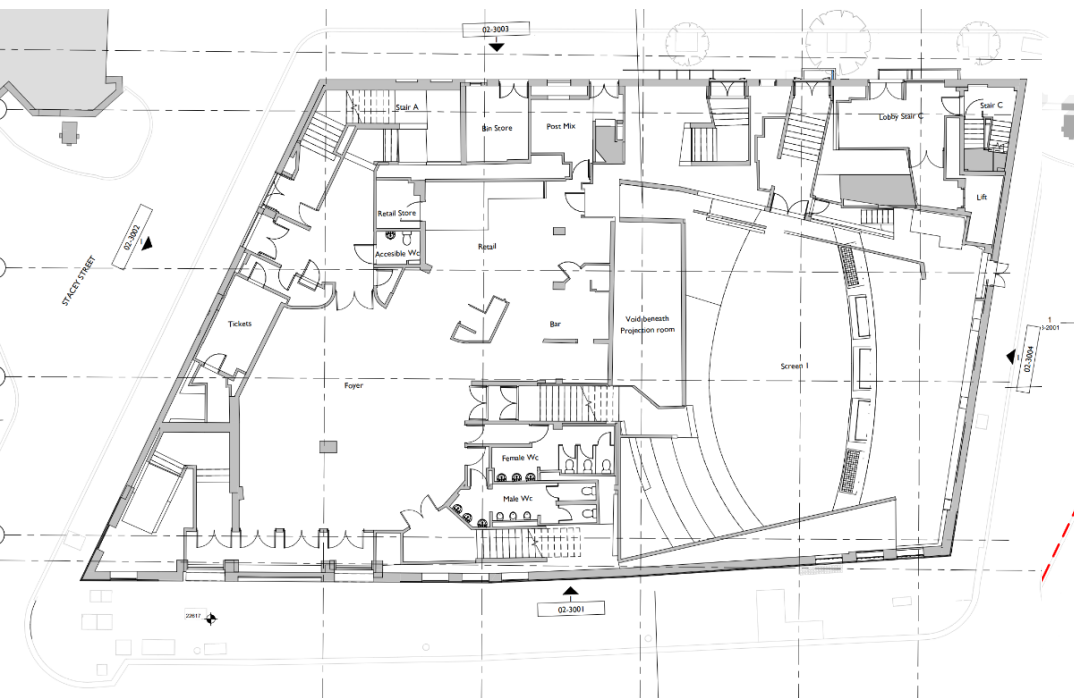
Visualisation Visualisation of Revised Glazed Window

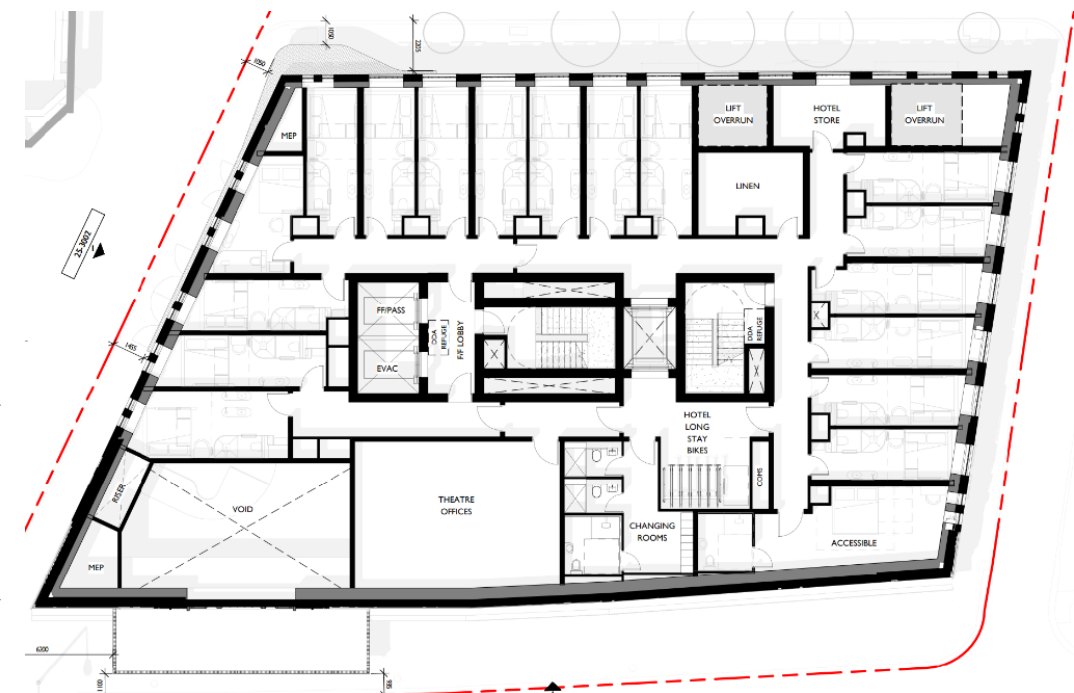
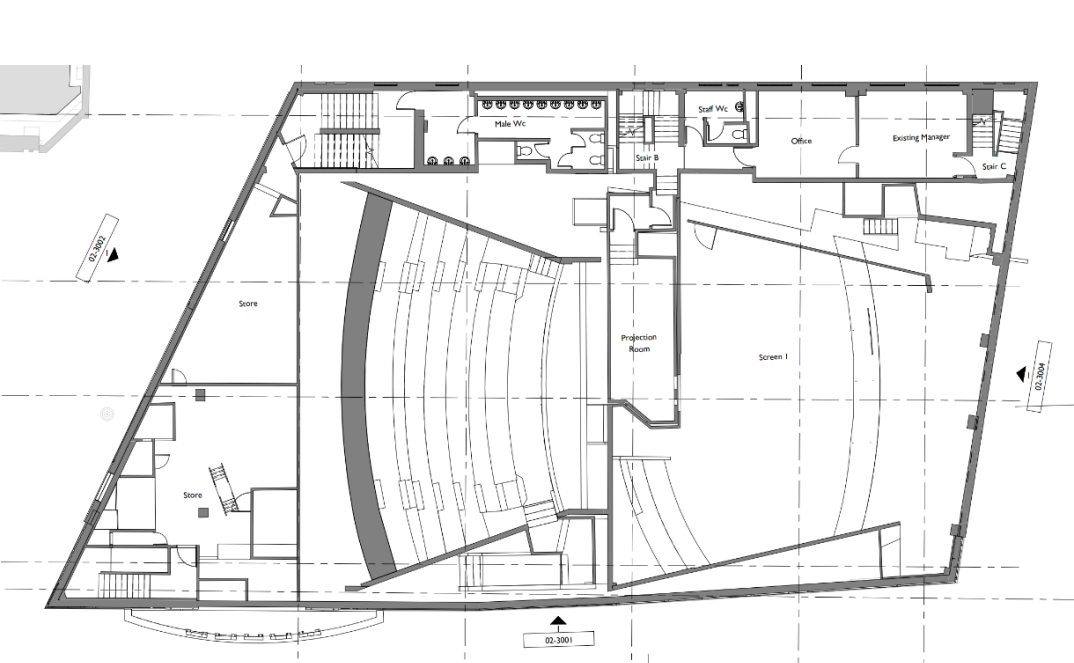


Auditorium Concept Image - lights on

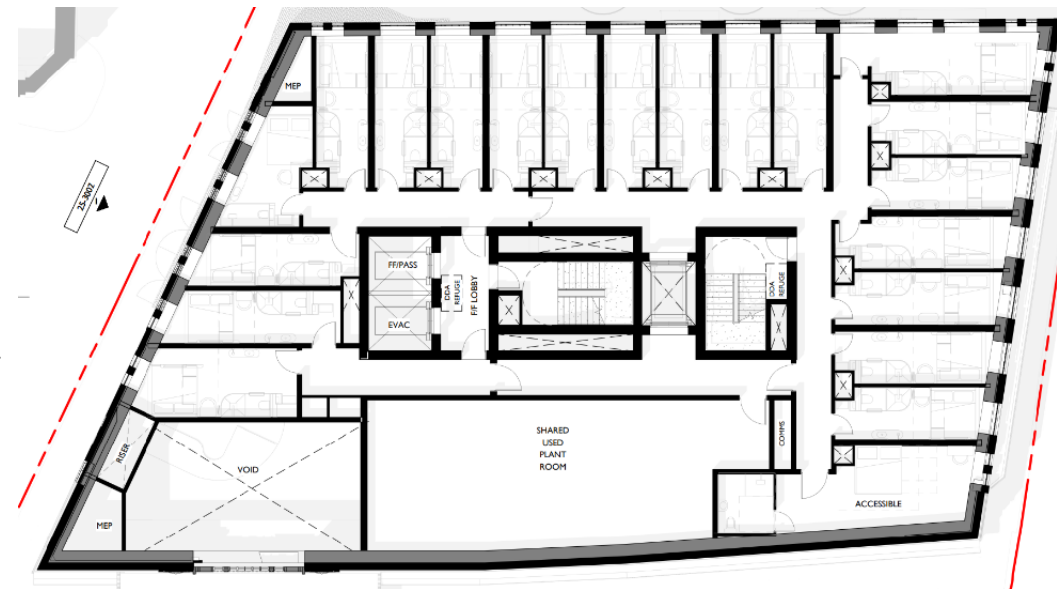
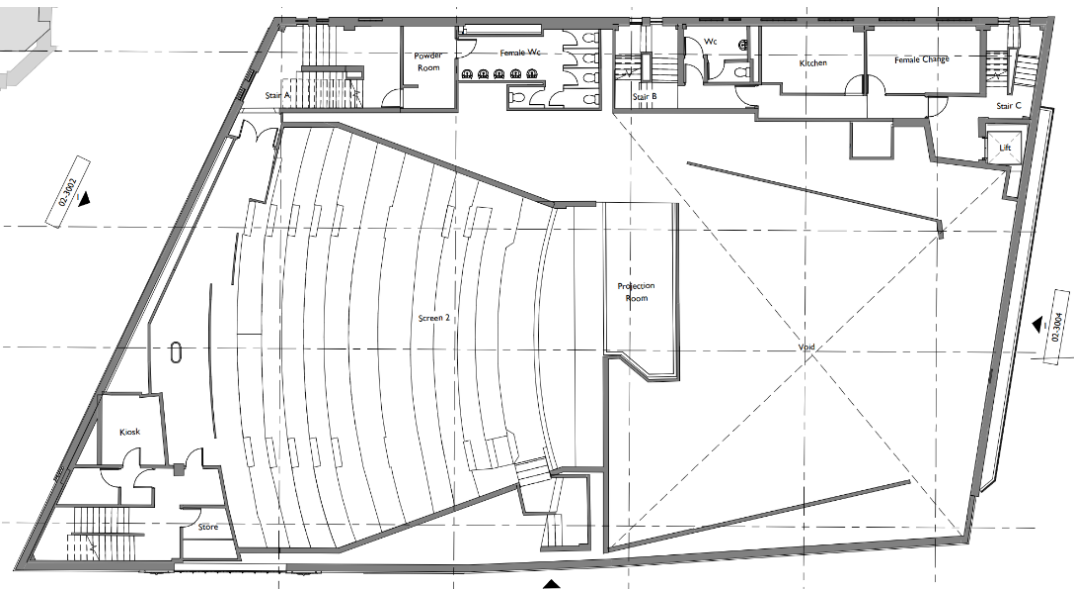


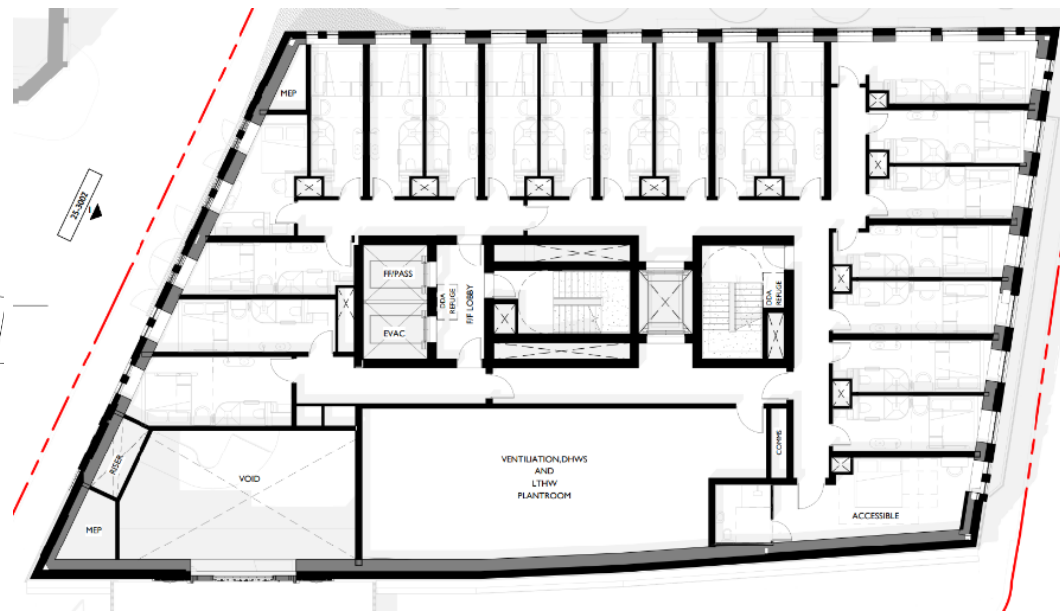
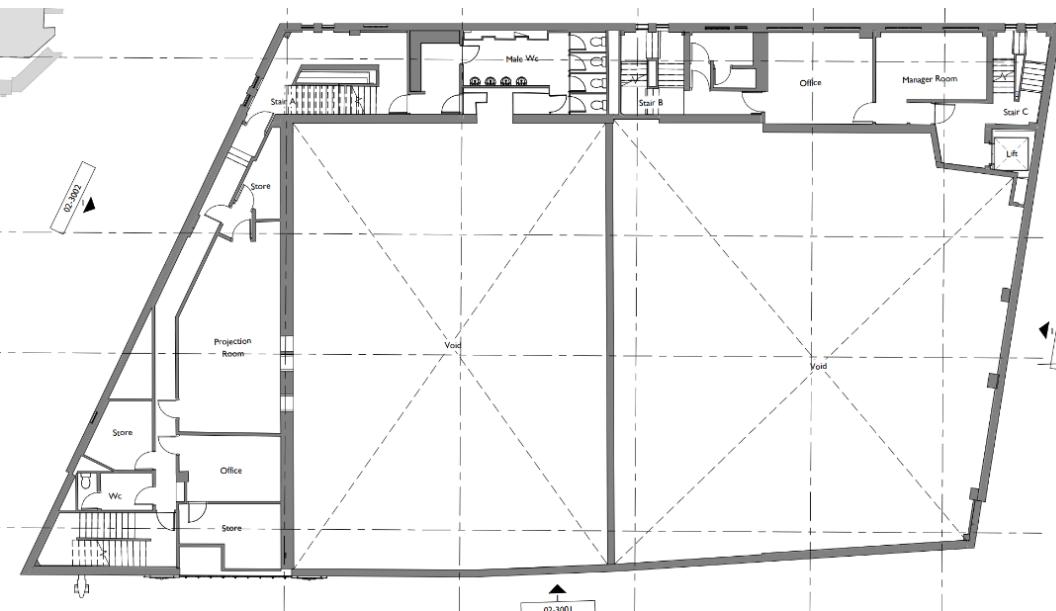
Auditorium Concept Image - lights off

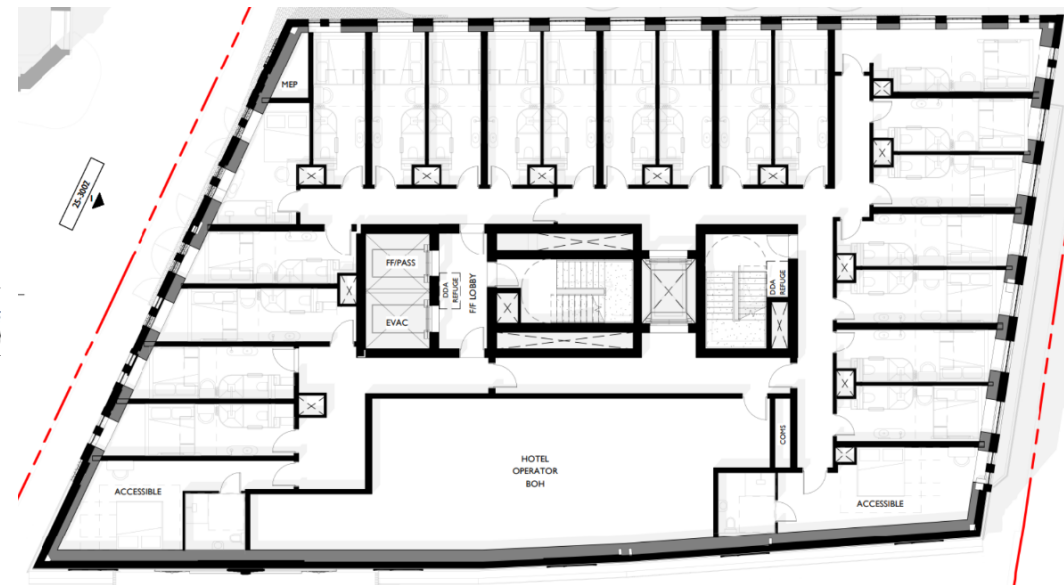
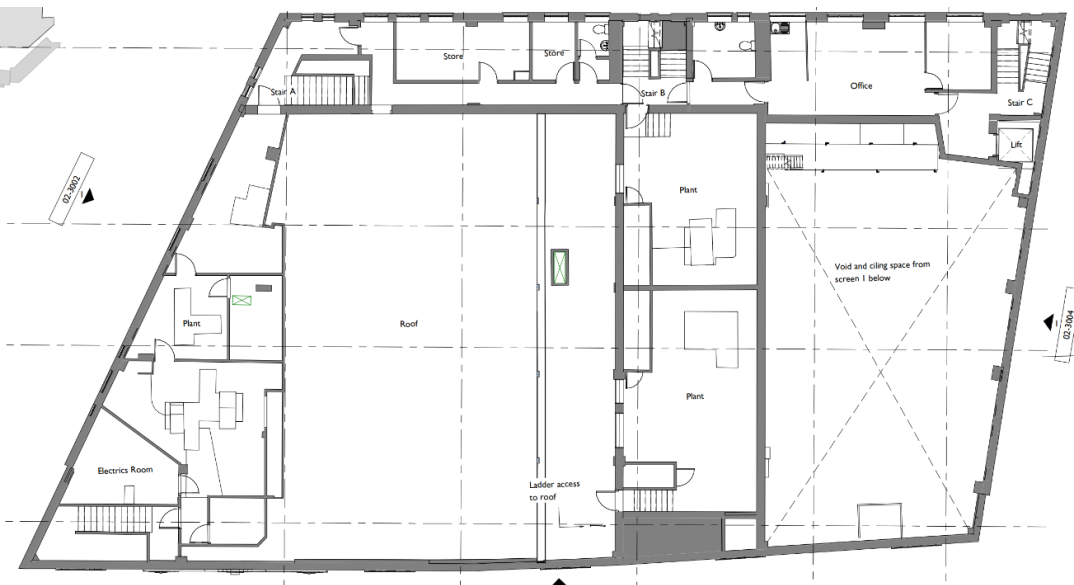


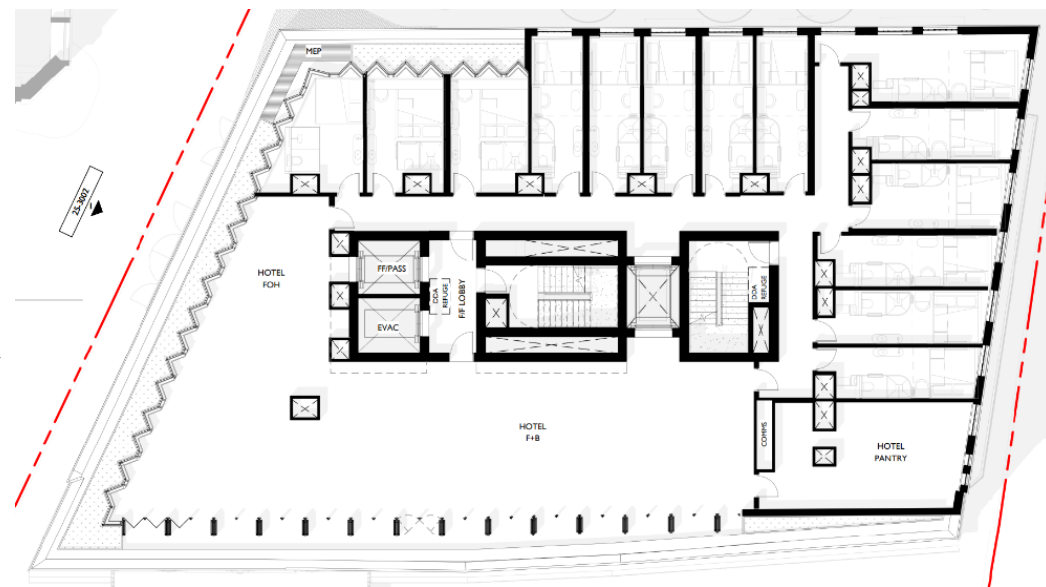


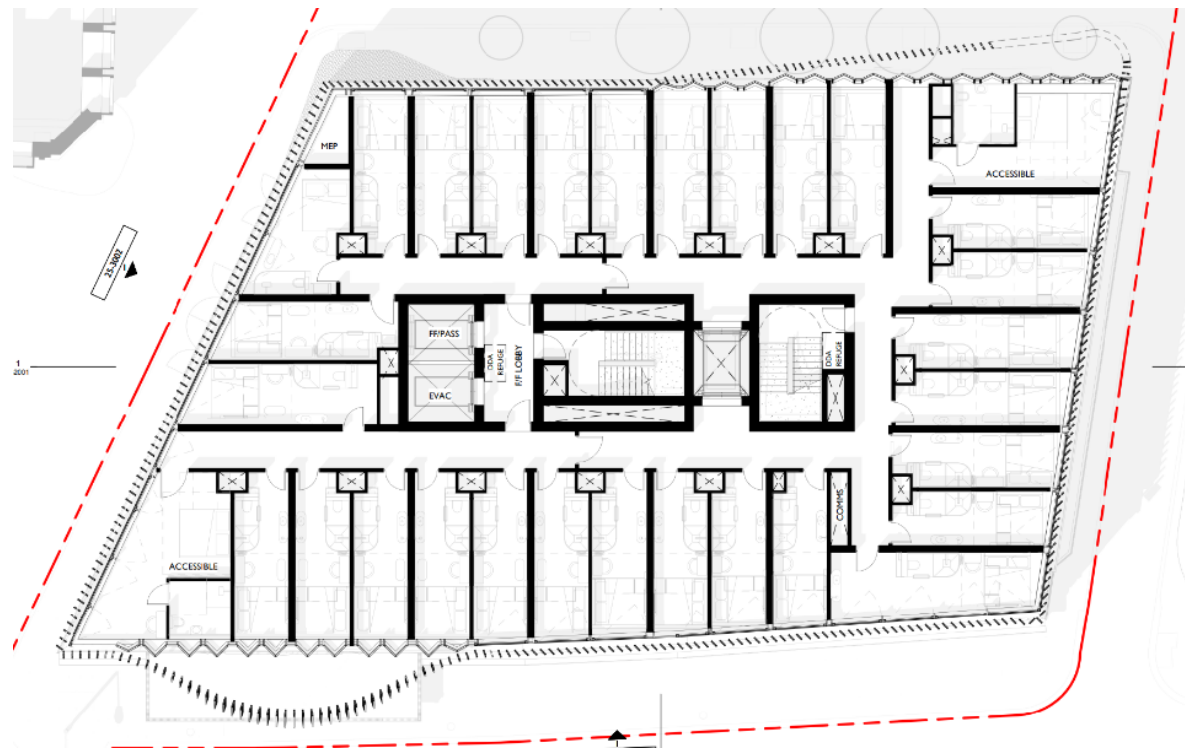
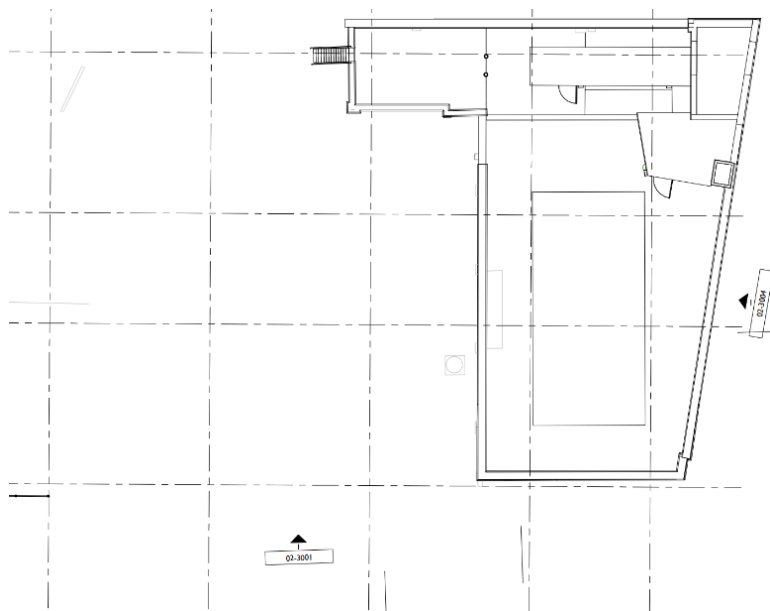


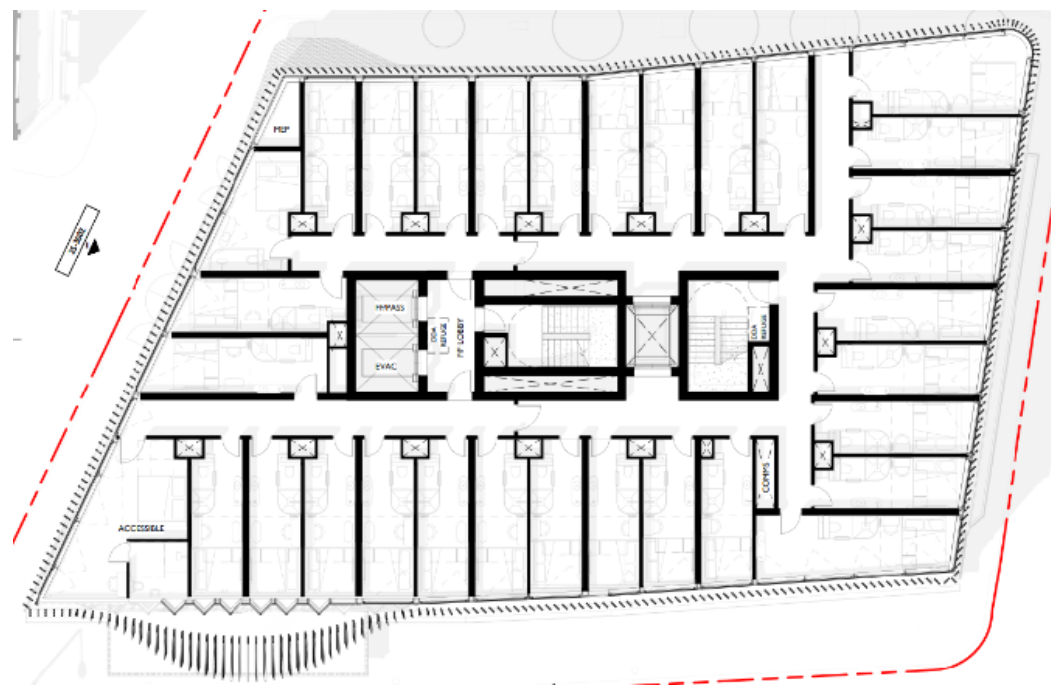
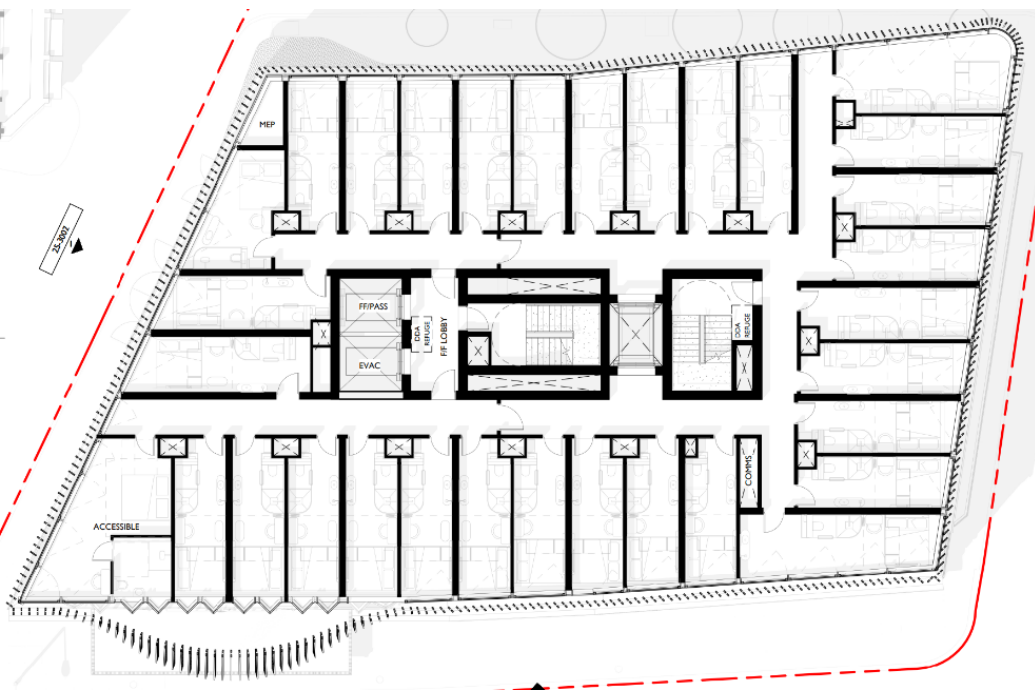


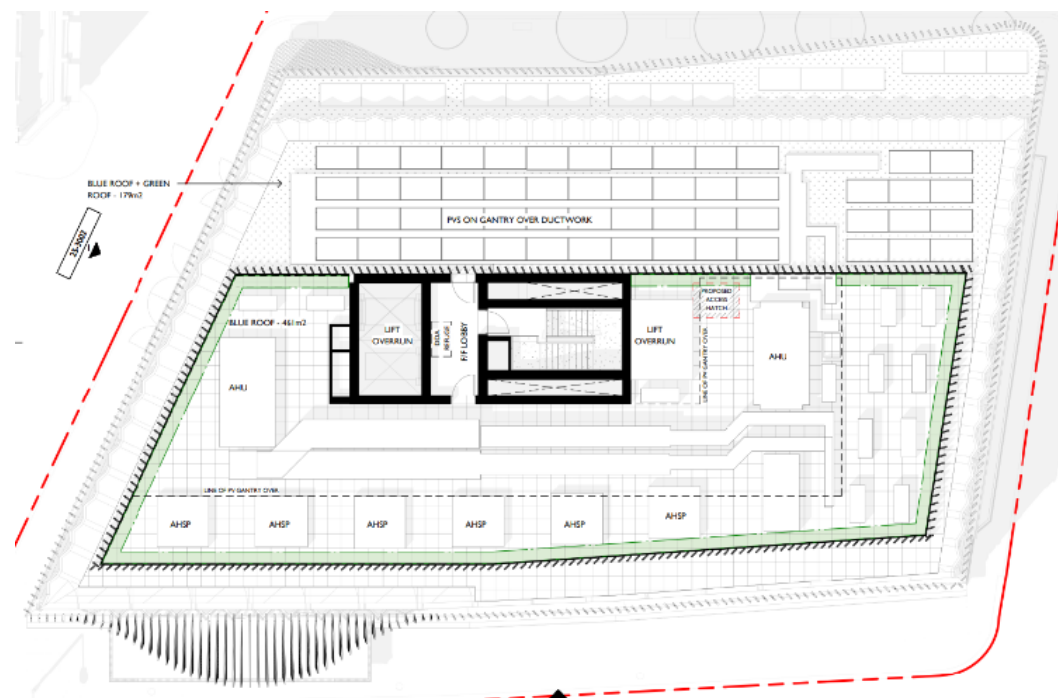
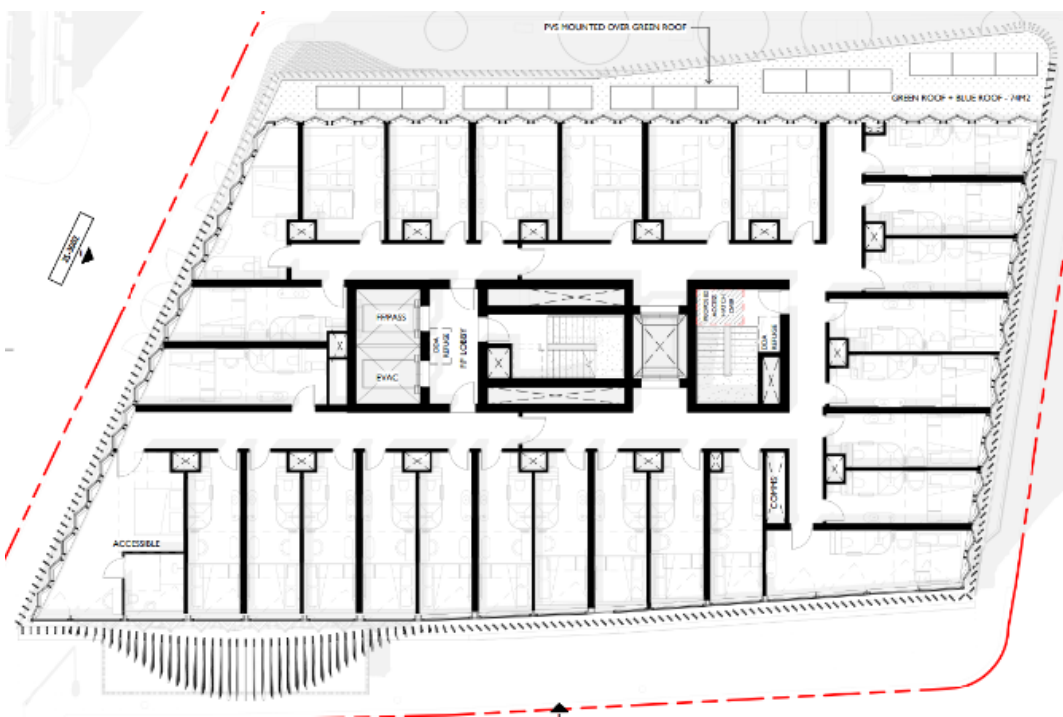




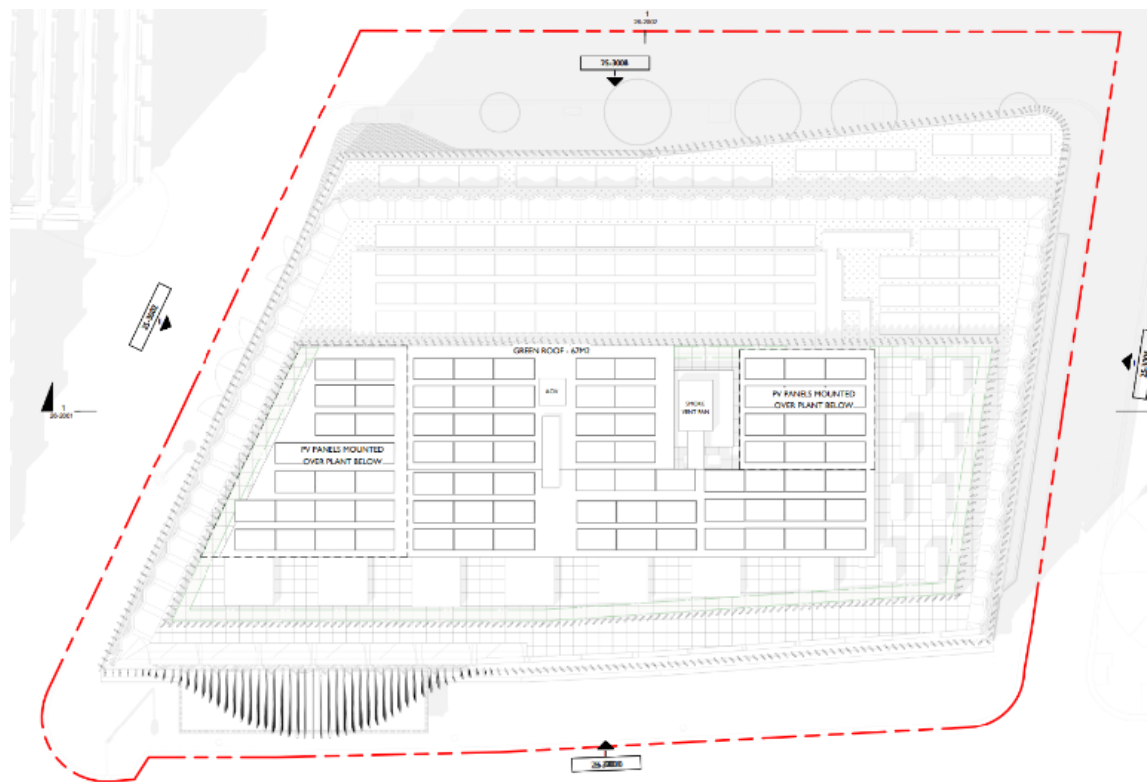


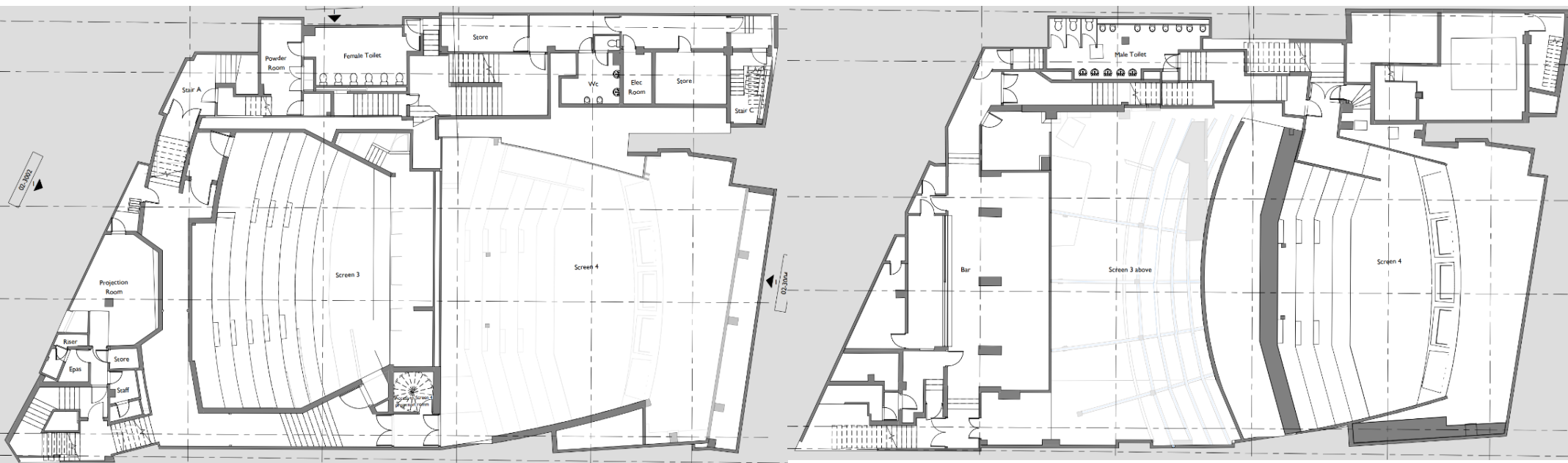




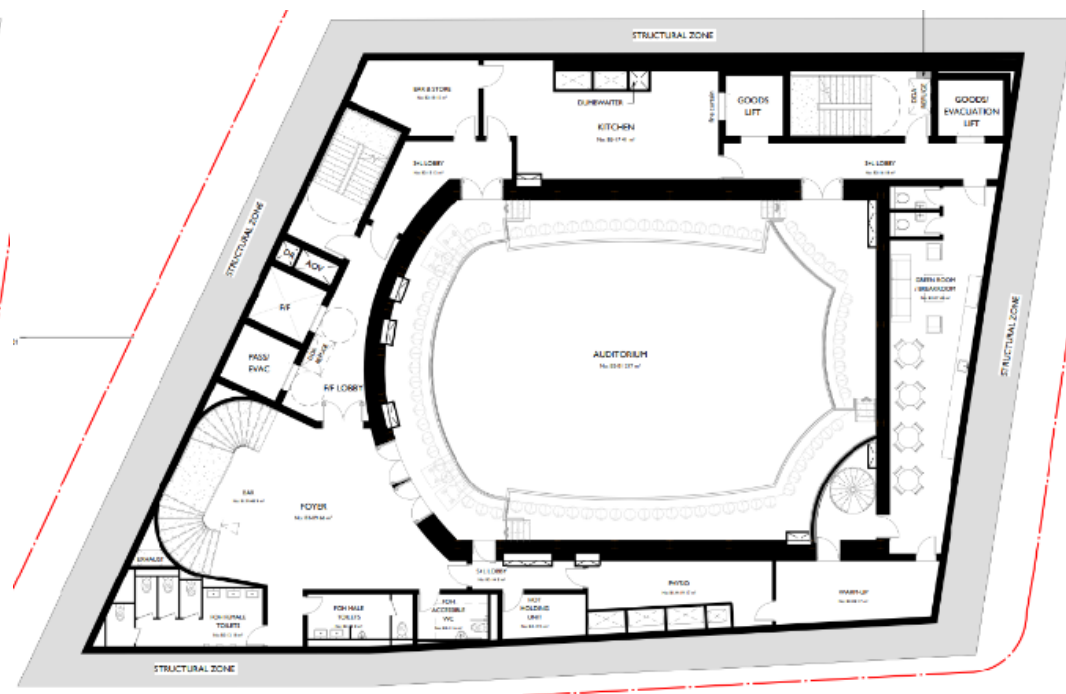
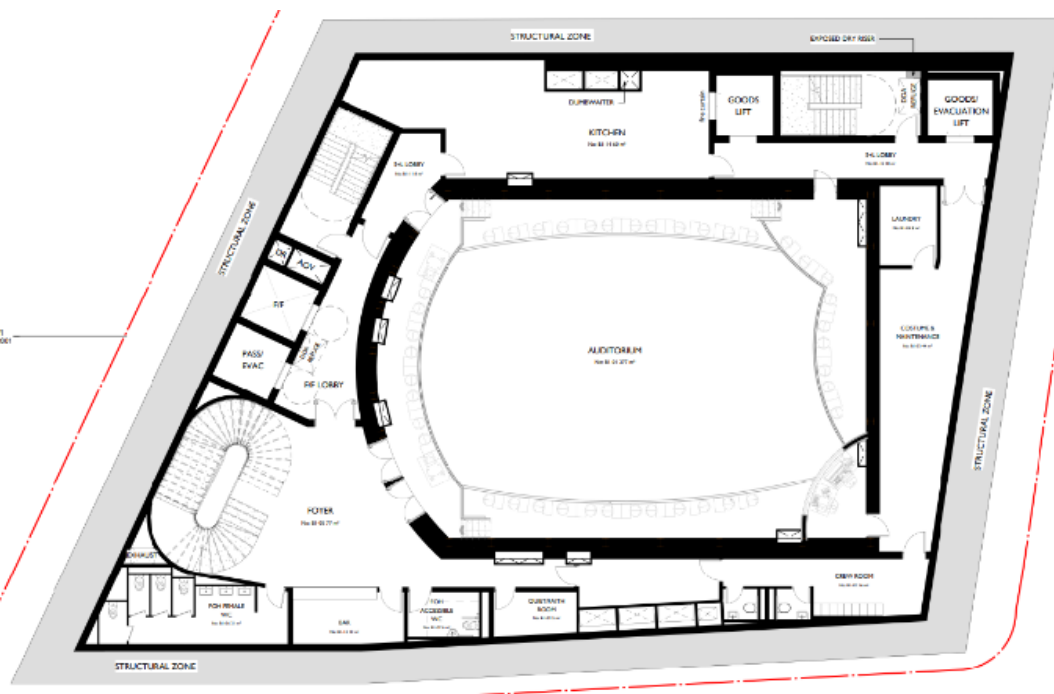


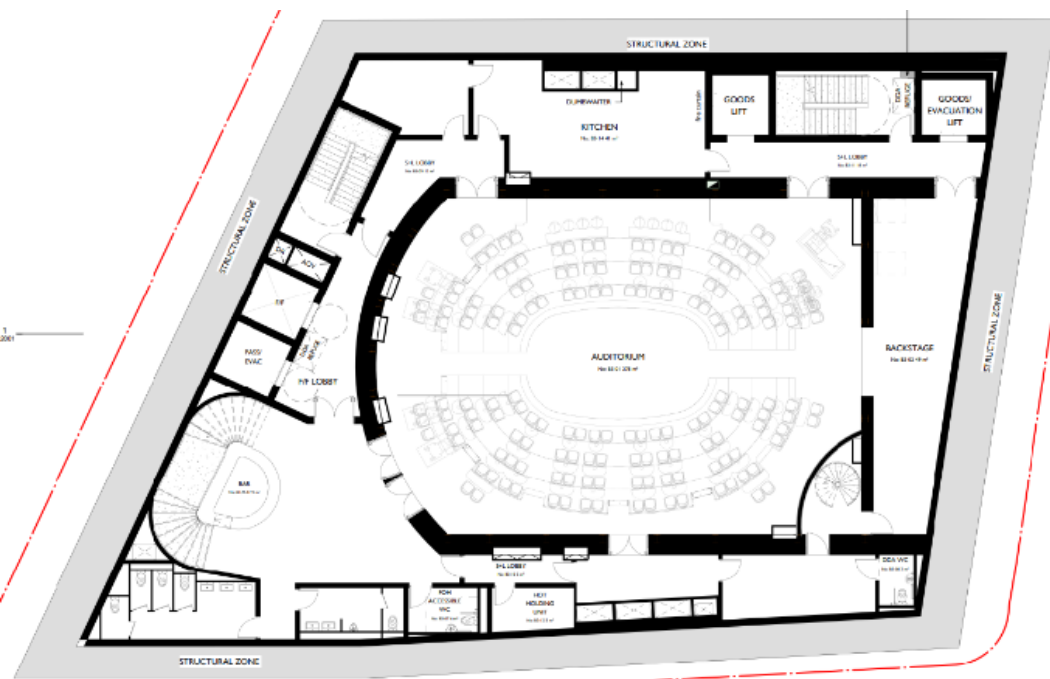




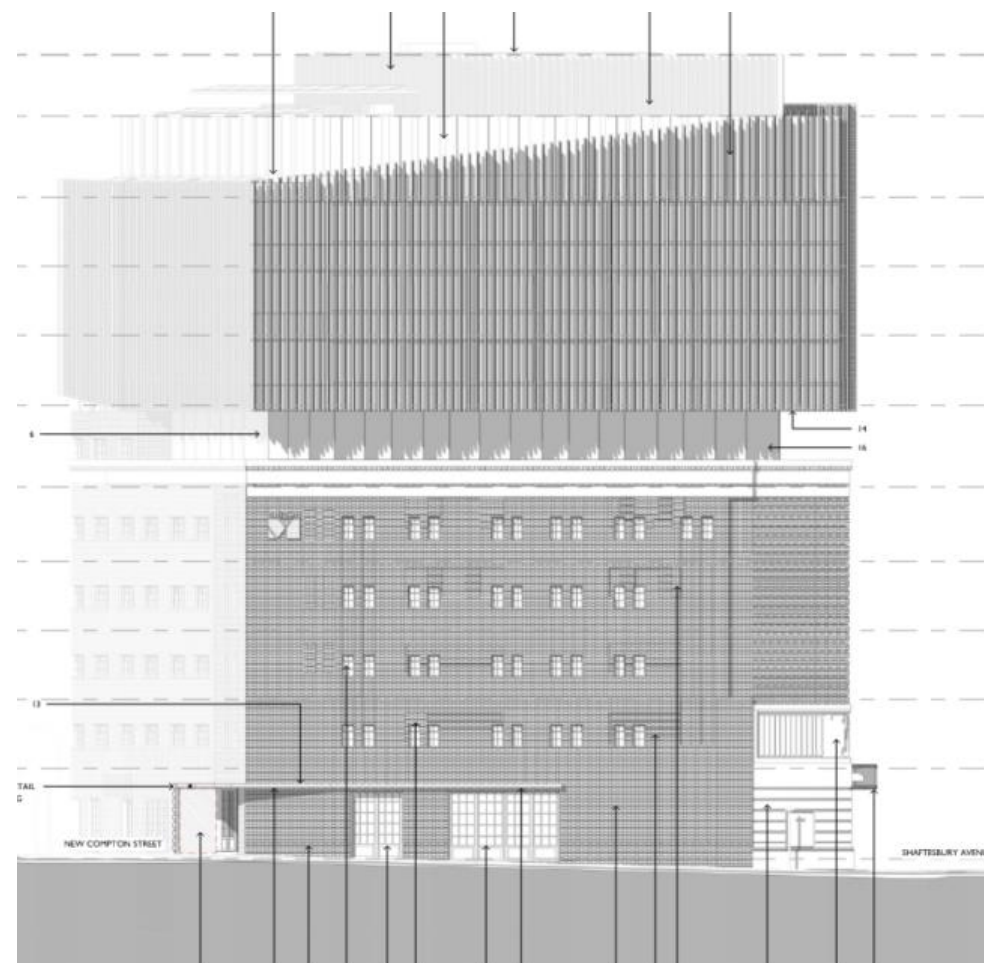




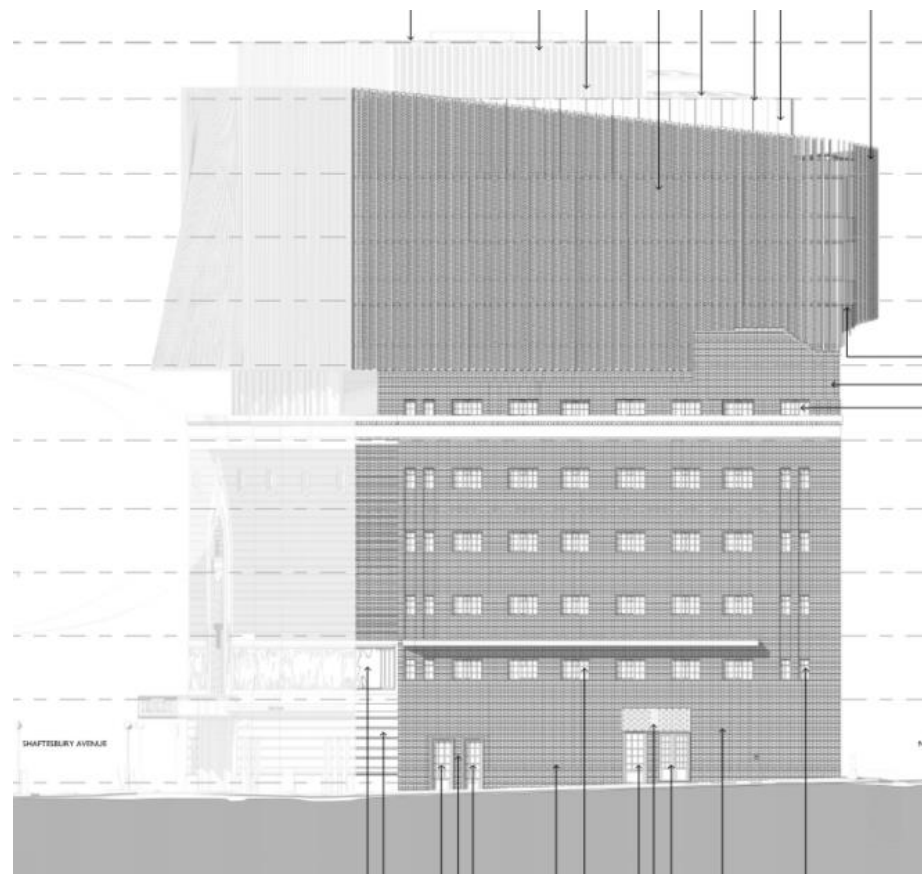
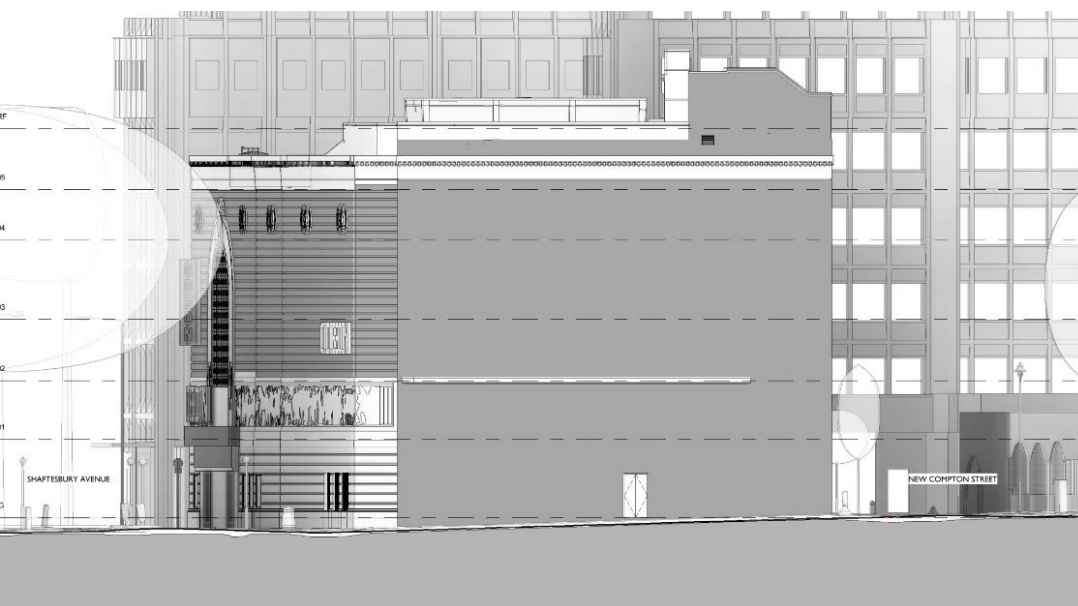




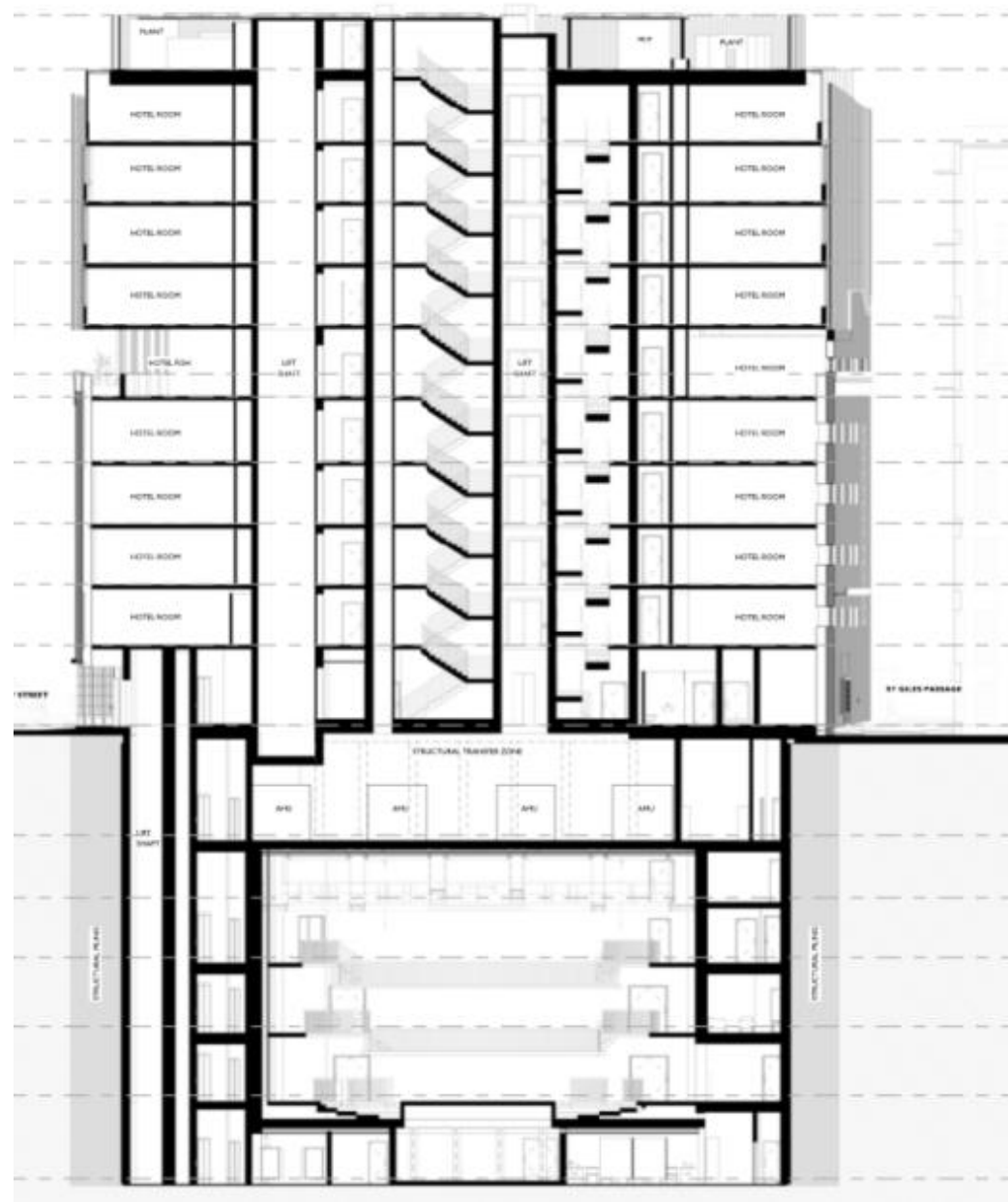
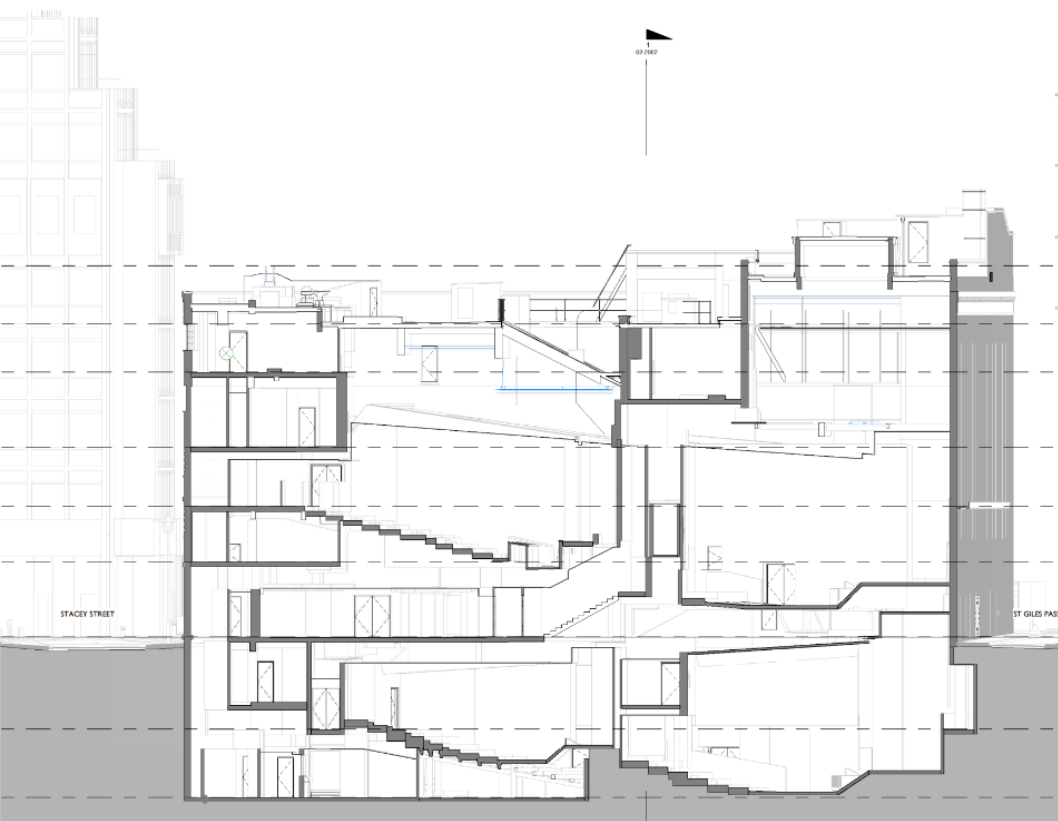


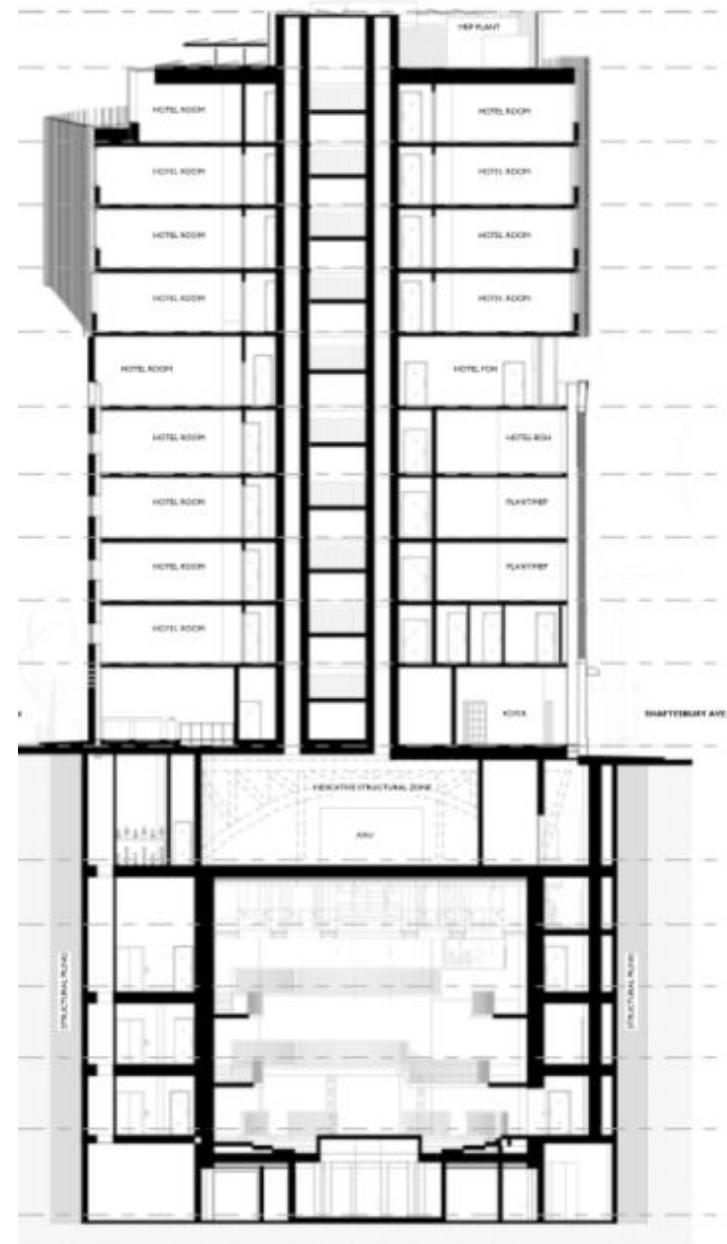
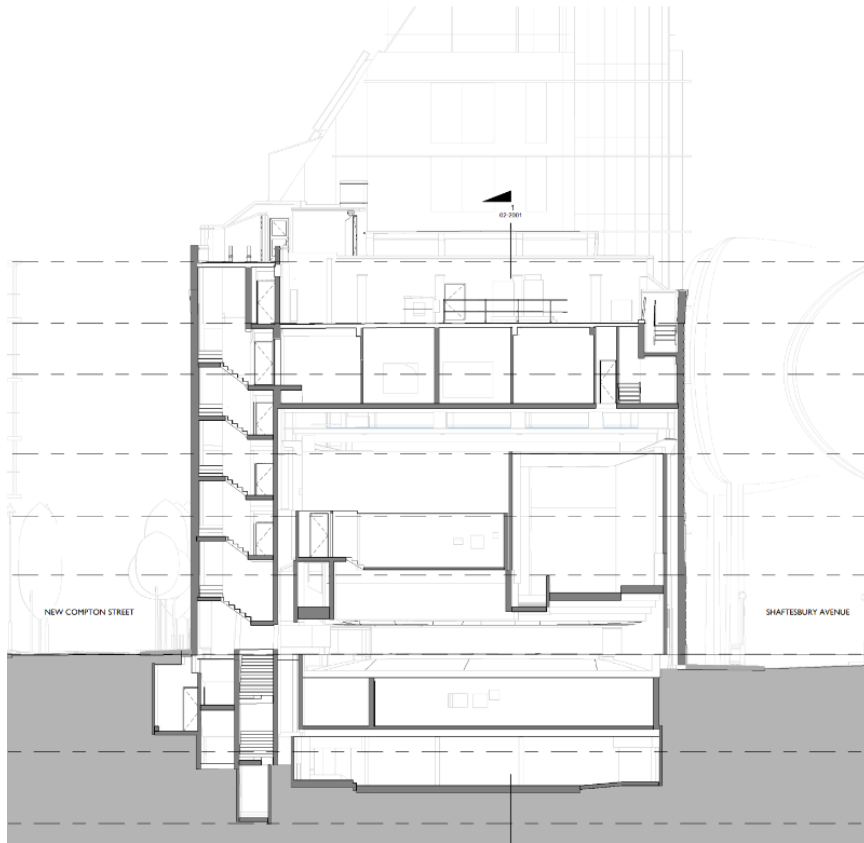
















## APPENDIX A – Appeal Decision for 2017/7051/P and 2018/0037/L

## Appeal Decisions

Inquiry opened on 1 December 2020

Site visit made on 15 December 2020

**by Tom Gilbert-Wooldridge BA (Hons) MTP MRTPI IHBC**

**an Inspector appointed by the Secretary of State**

**Decision date: 10<sup>th</sup> March 2021**

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### **Appeal A Ref: APP/X5210/W/19/3243781**

#### **135-149 Shaftesbury Avenue, London WC2H 8AH**

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a refusal to grant planning permission.
  - The appeal is made by Capital Start Limited against the decision of the Council of the London Borough of Camden.
  - The application Ref 2017/7051/P, dated 22 December 2017, was refused by notice dated 5 July 2019.
  - The development proposed is described on the application form as “the comprehensive refurbishment of the existing Grade II listed building and the provision of a new two storey roof extension and new basement level, providing a new four-screen cinema (Class D2) and spa (sui generis) at basement levels, a restaurant/bar (Class A3/A4) at ground floor level, a 94-bed hotel (Class C1) at part ground and first to sixth floors and associated terrace and bar (Class A4) at roof level, together with associated public realm and highways improvements”.
- 

### **Appeal B Ref: APP/X5210/Y/19/3243782**

#### **135-149 Shaftesbury Avenue, London WC2H 8AH**

- The appeal is made under section 20 of the Planning (Listed Buildings and Conservation Areas) Act 1990 against a refusal to grant listed building consent.
  - The appeal is made by Capital Start Limited against the decision of the Council of the London Borough of Camden.
  - The application Ref 2018/0037/L, dated 22 December 2017, was refused by notice dated 5 July 2019.
  - The works proposed are the same as Appeal A.
- 

### **Decisions**

1. The appeals are dismissed.

### **Applications for costs**

2. Applications for costs were made by Capital Start Limited against the Council of the London Borough of Camden and by the Council of the London Borough of Camden against Capital Start Limited. These applications are the subject of separate decisions.

### **Procedural Matters**

3. The inquiry sat for a total of 12 days between 1 December 2020 and 6 January 2021 (1-4, 7-11 and 18 December 2020 and 5-6 January 2021).
4. The new London Plan 2021 (LP2021) was published on 2 March 2021. It replaces previous versions of the London Plan and can be given full weight. In



terms of policies relevant to these appeals, there have been no material changes in LP2021 from those contained in the Intend to Publish (December 2019) and Publication (December 2020) versions of the plan. The main parties have confirmed that they have no specific comments on LP2021.

5. The planning application in Appeal A was refused for 14 reasons. The Council did not seek to contest the third reason for refusal at the inquiry as the matters were addressed by an agreed condition controlling the details of the proposed rooftop plant. The Council indicated that reasons for refusal 4-14 could be addressed via a Section 106 agreement (S106).
6. A completed and executed S106 has been provided in the form of a unilateral undertaking. The Council has raised concerns about the S106 being unilateral rather than bilateral in terms of it not binding the leaseholder (the Odeon) to the agreement. I have applied a precautionary approach and assumed that the S106 is sufficient in order to consider the effects and benefits of any relevant obligation. However, due to my overall decision, I have not reached a final conclusion on whether the S106 as constructed is effective.
7. Covent Garden Community Association (CGCA) and Phoenix Garden raised other concerns in their statements of case. These focused on how the proposed changes to the building and the construction, servicing and operation would affect the occupiers of neighbouring properties, and the users and biodiversity of Phoenix Garden. I have dealt with these as specific main issues.

## **Main Issues**

8. The main issue for both appeals is the effect of the proposal on the significance of the host listed building and the nearby Seven Dials and Denmark Street Conservation Areas.
9. The main issues for Appeal A only are:
  - the effect of the proposal on the provision of cultural and leisure facilities;
  - the effect of the proposal on the occupiers of neighbouring properties and the users of Phoenix Garden, with particular regard to noise and disturbance, light, privacy and outlook;
  - the effect of the proposal on the biodiversity of Phoenix Garden; and
  - whether the proposal would make adequate provision to address effects on the local highway network, energy efficiency and climate change, and local employment, training and skills.

## **Reasons**

10. The appeal site is located on the north-western side of Shaftesbury Avenue towards the northern end of this main thoroughfare. It is an island site bounded by Shaftesbury Avenue at the front, Stacey Street and St Giles' Passage to the sides and New Compton Street at the rear. The site contains the existing Odeon cinema building (listed Grade II) and the adjoining pavements and roadways. There are commercial and retail premises either side on Shaftesbury Avenue, while to the rear is the community-run Phoenix Garden and a number of residential properties. The site is sandwiched between Denmark Street and Seven Dials Conservation Areas.

## **Main Issue 1: listed building and conservation areas**

### *The significance of the listed building*

11. The appeal building was listed Grade II in July 1998 as the 'Former Saville Theatre, Shaftesbury Avenue'. It was built as a theatre in 1930-31 by the architectural practice TP Bennett and Son. They were assisted by the specialist theatre architect Bertie Crewe who worked on a large number of theatre and cinema buildings between the 1880s and 1930s. A number of theatres were built in this part of London in the 1920s and 1930s, helping to reinforce the cluster known today as Theatreland. Based on archival video footage, the theatre narrowly avoided serious damage during the Second World War.
12. The theatre put on plays and productions through to the late 1960s, although in 1965 it was purchased by Brian Epstein and used for a while as a live music venue too. Bands such as The Who, The Rolling Stones and The Beatles performed and/or recorded music there. In 1970, the building was converted into a two-screen cinema as a flagship site for the ABC group with a documented royal premiere event in 1974. It was converted again in 2001 into a four-screen cinema for Odeon.
13. The building is a large steel framed building with a flat roof. Its shape is broadly cuboid and box-like. The architectural form and style reflects elements of Modernism and Art Deco. The long front elevation is particularly grand and imposing and is largely unaltered from the original 1930s design. A rusticated stone plinth sits beneath a highly decorative frieze by Gilbert Bayes depicting *Drama through the Ages*. Bayes was a successful and celebrated sculptor who produced several works for prominent buildings. The frieze contains dramatic figures from ancient history through to the 20<sup>th</sup> century and is considered to be one of the largest and most important works of public sculpture of its time according to the Historic England list description. Above the frieze is rusticated brickwork, five pairs of roundel plaques, and a large stone arch which originally contained metal glazing but has been tiled since the first cinema conversion. The main public entrance to the building sits below the arch as it has always done. Modern signage and poster boxes have replaced the original theatre equivalents, while the original entrance canopy and uplighters have gone.
14. The frieze and rusticated stone and brickwork turn the corner onto the side elevations, but very quickly give way to plainer brick facades with secondary and service entrances to the building. This utilitarian function and appearance continues at the rear. However, the side and rear elevations contain decorative architectural elements including rusticated brickwork between metal casement windows, and recessed bands of bricks containing narrow stairwell windows on the corners and central rear elevation. A decorative stone parapet defines the top of the building apart from the stair tower in the northern corner which provides roof access. The roof itself contains functional spaces and structures including plant equipment and a large lantern room.
15. Originally, the main entrance provided access to a foyer, the dress circle and the stalls with its basement bar and salon. A narrower door to the side of the main entrance provided access to the upper circle. The auditorium was partially sunk below ground level with a large and wide proscenium arch framing the stage. The stage house stretched the full height of the building and contained many levels from substage to roof lantern. Drawings and photographs from the 1930s reveal the ornate and grand Art Deco decoration in the public parts of

the building, with a number of murals by A.R. Thomson in the basement bar and salon. This rich decoration continued into the 1950s and 1960s with photographs of Brian Epstein and The Beatles in front of a theatre mural by John Collins. Along the New Compton Street elevation there were a number of dressing rooms and back of house spaces served by the stairwells.

16. The 1970 cinema conversion split the auditorium in half with two screens one on top of the other. The original seating and proscenium arch were removed although the screens themselves were located within the stage house. The basement bar was remodelled and much reduced in size. Photographic evidence indicates that internal decoration was altered greatly and modernised while remaining of a quality consistent with its role as a flagship cinema.
17. The 2001 conversion split the two cinema screens in half longitudinally. There are two screens located mostly within the stage house and two within the former auditorium. The foyer and main entrance remain in the same location but are much enlarged. A number of modern stairs and corridors access the screens above and below the foyer, although the original corner and rear elevation stairwells remain along with the back of house spaces now used by cinema staff. The internal decoration is rather plain and ordinary and typical of any modern cinema dating from the early 2000s. The basement bar has been disused for many years but retains 1970 furnishings.
18. During the appeal process, the theatre fly grid was discovered via the roof lantern room. A fly grid allows for scenery and lighting to be fixed, lifted, and lowered over the stage. The surviving grid contains steel girders, timber beams and pulleys across a large attic-like space with a contemporary access walkway and ladder. Structural elements of the original auditorium survive above the modern screens albeit truncated when the conversion work occurred. It is also possible to stand behind the screens in the former stage house part of the building and get a sense of the considerable height and size of this space, even with modern floors and ceilings. Remnants of former stage house floors and doors can be seen within the brickwork behind the screens.
19. The historic interest of the listed building includes its use as a theatre for around 40 years and the involvement of notable architects and artists from the 1930s onwards. Its association with key music figures and bands from the mid to late 1960s is also an important component of its historic interest. The conversion to a cinema has less association with specific figures or events apart from the royal premiere. However, it has maintained the building's role as a cultural and performance venue within Theatreland. Thus, its current use contributes markedly to the special interest and significance.
20. The parties are broadly in agreement about the listed building's external architectural interest and the contribution to its significance and special interest. I concur that the front elevation in particular makes a considerable contribution based on its rich architectural and artistic details. The other elevations make a lesser but still significant contribution due to the consistent architectural treatment.
21. There is significant disagreement between the parties regarding the architectural interest internally. It is evident that the focus of the list description is on the building's exterior with particular reference to the frieze. The list description is correct to say that the interior was remodelled in 1970 and nothing of the 1930-1 work remains on view. However, even relatively

- recent list descriptions are not comprehensive accounts of a building's special interest and the omission of something does not mean it is not of merit.
22. The Historic England listing selection guide for culture and entertainment buildings (first published in 2011) contains specific considerations for historic theatres that may inform a decision to list such a building. Emphasis is made to theatres retaining a palpable overall sense of space and having elaborate exteriors. It notes that the survival of a proscenium arch where there was one is generally essential. Whether or not the phrase "the survival of stage equipment is always significant" relates only to "plain working class fleapits" or theatres more generally depends on how one reads the formatting of paragraphs and page breaks within the document. Nevertheless, the document is for guidance purposes only. It does not purport to contain an exhaustive or prescriptive list of criteria to justify existing or future listed theatre buildings or settle debates relating to significance.
23. It is difficult to appreciate the original interior of the building from an initial visit. The main entrance and foyer may be in the same broad location but there is little sense of arrival into the original theatre space. The rabbit warren of modern stairs and corridors connecting the four screens are disorientating even with the assistance of plans. The auditoria within each screen are dull modern cinema spaces and it is clear that much of the earlier building fabric has been lost. However, the ability to appreciate the height and volume of the stage house behind the screens allows a palpable sense of theatre space. The corner/rear stairwells and back office rooms provide an understanding of the theatre's layout and circulation. The lantern room and fly grid may be standard functional structures, but nevertheless are a fascinating survival of theatre engineering. They indicate how productions would have been performed and supported. Finally, the basement bar, while now largely a product of the 1970 redevelopment, is of some interest as a principal location for refreshments.
24. It is possible that other historic features may survive behind later coverings, such as earlier foyer ceilings, structural supports for the dress circle, or murals in the bar. The parties disagree on the reasonableness and proportionality of further investigative work at this stage. However, even if nothing else of interest remains, the known internal features alone are more than fragmentary and instead make an important contribution to the significance and special interest of the listed building.
25. There has been a range of opinions regarding the significance and special interest of the listed building, not just between the appeal parties but also from Historic England and a heritage consultant appointed to advise the Council earlier in the application process. However, others have not considered the same evidence that has been presented to this inquiry. Historic England's and the heritage consultant's advice on the proposal was given before the discovery of the fly grid for example. Conversely, another statutory consultee - the Theatres Trust (TT) which has been a main party in this inquiry - has highlighted the significance of surviving internal fabric along with the Council's historic theatre witness. From the evidence before me, my own observations on site, and the above reasoning, I conclude that the building's historic interest, its use past and present, and its surviving external and internal architectural features, make a substantial contribution to the special interest and significance of this listed building.

*The contribution of the appeal site to the significance of the conservation areas*

26. Seven Dials Conservation Area is located to the south-east of the site. The conservation area is predominantly focused on the urbanisation of the Covent Garden area from the 17<sup>th</sup> century onwards. The streets radiating from Seven Dials itself are narrow with a variety of building styles and heights. They present a series of vistas looking out of the conservation area including one along Mercer Street to the appeal building. The conservation area also includes the south-eastern side of Shaftesbury Avenue immediately opposite the appeal building. The buildings here date back to the late 19<sup>th</sup> century widening of this thoroughfare. Their character and scale is more uniform than the streets around Seven Dials and they have the backdrop of larger and mainly modern buildings on the opposite side of Shaftesbury Avenue.
27. The front elevation of the appeal building is largely obscured by buildings on either side of Mercer Street and it competes with the modern building on the north side of St Giles' Passage. However, it becomes more prominent as one moves towards it from Seven Dials. The front elevation is also appreciated from the south-eastern side of Shaftesbury Avenue although becomes increasingly obscured by adjoining buildings once one reaches Cambridge Circus or the northern end of Monmouth Street. Given the detailed appearance of the front elevation, the building makes a positive contribution to the significance of the conservation area albeit it a modest one due to the relatively limited views.
28. Denmark Street Conservation Area is situated to the north-west of the site. The area dates from at least the medieval period, with more recent 20<sup>th</sup> century associations with the music industry on Denmark Street itself. The nearest part of the conservation area includes the open space of Phoenix Garden and the churchyard of the Grade I listed St Giles' Church, the grandeur of the church itself, and the narrow historic passageway of Flitcroft Street with its historic brick buildings. The setting of the conservation area is defined by a strong urban context with historic and modern buildings of differing designs and sizes.
29. With its modern neighbouring buildings either side, the appeal building encloses the edge of the conservation area along New Compton Street when seen from Phoenix Garden and Stacey Street in particular. Although views across Phoenix Garden have only existed since previous buildings were lost after the Second World War, they are part of the surroundings in which the conservation area is experienced today. The height and form of the building's rear elevation is imposing and it has a back of house appearance. Nevertheless, the architectural detailing is attractive and the scale and bulk of the building does not overwhelm. Thus, the building has a moderate positive effect on the significance of the conservation area.
30. Both conservation areas contain theatres and form part of Theatreland. These aspects are not dominant features of either conservation area, although they are part of their overall context. The existing use of the building as a cinema contributes in a small positive way to the significance of both conservation areas as a compatible entertainment function within Theatreland.

*The rooftop extension*

31. The three-storey rooftop extension would reflect the box-like design of the existing building and would be fully glazed with translucent fritted glass. However, it would be a large addition, increasing the height of the existing



building by around 50%. It would be set back from the front elevation, but at the sides and rear it would sit on top of the parapet. The materials would be light-weight in appearance to try and contrast with the existing stone and brick building. It might be possible to avoid seeing the paraphernalia of furniture and other items next to the windows based on internal layouts and the fritted glass. However, the extension would still create a solid and highly reflective mass on top of the building. The very modern design and materials would pay little regard to the design of the existing building.

32. The extension would be visible during the day and probably even more so at night when hotel rooms and the rooftop bar are illuminated. From views further along Shaftesbury Avenue at Cambridge Circus and Monmouth Street, the extension would be barely noticeable due to its set back and the presence of other buildings. In views closer to the front elevation, the set back would lessen the effect but it would still be a large and obvious addition. From Mercer Street, the effects would be limited by existing buildings. The extension would be particularly bulky and dominant in views from Stacey Street and Phoenix Garden to the rear due to the lack of set back and the more open nature of space in this location.
33. None of the parties at the inquiry objected to the principle of a rooftop extension. The statement of common ground between the appellant and the Council states that an extension of the form and height proposed, if sympathetically executed, could be incorporated without significant harm to the listed building. Similar views were expressed by the Camden Design Review Panel. However, in my view, the height, mass, form and choice of materials in this proposal would compete with, rather than complement, the listed building. The extension would be overly dominant and detract from the existing form and composition. It would not be sympathetically executed. Thus, it would result in less than substantial but nevertheless significant harm to the listed building.
34. There would also be less than substantial harm to both conservation areas. For Seven Dials Conservation Area, due to the modest contribution the building makes to this heritage asset and the limited and restricted views of the extension, the harm would be minor. For Denmark Street Conservation Area, due to the greater contribution made by the building, the more open views, and the bulkier appearance of the extension at the rear, the harm would be moderate rather than minor.

#### *The change of use*

35. The proposal would result in a mixed use scheme, including a hotel, restaurant, and a four-screen cinema. The entire interior of the existing building along with the roof would be removed leaving only the four outer walls. The main entrance from Shaftesbury Avenue would be in the same location as existing. The restaurant and adjacent bar would occupy a large proportion of the ground floor, while the upper floors would house the hotel rooms and a rooftop bar. The new cinema would be located in the basement, accessed via a sweeping staircase from the main entrance.
36. From the evidence before me, the intention would be to operate the new cinema as a separate part of the business for the general public rather than as an ancillary part of the hotel. The hotel use would not be obvious in the publicly accessible parts of the building with only a small check-in desk proposed on the

ground floor at the most. The restaurant and bar would be the most apparent use upon entering the building, although the cinema would be signposted from the poster boxes outside and the openness of the staircase would clearly direct customers to the basement. There is nothing odd about basement cinemas per se, with the Curzon Soho a short distance away. Even the Saville Theatre contained a subterranean stage and seating.

37. However, the existing listed building has always had a single use related to culture, performance and leisure that has occupied and maximised the full extent of the building. This is reinforced by the drama of the external frieze. Hotel rooms, bars and a restaurant cannot be described as the same type of use and yet they would occupy and dominate much of the building. The user experience would change considerably. Instead of being able move through large parts of the building as one has always been able to do for either the theatre or the cinema, future cinemagoers would be confined to a smaller part of the building. That the existing cinema lacks vibrancy and appears tired and the new cinema would be of a higher quality does not diminish the reduction in space for this use. This is not an argument about aesthetics or the number of seats or screens, but how the listed building would be experienced.
38. Connected to this change of use is the effect on existing internal fabric and spaces. The proposal would result in the loss of surviving historic fabric, including the corner and rear stairwells, the back of house/office rooms, and the fly grid. The stage house volume that can still be appreciated from the auditoria of two of the current cinema screens would be lost by the insertion of several hotel room floors. All of these elements tell the story of the listed building and allow one to appreciate its use as a theatre and then a cinema.
39. The change of use of the listed building and the associated loss of internal fabric and spaces, would result in less than substantial harm to this heritage asset. The harm would be considerable given the fundamental change from a single cinema/theatre use across the building to a mixed use scheme where hotel and restaurant dominate, and the loss of important surviving features. The ability to understand the significance of the building would be very much reduced due to the extent of changes.
40. The change of use to a mixed use scheme would erode the Theatreland context in which both conservation areas are experienced. This would be offset to some extent by the retention of a cinema in the basement but this would be a minor part of the overall use. Thus, there would be less than substantial harm from the change of use to the significance of both conservation areas, albeit only minor given the small contribution the existing use makes to each area.

#### *Summary of statutory duties and policy context*

41. Section 66(1) of the Planning (Listed Buildings and Conservation Areas) Act 1990 (LBCA Act) requires decision makers, when considering whether to grant planning permission, to have special regard to the desirability of preserving the listed building or its setting or any feature of special architectural or historic interest which it possesses. A similar duty exists in relation to the grant of listed building consent under Section 16(2) of the LBCA Act. Various court judgments<sup>1</sup> have found that considerable importance and weight should be given to the desirability of preserving the listed building.

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<sup>1</sup> See for example *Safe Rottingdean v Brighton and Hove City Council* [2019] EWHC 2632 (Admin)



42. Policies D1 and D2 of the Camden Local Plan 2017 (CLP) require the preservation or enhancement of designated heritage assets, with less than substantial harm convincingly outweighed by the public benefits, and harmful proposals for change of use or alterations and extensions to a listed building resisted.
43. Paragraph 193 of the National Planning Policy Framework (NPPF) states that great weight should be given to the conservation of a designated heritage asset when considering the impact of a proposal on such an asset. This is irrespective of the level of harm. Any harm to the significance of a designated heritage asset should require clear and convincing justification based on NPPF paragraph 194. NPPF paragraph 196 states that where a proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal.
44. Harm to designated heritage assets has been identified as a result of this proposal. The public benefits are considered as part of the heritage and planning balance later in the decision along with the above statutory duties.

### ***Main Issue 2: cultural and leisure facilities***

45. CLP Policy C3 seeks the protection of cultural and leisure facilities within Camden which includes cinemas and theatres. There is no definition of facility within the CLP although the appellant's reference to a place where a particular activity happens is reasonable. It is clear from the policy wording and supporting text that facility is not the same as use. The latter takes place within the former. Either one or both can be lost depending on the context.
46. The distinction between facility and use is echoed by LP2021 Policy HC5 which seeks to protect existing cultural venues, facilities and uses where appropriate (including cinemas and theatres). The policy also supports the development of new cultural venues and encourages boroughs to evaluate what is unique or important to residents, workers and visitors. The policy also aims to identify, protect and enhance strategic clusters of cultural attractions like the theatres and cinemas of the West End, while LP2021 Policy HC6 looks to protect and support evening and night-time cultural venues such as theatres and cinemas.
47. The existing building is focused on a sole cinema use and facility in a specific venue known as the Odeon Covent Garden. Interested parties and CGCA refer to how the existing cinema is valued by local residents as a more affordable and ordinary cinema than the flagship cinemas at nearby Leicester Square.
48. The proposal would retain a cinema use on site. However, it would be within a mixed-use scheme and would occupy only one part of the building. Regardless of arguments about floorspace, seating numbers, quality, or admission prices, the existing cinema venue and facility would be lost and would be re-provided in a different form and offer. Thus, the above policies are engaged.
49. Where there is a loss of a cultural or leisure facility, Policy C3 says it must be demonstrated to the Council's satisfaction there is no longer a demand. Alongside this, the policy sets out a number of criteria in (a) to (e) which should be taken into account when considering the loss of a facility.
50. The policy does not specify a requirement for marketing to demonstrate demand. However, supporting paragraph 4.61 anticipates that applicants carry out a marketing exercise for alternative cultural and leisure uses. It is one

potential way of demonstrating no demand but has not been carried out for this site despite the Council's requests.

51. As to whether the premises are able to support alternative cultural and leisure uses, evidence from TT shows considerable interest from a range of theatre owners and producers in reusing the building as a theatre. According to the submissions, there is significant demand for new shows and a lack of larger venues in this part of London. The submissions consider that a new theatre could work financially. There is little evidence to show that theatre use as a whole is not viable. The indicative theatre scheme included in the Charcoalblue report prepared for the appellant may not be viable, but it has not been proven that it is the only possible scheme or that the cost estimates are realistic.
52. The existing facility is large with a rather ordinary layout and design. However, it has an occupancy rate and trading figures that are above average and in the top 25 cinemas in the UK. This indicates a successful and popular cinema. Evidence that Odeon is keen to abandon the building is lacking. The facility requires investment and repairs to address existing structural issues, but it has not been shown that this could not be achieved now or that the existing cinema is unviable. In summary, there is insufficient evidence to show a lack of demand in the existing facility. Thus, the first part of Policy C3 is not satisfied.
53. The second part of Policy C3 says exceptionally it may be practicable for a cultural or leisure facility to be re-provided on-site through redevelopment, with a number of points to be taken into account in criteria (i) to (iv). If a replacement facility is provided, it should be at the same or better standard than the facility which is lost and accessible to its existing users.
54. The cinema would be in the same location on Shaftesbury Avenue and open to the public as existing. Proposed poster boxes, signage, and the sweeping staircase would help direct customers down to the basement. The proposal would seek to provide a high quality cinema facility which aesthetically would be of a better standard than the existing. However, the mix of uses, with the ground floor dominated by a restaurant/bar, would lessen the presence of a cinema use currently enjoyed by the existing facility. The new cinema, with its focus on a more boutique offer, may not appeal to users of the existing cinema. Local residents would be able to benefit from a reduction in ticket prices via the S106, but this would only be a saving of £1 (or the same proportionate discount in future as prices change). As such, while the location of the cinema would not change, the replacement would not be as accessible to existing users. Regardless of the heritage and planning balance, the proposal would also result in the loss of cultural heritage as set out in the previous main issue. Therefore, the re-provision and replacement of a cinema facility has not been justified.
55. Policy C3 does not state that the maximum reasonable amount of replacement cultural or leisure facility should be provided. Neither does it direct refusal solely on the basis of there being interest in other cultural or leisure uses. However, it is evident that there would be a loss of a facility where a lack of demand has not been demonstrated and the re-provision would not be suitable. Therefore, there is overall conflict with this policy.
56. Given the value and importance placed on the existing cinema facility by CGCA and local residents, it would be appropriate to protect the existing facility as required by LP2021 Policy HC5 rather than support the development of the

proposed cinema facility. In terms of the strategic cluster of cinemas and theatres in the West End, the proposal would diminish the presence of a sole cinema facility and use where its continuation, or the introduction of other cultural facility or use such as a theatre, has not been disproven. Thus, there would be conflict with Policy HC5. In terms of LP2021 Policy HC6, the existing cinema venue would not be protected. This does not mean that the cinema has to be left entirely untouched, but its loss has not been justified. Therefore, there is also conflict with Policy HC6.

57. In conclusion, the proposal in Appeal A would result in the loss of an existing cultural and leisure facility with insufficient evidence to support its loss or justify the re-provision of a replacement facility. The change of use would also be harmful in terms of the listed building. Thus, the proposal would have a negative effect on the provision of cultural and leisure facilities and so would conflict with CLP Policies C3 and D2 and LP2021 Policies HC5 and HC6.

### ***Main Issue 3: neighbouring occupiers and the users of Phoenix Garden***

#### *Overview of neighbouring properties and Phoenix Garden*

58. The nearest residential properties to the site are the flats at Pendrell House diagonally opposite the appeal building to the north. Flats at 1a Phoenix Street and The Alcazar on the corner of Stacey Street are slightly further north-west. There are flats along New Compton Street to the north-east.
59. Phoenix Garden is enclosed on all sides by buildings and has a recently built community building in its southern corner. The garden was created on a cleared site in the 1980s and provides an area of green space in an otherwise highly urban part of London. According to representatives of Phoenix Garden, it is used by around 35,000 visitors each year for a variety of community events and commercial hires, but also simply as a place to relax and experience plants and wildlife (as indicated by recent visitor survey data).

#### *Privacy, outlook and light*

60. Existing and proposed windows on the rear elevation of the appeal building and those at Pendrell House do not face each other directly. As such, any overlooking of residents of Pendrell House from hotel guests would be oblique and limited. Obscure glazing would not be required. Other residential properties including 1a Phoenix Street are sufficiently distant from the rear elevation and would not be materially overlooked from hotel room windows. Given the overall size of the rooftop bar and balcony, it would not be unreasonable to impose a condition restricting public access to the balcony along the entire rear elevation. This would greatly reduce any overlooking of properties or Phoenix Garden from the roof. There would be some overlooking of the garden from hotel rooms, although it would depend on the extent of vegetation and the angle and distance from any window. Moreover, the garden is already overlooked by existing residential properties. On balance, the overall effect of the proposal on privacy would be acceptable.
61. The existing height, bulk and proximity of the appeal building already dominates views from the windows and balconies of properties within Pendrell House as well as from within Phoenix Garden. As a consequence, the rooftop extension would not significantly add to the sense of enclosure that already results from the appeal building and adjoining developments on Shaftesbury

Avenue. The distance of the appeal building to other residential properties would minimise any overbearing effects of the extension. Thus, the proposal would be acceptable in terms of effects on outlook.

62. The extension would reduce the amount of daylight and sunlight to windows and balconies at Pendrell House, The Alcazar, and 1a Phoenix Street. In terms of vertical sky component, when compared to the existing levels, the percentage reduction to most windows would not be significant apart from a few with already very limited levels due to their recessed nature and/or adjoining overhanging features. In terms of no sky line, some rooms at these residential buildings would experience a reduction that would be noticeable. In terms of annual probable sunlight hours, there would also be some reduction to these buildings particularly in winter. Notwithstanding the very urban nature of the location and the suburban focus of the BRE guidelines, there would be some harm for some flats and their residents in terms of light.
63. The majority of Phoenix Garden is currently able to receive 2 hours of direct sunlight on 21 March<sup>2</sup>. Around two-thirds would continue to do so with the extension in place. Overshadowing diagrams indicate that the southern parts of the garden including the community building are already in the shade on 21 March and the shaded area would increase during mid to late morning with the proposal. This would have some negative effect on users of the garden. However, there would be little difference between existing and proposed light levels in mid-winter and mid-summer when the garden would remain in almost total shade and total sunshine respectively. Overall, the proposal would have an acceptable effect on users of the garden in terms of light.

#### *Construction effects*

64. The construction phase of the proposal would inevitably generate a number of associated effects including noise, dust, and traffic congestion. The build process is likely to take a significant amount of time with a number of vehicles accessing the site each day. For residents of nearby properties, these effects would undoubtedly affect their ability to work, study and rest within their homes. It would also diminish the enjoyment of Phoenix Garden for its visitors and reduce the attractiveness of hosting events there. It is evident that residents in this part of central London experience numerous construction projects as sites and buildings are redeveloped, which have the potential to be poorly managed.
65. The S106 requires a Construction Management Plan (CMP) that would address a large number of matters including effects on the health and amenity of local residents and the requirement for a Community Working Group (CWG) to facilitate consultation with the local community. A CMP Bond of £30,000 would be provided and drawn down in the event of a breach of the CMP. It is apparent that there have been enforceability issues with CMP elsewhere in the local area. However, this is matter for the Council to address via internal processes and its relationship with individual building projects. It has not been adequately demonstrated that the CMP would not be properly adhered to and enforced in this instance, or that the bond figure should be greater. Construction conditions, including air quality monitoring, are also proposed.

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<sup>2</sup> BRE guidelines (BRE 209 (2011) *Site Layout Planning for Daylight and Sunlight: a guide to good practice* 2<sup>nd</sup> edition) indicate that at least 50% of an open space should receive at least 2 hours of direct sunlight on 21 March for the overall space to appear adequately sunlit throughout the year.

66. It would not be necessary or reasonable for the S106 to provide construction noise insulation for windows within Pendrell House given the mitigation measures already proposed and the fact that this phase would be temporary. Moreover, it has not been sufficiently shown that the construction phase would lead to a loss of earnings for Phoenix Garden (in terms of community and commercial hires) to justify a contribution in the S106. Therefore, the construction effects of the proposal on local residents and the users of Phoenix Garden can be suitably mitigated.

*Operational effects including noise*

67. The proposed rooftop bar and balcony could result in increased noise levels to the rear of the building from music and people, amplified by the enclosure of built form around Phoenix Garden. However, the aforementioned condition would limit the use of the balcony nearest to properties and Phoenix Garden. Hours of use beyond early evening can also be restricted by condition. A condition controlling the location and noise levels of amplified music can be achieved to prevent any exceedance of existing background urban noise. The effects of noise from plant equipment can also be mitigated.
68. It seems likely that the mix of uses, including a hotel and restaurant, would generate a greater number of delivery vehicles across the day compared to the existing cinema. Vehicles would either use a quick drop-off/pick-up bay on Shaftesbury Avenue for post or courier purposes, or a loading bay on New Compton Street. The number of vehicles associated with the operational phase of the proposal is disputed between the appellant and CGCA. However, even with the numbers estimated by CGCA, a Servicing Management Plan (SMP) could coordinate deliveries to ensure that they are as spaced out as possible, notwithstanding the uncertainties of central London traffic.
69. As with CMP, it would appear that SMP for other schemes in the local area have not been properly followed or enforced. This can result in vehicle movements and noise outside of permitted hours causing harm to local residents. However, the SMP for this proposal would be secured by the S106 and required to address a number of detailed points including those relating to the frequency, duration, and timing of vehicles. A copy of the draft SMP would be sent to the CWG. It has not been adequately demonstrated that the SMP would not be properly adhered to and enforced in this instance, or that a bond is required to ensure compliance. Thus, the approach would be acceptable.
70. The loading bay would be of sufficient dimensions to accommodate larger vehicles. The internal loading area would connect to a service lift and storerooms on different floors. As such, it should be possible to load and unload vehicles within a reasonably short period and avoid lengthy dwell times and potential congestion with other deliveries. This would lessen the effect on local residents and users of Phoenix Garden in terms of noise and disturbance.
71. The loading bay would displace 3 residents' parking bays. The dimensions of the street are tight and the replacement of the bays on the other side of New Compton Street would cause a narrow gap for through traffic. According to local residents, the street is used as a rat run when there are problems on Shaftesbury Avenue and it can become congested as a result. It is apparent that greater width restrictions would add to congestion along with noise and disturbance from vehicle movements. However, the S106 makes provision for



the relocation of the bays which should ensure this is done without worsening congestion or losing parking provision.

### *Conclusion on Main Issue 3*

72. In conclusion, while there would be some harmful effects on specific flats in terms of light, the overall proposal in Appeal A would have an acceptable effect on neighbouring occupiers and the users of Phoenix Garden. Therefore, it would comply with CLP Policies G1, A1 and A4. Amongst other things, these policies require proposals to avoid unacceptable harm to amenity taking into account factors including privacy, outlook, light and noise, as well as transport and construction impacts. The proposal would adhere to NPPF paragraph 92 which seeks to plan positively for community facilities such as open space and guard against the unnecessary loss of valued facilities and services.

### **Main Issue 4: biodiversity**

73. Phoenix Garden is designated as a Site of Local Importance for Nature Conservation. It contains a wide variety of trees and plant species and attracts many different animal species including bees, birds and butterflies along with bats and other mammals. The garden is arranged into different parcels of green space including the green roofed community building.
74. The primary biodiversity concern relates to overshadowing effects from the rooftop extension. There is no specific guidance for assessing these effects on plants and wildlife, but the aforementioned BRE guidelines have been referenced in terms of light to open spaces. As noted above, there would be a reduction in light to the southern part of the garden in the spring (around 21 March) which coincides with increased plant growth and animal activity.
75. Analysis<sup>3</sup> of sunlight to the garden parcels on 21 March shows the existing and proposed percentage of sunlight received between 7am and 5pm. None of the parcels would average more than 50%, but this is the average across the 10 hour day assessed and is not the same as the 2 hours of direct sunlight test. All but one parcel would either receive less than an 20% reduction of the existing sunlight levels or 50% plus of the parcel would continue to receive at least 2 hours of direct sunlight. By 21 June, light levels would be largely unchanged.
76. The reduction in sunlight to the southern part of the garden around 21 March would have some effect on insect activity and plant growth including on the rooftop garden. However, the differences between existing and proposed levels are negligible in most cases and confined to 2 or 3 hours late morning/midday with sunlight largely unchanged after that. Foraging by bees should be able to continue. It is not evident that bees use this part of the garden for nesting even now due to existing light levels.
77. The parcel next to New Compton Street and the main entrance (A3) already gets less than 2 hours direct sunlight on more than 50% of the parcel on 21 March and would see a 31% reduction in sunlight received across the day. However, this would only affect one hour at midday with light levels mostly unchanged either side. Light levels would generally remain good later in the spring and into the summer, particularly from late morning onwards. The overall change in light levels would be unlikely to have a detrimental effect on

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<sup>3</sup> Syntegra Consulting (October 2020) *Ecology Statement of Support for Appeal and Overshadowing Report*

the two main trees within this parcel. Therefore, whilst the proposal would have a moderate adverse impact, it would not be major or significant.

78. Biodiversity concerns also include the effects of noise, dust and pollution arising from the construction phase. However, as noted above, the CMP and its bond would be secured via the S106. The CMP would be required to minimise any adverse effect on the ecology and biodiversity of the garden.
79. In conclusion, the proposal in Appeal A would not have an unacceptable effect on the biodiversity of Phoenix Garden. Therefore, it would accord with CLP Policy A3 which seeks to protect and enhance sites of nature conservation and biodiversity. The proposal would also adhere to NPPF paragraph 175 which seeks to avoid significant harm to biodiversity.

***Main Issue 5: highway network, energy efficiency and climate change, employment, training and skills***

80. The S106 would provide for an employment and training plan and would promote local employment and procurement. It would also make provision for an energy efficiency and renewable energy plan and a sustainability plan, along with a carbon offset contribution.
81. The S106 would secure coach and car free development and a workplace travel plan to reduce reliance on motor vehicles to access the site. It would ensure necessary highway works and public realm improvements take place around the building and would contribute to pedestrian and cycling enhancements. As noted above, the S106 would also provide for a CMP and SMP.
82. In conclusion, and on the assumption that the overall S106 is effective, the proposal in Appeal A would make adequate provision to address effects on the local highway network, energy efficiency and climate change, and local employment, training and skills. Therefore, it would accord with CLP Policies G1, C1, E1, A1, A4, CC1, CC2, CC3, CC4, T1, T3, T4, and DM1. These policies seek the appropriate delivery of development in Camden, addressing health and wellbeing, economic development, amenity, noise, climate change, water and flooding, air quality, and transport matters amongst other things.

**Heritage and Planning Balance**

*The heritage balance*

83. Beginning with heritage-related public benefits, the proposal would secure repairs to the external frieze and the roundels, the repair and reinstatement of the arched window, and wider structural repairs. The proposal would also reintroduce the historic poster boxes and insert a new sympathetic canopy. It has not been shown that the damage to the frieze and roundels is extensive. Their estimated repair costs as part of the overall proposal are small. While all of the above repairs and enhancements could be secured in isolation or by an alternative proposal, they nevertheless remain significant heritage benefits relating to this proposal.
84. The parties dispute whether these repairs result from a lack of investment brought about by the appellant (as landlord in 2012) securing the release of Odeon from the full repair obligations in their lease. There was also much disagreement regarding Odeon's future intentions for this site and potential relocation/consolidation elsewhere. The exact position regarding Odeon's lease



and future intentions remains unclear and evidence of deliberate neglect is inconclusive. As such, this does not diminish the above heritage benefits.

85. The appellant argues that a mixture of uses would bring the building to life and allow a better appreciation of its historic entertainment and leisure use. This interpretation would be aided by a large internal mural based on TP Bennett's original section drawing. Cinemas and theatres are emptier and quieter spaces outside performance times. However, they can be very animated places and draw a crowd, with people passing in and out of the foyers and auditoria. Thus, the heritage benefit of a mixed use is limited. The mural would likely be of interest, but in a building that would be devoid of surviving historic internal spaces and features, the benefit would again be limited.
86. In terms of non-heritage public benefits, LP2021 Policy E10 encourages new hotels in the Central Activities Zone (CAZ) that covers the West End. However, it has not been demonstrated that the hotel would meet an identified need. The mix of uses would be compatible within the CAZ, but the same would apply to a sole cinema or theatre use. Nonetheless, there would be a reasonable level of economic benefits from the proposal in terms of additional visitor expenditure and employment including apprenticeships and work placements via the S106.
87. While the proposed cinema itself might be of high quality, it would lack the presence of the existing facility and would not be a suitable replacement as set out above. This limits any weight to the benefit of a new cinema. The building would have more active frontages than existing with the insertion of large windows at the side and rear. However, the principal Shaftesbury Avenue frontage would remain largely unchanged with a similar size and location of the main entrance. Limited weight can be attributed to this benefit. No new public entrances or routes through the building from one side to the other would be created and so there would be little benefit in terms of permeability.
88. The public realm enhancements would provide some minor localised benefit around the site. The access and servicing arrangements would accommodate a greater number of delivery vehicles rather than address any existing problems. Thus, the arrangements carry little weight as a benefit.
89. NPPF paragraph 196 says that securing the optimum viable use (OVU) of a designated heritage asset can count as a public benefit. Prior to the inquiry opening, the appellant withdrew from previous claims that the proposal represented the OVU of the building and simply argued that the above public benefits outweighed any harm. Other main parties, particularly the Council and TT, argued that OVU was a relevant matter. Their contention was that theatre or cinema use represented the OVU as an economically viable use and the one likely to cause the least harm to the significance of the heritage asset (in line with the Planning Practice Guidance<sup>4</sup>).
90. None of the parties argue that the proposal is the OVU and I have no reason to take a different view. Thus, the concept of securing the building's OVU plainly cannot count as a public benefit in the heritage balance for this proposal. The fact that the proposal is not the OVU does not diminish the weight I have afforded to the heritage benefits on this occasion either.

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<sup>4</sup> Reference ID: 18a-015-20190723

91. The proposal would deliver significant heritage-related benefits, a reasonable level of economic-related benefits and limited other benefits. Set against the no greater than moderate harm to the conservation areas, these public benefits would be sufficient to outweigh the harm to these particular heritage assets. However, the proposal would result in a considerable amount of (less than substantial) harm to the listed building through the change of use (including loss of fabric) and significant levels of (less than substantial) harm to the listed building through the rooftop extension. The harm carries greater weight than the public benefits and so clear and convincing justification for the harm has not been provided. The proposal would not preserve the listed building, which is a finding that carries considerable importance and weight in my decision.
92. Concluding on the heritage balance, while the proposal would have an overall acceptable effect on the significance of Seven Dials and Denmark Street Conservation Areas, it would not preserve the listed building. It would result in harm to the significance of the listed building that would not be outweighed by the public benefits. Therefore, the proposal would be contrary to CLP Policies D1 and D2. It would also conflict with NPPF paragraphs 193, 194 and 196, and Sections 16(2) and 66(1) of the LBCA Act.

#### *The planning balance*

93. The proposal would have not have an unacceptable effect on the biodiversity of Phoenix Garden and, assuming the S106 is effective, it would also make adequate provision to address effects on the local highway network, energy efficiency and climate change, and local employment, training and skills. The overall effect on neighbouring occupiers and the users of Phoenix Garden would be acceptable, although there would be some specific adverse effects.
94. However, the proposal would have a negative effect on heritage assets, specifically the listed building, and would also have a negative effect on the provision of cultural and leisure facilities. The proposal would conflict with CLP Policies D1, D2 and C3, and LP2021 Policies HC5 and HC6. Considerable weight can be afforded to this conflict given the extent of negative effects.
95. The benefits as set out above would be insufficient to outweigh this conflict and the negative effects. There are no other material considerations that indicate that planning permission should be granted in Appeal A. The proposal would not preserve the listed building or features of special architectural or historic interest which it possesses. As a consequence, this also indicates that listed building consent should not be granted in Appeal B.

#### **Conclusions**

96. For the above reasons, and having had regard to all other matters raised, I conclude that both appeals should be dismissed.

*Tom Gilbert-Wooldridge*

INSPECTOR

## **APPEARANCES**

### **FOR THE APPELLANT**

Christopher Katkowski QC and Kate Olley of Counsel, instructed by Asserson Law.

They called:

Laurie Handcock MA (Cantab) MSc IHBC	Director, Icen Projects
James Dilley BA (Hons) BArch RIBA ARB	Director, Jestico + Whites
Anna Snow BA MPhil MRTPI	Director, Icen Projects

#### *Other participants*

Patricia Holden MSc MCIEEM	Director, Syntegra Consulting
Yunok Choi	Syntegra Consulting
Justin Bolton	Director, Point 2 Surveyors Limited
Mike England	Director, Icen Projects
James Kon	Senior Associate, Asserson Law

### **FOR THE LOCAL PLANNING AUTHORITY**

Sasha Blackmore of Counsel, instructed by the solicitor of the London Borough of Camden (LBC).

She called:

Andrew Jones BSc MRICS	Director, BPS
Dr David Wilmore BSc	Director, Theatresearch Ltd
Colette Hatton BA (Hons) PG Cert	Conservation Officer, LBC
Laura Hazelton BSc (Hons) MA	Senior Planning Officer, LBC

#### *Other participants*

Steven Cardno	Highways, LBC
Pritej Mistry	Planning Lawyer, LBC

### **FOR THEATRES TRUST (TT)**

Stephanie Hall of Counsel, instructed by TT.

She called:

Tom Clarke MRTPI	National Planning Adviser, TT
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#### FOR COVENT GARDEN COMMUNITY ASSOCIATION (CGCA)

Amanda Rigby Vice Chair of CGCA

She called:

Paul Velluet BA (Hons) BArch (Hons) MLitt RIBA IHBC, Chartered Architect

Jane Palm-Gold Artist, curator and local historian

David Kaner Consultant and member of CGCA

Elizabeth Bax Local resident and chair of CGCA's Planning Subcommittee

Ashtar Al Khirsan Local resident

Nancy Hearn Local resident

Sanam Khan Local resident

Sharaz Khan Local resident

Garrard Knowles Local resident

Chris Baker Local resident

#### FOR PHOENIX GARDEN

Cllr Sue Vincent Local ward councillor

Spencer Noll Local resident

Leah Ashton-Hurst Duty Manager, Phoenix Garden

#### INTERESTED PARTIES WHO SPOKE AT THE INQUIRY

Margaret Crowe Chairperson of the Odhams Walk Resident Management Ltd

David Bieda Local resident and member of CGCA

Jo Weir Local resident and chair of CGCA

Tim Lord Soho Society

Jim Monahan Local resident and member of CGCA

## **INQUIRY DOCUMENTS**

- ID1 Appellant's opening submissions
- ID2 Council's opening submissions
- ID3 TT's opening submissions
- ID4 CGCA's opening submissions
- ID5 Phoenix Garden's opening submissions
- ID6 CGCA response to appellant's transport rebuttal
- ID7 Letter from Fiery Angel theatre producers
- ID8 Additional notes to Phoenix Garden's opening submissions
- ID9 Statement by Margaret Crowe
- ID10 Planning decision notice dated 7 October 1970 for alteration to elevations of Saville Theatre in connection with use as twin cinema
- ID11 Mural photos of Saville Theatre
- ID12 Drawing 2812-JW-303 P01 showing area of roof balcony not accessible to the public
- ID13 High Court judgment *Forge Field Society v Sevenoaks DC* [2014] EWHC 1895 (Admin)
- ID14 High Court judgment *Gibson v Waverley Borough Council* [2012] EWHC 1472 (Admin)
- ID15 High Court judgment *Gibson v Waverley Borough Council* [2015] EWHC 3784 (Admin)
- ID16 High Court judgment *Pugh v SSCLG* [2015] EWHC 3 (Admin)
- ID17 Extract from Historic England's (HE) website on The National Heritage List for England
- ID18 Extract from HE's website on Listed Buildings Identification and Extent
- ID19 HE's Good Practice Advice Note 4: Enabling Development and Heritage Assets
- ID20 Clarification note from Point 2 Surveyors on light effects to Phoenix Garden
- ID21 Email from appellant dated 3 December 2020 providing BRE paragraph reference
- ID22 Appellant's legal submissions including those relating to ID13 to ID16
- ID23 HE's Listing Selection Guide for Culture and Entertainment Buildings
- ID24 Council's response to appellant's legal submissions in ID22
- ID25 Clarification note from Point 2 Surveyors identifying the specific windows that would experience reduction in Vertical Sky Component in excess of 20% of former value
- ID26 Signed version of Alastair Crockett's statement (Senior Urban Designer LBC)
- ID27 Correspondence between the Council and HE from 30 March to 3 December 2020 regarding the review of the list description
- ID28 Appellant's note on Optimum Viable Use (following ID22 and ID24)

- ID29 CGCA response to ID20 on light effects to Phoenix Garden
- ID30 Denmark Street Conservation Area Map
- ID31 Seven Dials Conservation Area Map
- ID32 Letter from Council dated 4 May 2020 in response to the appellant's report on additional information on internal fabric
- ID33 Drawing extracts from the Construction Method Statement and Basement Impact Assessment report by Price & Myers
- ID34 Note from Council on listing selection guide (ID23)
- ID35 Response from Syntegra to ID29
- ID36 Appellant's response to Council's note (ID34)
- ID37 Correspondence from the main parties on viability matters, between 17 and 30 November 2020
- ID38 Note from the Council on Odeon's relocation plans and the Odeon lease
- ID39 Note from the Council containing extracts from the Odeon lease and email correspondence with Westminster City Council
- ID40 Statement from Haim Danous dated 23 December 2020
- ID41 Statement from David Seal dated 23 December 2020
- ID42 Further draft Section 106 agreement as of 23 December 2020
- ID43 Proposed amendments and additions from CGCA to (A) the draft planning conditions and (B) the Section 106 agreement
- ID44 Proposed additional condition from TT
- ID45 Comments from the Council dated 4 January 2021 on the draft Section 106 agreement, including appeal decision APP/V5570/W/19/3227138
- ID46 Email from Duncan Reynolds (Group Director and Real Estate Director for Odeon Cinemas Group) dated 2 January 2021
- ID47 Undated letter from Roger Harris (former Chief Operating Officer of Odeon)
- ID48 Phoenix Garden's closing statement
- ID49 CGCA's closing statement
- ID50 TT's closing submissions
- ID51 Council's closing submissions
- ID52 Appellant's closing submissions

## **DOCUMENTS RECEIVED AFTER THE INQUIRY CLOSED**

1. Responses and final comments to costs applications from the appellant and the Council
2. Completed and executed Section 106 agreement
3. Position statements from the appellant, the Council and CGCA on the S106
4. Responses from the parties on the London Plan 2021

## APPENDIX B - GLA Stage 1 Report (original submission)



# Former Saville Theatre, 135-149 Shaftesbury Avenue

Local Planning Authority: Camden

Local Planning Authority reference: 2024/0993/P

## Strategic planning application stage 1 referral

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008.

## The proposal

Part demolition, restoration and refurbishment of the existing Grade II listed building, including a roof extension and excavation of basement space, to provide (i) a theatre at lower levels (ii) restaurant / bar space at ground floor level, and (iii) a hotel at upper levels, together with other associated works.

## The applicant

The applicant is **YC Saville Theatre Limited**, and the architect is **SPPARC**.

## Strategic issues summary

**Land use principles:** London Plan policies support the principle of a theatre use at this West End site, within a historic theatre building. The proposed hotel use would also support the strategic functions of the Central Activities Zone.

**Urban design:** The scale and form of the proposed upwards extension raises serious concerns. GLA Officers consider that it fails to respect or relate well to the scale and character of the existing building and would dominate the local townscape and street scene to an inappropriate extent.

**Heritage:** GLA Officers have identified a high degree of less than substantial direct harm to the listed building, as well as less than substantial harm (in the low to middle end of the range) to the setting of adjacent conservation areas and listed buildings.

**Climate change and sustainable development:** Improvements to the energy strategy are required, including the carbon savings achieved on site. Further work is also required to the Circular Economy Statement and Whole Life Cycle Carbon Assessment.

Other issues relating to **Transport** also require resolution prior to the Mayor's decision making stage.

## Recommendation

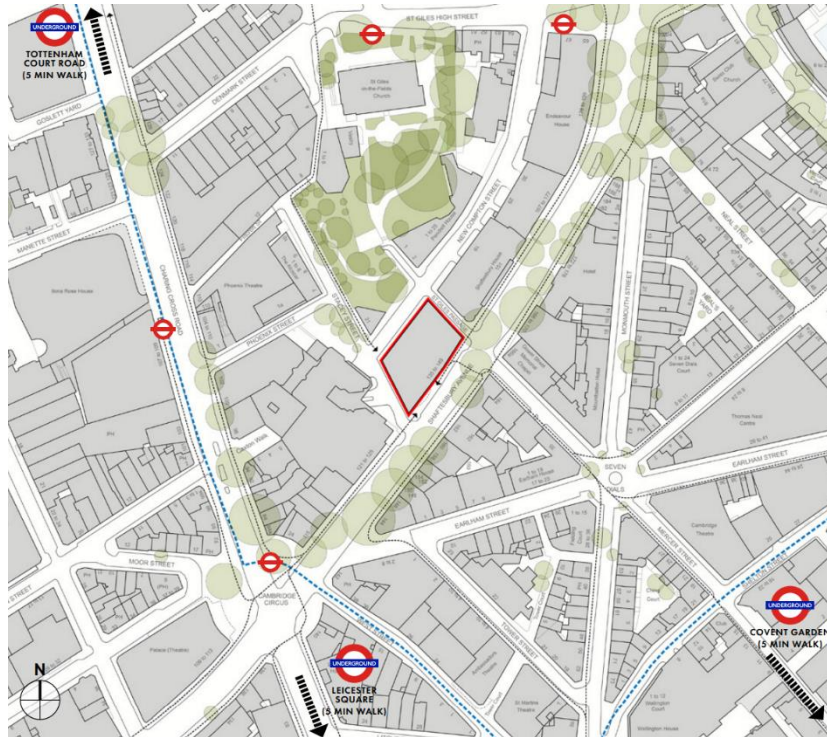
That Camden Council be advised that the application does not comply with the London Plan for the reasons set out in paragraph 49.

## Context

1. On 21 March 2024 the Mayor of London received documents from Camden Council notifying him of a planning application of potential strategic importance to develop the above site for the above uses. Under the provisions of The Town & Country Planning (Mayor of London) Order 2008, the Mayor must provide the Council with a statement setting out whether he considers that the application complies with the London Plan, and his reasons for taking that view. The Mayor may also provide other comments. This report sets out information for the Mayor's use in deciding what decision to make.
2. The application is referable under the following Category/categories of the Schedule to the Order 2008:
  - Category 1C (c) The building is more than 30 metres high and is outside the City of London.
3. Once Camden Council has resolved to determine the application, it is required to refer it back to the Mayor for his decision as to whether to direct refusal; take it over for his own determination; or, allow the Council to determine it itself.
4. The Mayor of London's statement on this case will be made available on the GLA's public register: <https://planapps.london.gov.uk/>

## Site description

5. The application relates to a historic former theatre building on the northern side of Shaftesbury Avenue, east of Cambridge Circus. The building is Grade II listed and dates from 1930-1, with a brick-and-stucco architecture highly reminiscent of the art deco styles of the period. The original theatre use ceased in the 1960s, after which the building was used as a live music venue before being converted into a two-screen cinema in 1970. In 2001, it underwent further internal remodelling to become a four screen cinema, which continues to the present day.
6. The building is neighboured to the west and south by office buildings, to the east by a block of flats, and to the rear by the Phoenix community garden. The site is not within a conservation area but is adjoined by the Denmark Street Conservation Area to the north and the Seven Dials Conservation Area to the south. The location benefits from the highest level of public transport accessibility (PTAL 6b) reflecting its central location.



*Figure 1 site location.*

## Details of this proposal

7. The proposal would introduce new theatre alongside a hotel. The development would comprise an extended four-storey basement to accommodate the theatre's auditorium and back-of-house facilities, whilst an upward extension of six storeys would accommodate the hotel. In addition, the listed building would be extensively reconfigured internally, creating a large front-of-house space with a theatre lobby, box office, retail space and bar and restaurant at ground floor level.



*Figure 2 proposed elevations*

## Case history

8. Pre-application meetings were held with GLA Officers on 21 November 2023 and 20 March 2024. Officers advised that whilst the applicant's ambitions to bring a theatre use back to this site were supported, serious concerns remained about the scale and design of the proposed extension and its impact on heritage assets and the local townscape. The proposal has not been changed since the March pre-application meeting and so these concerns remain and are discussed in more detail in this report.
9. A previous planning application (LPA Refs. 2017/7051/P and 2018/0037/L) was refused by Camden Council and subsequently dismissed at an appeal following a Public Inquiry which was held in December 2020. The development was for a two-storey roof extension and new basement in connection with the building's use as a cinema, spa, restaurant/bar, and 94-bed hotel.

## Strategic planning issues and relevant policies and guidance

10. For the purposes of Section 38(6) of the Planning and Compulsory Purchase Act 2004, the development plan in force for the area comprises the Camden Local Plan 2017 and the London Plan 2021.
11. The following are also relevant material considerations:
  - The National Planning Policy Framework and National Planning Practice Guidance;
  - National design guide.
12. The relevant issues, corresponding strategic policies and guidance (supplementary planning guidance (SPG) and London Plan guidance (LPG)), are as follows:
  - Good Growth - London Plan;
  - Central Activities Zone - London Plan;
  - Urban design - London Plan; Character and Context SPG; Public London Charter LPG; Characterisation and Growth Strategy LPG; Optimising Site Capacity: A Design-Led Approach LPG;
  - Heritage - London Plan;
  - Inclusive access - London Plan; Accessible London: achieving an inclusive environment SPG; Public London Charter LPG
  - Sustainable development - London Plan; Circular Economy Statements LPG; Whole-life Carbon Assessments LPG; 'Be Seen' Energy Monitoring Guidance LPG; Energy Planning Guidance 2022; Mayor's Environment Strategy;

- Transport and parking - London Plan; the Mayor's Transport Strategy;
- Culture - London Plan; Mayor's Cultural Strategy;

## Land use principles

13. A new theatre and hotel would both support the strategic function of the Central Activities Zone (CAZ) in accordance with London Plan Policy SD4. GLA Officers remain supportive of the applicant's ambition to bring a new theatre to this West End location in principle, however, there are serious concerns about the design, townscape and heritage impacts of the development as currently proposed.

## Urban design

14. Chapter 3 of the London Plan sets out key urban design principles to guide development in London. London Plan Policy D3 seeks to ensure that development optimises site capacity; is of an appropriate form and scale; responds to local character; achieves the highest standards of architecture, sustainability and inclusive design; enhances the public realm; provides for green infrastructure; and respects the historic environment.
15. Policy D4 sets out that development proposals referable to the Mayor must have undergone at least one design review early on in their preparation before a planning application is made or demonstrate that they have undergone a local borough process of design scrutiny.
16. The proposal was presented to the Camden Design Review Panel on 10 November 2023, satisfying the requirement in London Plan Policy D4. The panel supported the principle of bringing the building back into theatre use but considered that the design required reassessment and further development to ensure the quality required for redeveloping a listed building. The panel was concerned that the proposed massing could have a negative impact on The Phoenix Garden to the rear, and asked that options to mitigate the impact (such as stepping back) are considered.

## Scale and massing

17. The proposed development would not appear to meet the criteria for a 'tall building' according to the Camden Local Plan, which defines tall buildings as those twice the prevailing context height, or those which would result in a significant change to the skyline. As such London Plan Policy D9 does not apply in this case.
18. Nevertheless, the scale and form of the proposed roof extension gives serious cause for concern in terms of how it sits with its neighbours but more particularly in terms of how it relates to the existing (listed) building. Contrary to London Plan Policy D3, GLA Officers consider that the extension fails to respect or relate well to the scale and character of the existing building and would dominate the local townscape and street scene to an inappropriate extent. GLA Officers consider that any upward extension should be of a noticeably lesser volume than that of the existing building volume, to be considered appropriately scaled.

## Architecture and materials

19. The façade of the extension is complex and busy, with different angles and modules of zigzag glazing proposed. GLA Officers do not consider that this works successfully with the existing building façade which is extremely restrained and has a very high degree of solidity due to its historic theatre use. The varying modules on the façade also give the building extension a ‘rounded’ appearance on the elevations presented, which appears at odds with the form of the building below. Whilst Officers are not satisfied that objections regarding scale and form could be overcome through architectural treatment alone, it is clear that the complex detailing is further contributing to the dominance of the extension and its poor relationship with the existing building.

## Fire safety

20. In accordance with London Plan Policy D12, a Fire Statement has been submitted with the application, prepared by a suitably qualified fire engineer. The building is more than 18 metres high and the upper floors, comprising the hotel element, would be provided with two escape staircases. The building is also to be provided with one fire evacuation lift in the theatre portion of the building, and one in the hotel portion.

## **Heritage**

21. London Plan Policy HC1 requires development proposals to conserve significance by being sympathetic to the assets’ significance and appreciation within their surroundings and avoid harm and identify enhancement opportunities by integrating heritage considerations early in the design process.
22. London Plan Policy D3 requires development proposals to respond to the existing character of a place and respect, enhance and utilise the heritage assets that contribute towards local character.
23. The NPPF states that when considering the impact of the proposal on the significance of a heritage asset, great weight should be given to the asset's conservation and the more important the asset, the greater the weight should be. In weighing applications that affect non-designated heritage assets, a balanced judgement is required having regard to the scale of any harm or loss and the significance of the heritage asset. Any harm is required to be weighed against the public benefits of the proposal.

## *Significance of the building and area*

24. The site is not located within a conservation area but adjoins the Denmark Street Conservation Area and the Seven Dials Conservation Area. The existing building is Grade II listed and was built as a theatre in 1930-1. The external elevations, including sculptural frieze and roundels, are generally as built but the building has undergone at least three rounds of major internal alteration. The listing description states that, of the original interiors, only some peripheral and service areas survive from 1931 including some structural elements, stairs, corridors, some basement areas, the fly tower and suspension grid. Although it



is a particularly notable feature, a sole focus on the significance of the Gilbert Bayes frieze and roundels would not be correct; the fact that the listing of the whole building was confirmed in a recent Historic England listing review reflects the remaining interest of the building as an early 1930s building and the wider architectural and historic interest which it retains.

#### *Direct heritage impacts*

25. The application contains further information on the condition of the building and its structural issues, including Regents Street Disease. It is accepted that repairs are needed, although the scale and urgency of the repairs appears to be relatively moderate. Although a Condition Survey and Schedule of Works are provided, there are no costings at this stage. While the repair of a listed building is a potential heritage benefit, without costings it is difficult to make a judgement on whether there is a clear relationship between the cost of the repairs required and the quantum of development proposed. That said, as a matter of principle the justification for the harmful scale of development proposed could not rest on the cost of repair alone.
26. The entire remaining interiors and interior structure of the building is proposed to be demolished along with the rear wall. The listed building would therefore be reduced to a three-sided shell. The last remaining theatre elements from 1931 (along with a 1970s basement bar) will be lost and whilst these are fragmentary, they do collectively contribute to significance. GLA Officers consider that this causes harm to the listed building.
27. Furthermore, while some structural information has been provided, it is not considered to be sufficiently detailed to provide reassurance that the proposed risky and highly intrusive works could be undertaken without additional harm to the structural integrity of the building.
28. The proposed hotel use results in the opening of new windows in both the side and the rear facades, as well as new ground level doors to the front elevation. The provision of new windows in a theatre is considered to be uncharacteristic and therefore harmful to some degree.
29. The scale and form of the proposed roof extension lends it the appearance of a 'building on top of a building' and this is considered to be a fundamentally flawed approach in heritage terms. The roof extension dwarfs the historic building and is wholly out of scale and overwhelming, failing to be subservient and detracting from the prominence of the listed building in the view. The proposed roof extension is also harmful to views within nearby conservation areas (see table below) since the building appears incongruously out of scale with the historic setting.
30. In summary, there are very serious conservation concerns about the proposals, which are considered overall to cause a very high level of less than substantial direct harm.
31. In terms of heritage benefits, these are stated to include:

- The re-provision of a theatre use. While this may be a public benefit, it is not considered to be a heritage benefit because the use is proposed in a new basement space, without reinstatement or reuse of any historic theatre elements. The reinstatement of the historic use is only a public benefit if it brings historic fabric intended for theatre use back into use and therefore more likely to be conserved for the future. In this case the proposed theatre use involves harmful works, including the façade retention and basement excavation.
- Structural and repair works to the existing fabric and cleaning and repair of the Bayes frieze and roundels. These works are the minimum which any reasonable listed building owner would be expected to undertake. In the absence of cost information, it is difficult to make a judgement on whether there is a clear relationship between the cost of the repairs required and the quantum of development proposed.

### *Indirect impacts*

32. GLA Officers consider that the following levels of indirect heritage harm are caused by the proposed development (in all cases, the assessment is based on the cumulative scenario). The scale used for less than substantial harm is very low, low, low to middle, middle, middle to high, high and very high.

<b>Table of indirect (setting) impacts</b>			
<b>Heritage asset</b>	<b>Category of harm</b>	<b>Extent of harm</b>	<b>View reference</b>
Church of St Giles in the Fields, listed Grade I and associated lych gate, Vestry Room, listed Grade II;	Less than substantial	Low	DAS Views 8 and 10 and HTVIA Figure 9.1
Palace Theatre, listed Grade II;	No harm	No harm	DAS View 1
Elms Lester Painting Rooms, 1-5 Flitcroft Street, listed Grade II;	Less than substantial	Low	DAS View 8 and HTVIA Figure 9.1
Denmark Street Conservation Area (LBC), adjacent to the north;	Less than substantial	Low to middle	DAS Views 5, 6, 7, 8, 10
Seven Dials (Covent Garden) Conservation Area (LBC), adjacent to the south;	Less than substantial	Low	DAS Views 1, 2, 3, 4, 9 and HTVIA Figures 9.2 and 9.3

### *Conservation conclusions*

33. The proposals do not comply with London Plan Policy HC1 which requires heritage harm to be mitigated or avoided in the first instance. NPPF Paragraph 208 states that “where a development proposal will lead to less than substantial

harm to the significance of a heritage asset, this harm should be outweighed against the public benefits of the proposal...". At this stage, the public benefits stated by the applicant in the Planning Statement include:

- Environmental benefits such as a package of landscaping and urban greening measures; improvements to the quality of the public realm around the site; optimisation of a previously developed site; and promoting sustainable travel to the site through delivery of new cycle parking;
  - Social benefits including education partnerships with Cirque du Soleil, local schools and performing arts organisations; discounted and free theatre tickets for local residents; free resident access to hotel communal areas; and partnerships with local artists to feature in the hotels;
  - Economic benefits including investment in the building and the growth of creative and cultural industries in the CAZ; jobs created during construction and operation; wider benefits for complementary businesses in the local area.
34. Even if the full public benefits package was robustly secured within the S106 agreement, GLA Officers are of the initial view that many of the environmental benefits are required to achieve a basic level of planning policy compliance and can be given only limited weight as public benefits. The social and economic public benefits would be given greater weight if secured, however GLA Officers are of the initial view that they would be insufficient to outweigh the high degree of less than substantial direct harm which has been identified. A final conclusion on this matter would be made at the Mayor's decision-making stage.

## **Transport**

### Healthy Streets

35. The previously requested night-time ATZ does not appear to have been provided. This must be provided as customers and staff will be travelling late in the day. The daytime ATZ assessment has identified potential improvements to footways, street clutter and street lighting have been identified. Contributions towards these or S278 works in kind as appropriate would be supported.

### Trip Generation and Public Transport Impact

36. Officers have been unable to replicate the presented trip generation from the information provided and there are errors in the methodology and information presented. Until this is addressed, the Transport Assessment does not comply with the requirements of London Plan Policy T4. Further work is required to enable a robust impact assessment to be undertaken.

### Cycle Parking and Cycle Hire

37. Further work is required to demonstrate compliance with Policy T5 Cycling and LCDS requirements. A contribution towards the expansion of existing (or new)

cycle hire facilities is likely to be sought, and TfL is keen to work with the Council to deliver a new facility in the vicinity.

### Car Parking

38. While the car free nature of the proposals is welcomed, blue badge parking proposals are required to comply with policy T6.5.

### Deliveries and Servicing

39. There are a number of issues with the proposed servicing strategy in terms of the number of entrances and internal movements. TfL would like to see servicing arrangements redesigned around a single entrance on New Compton Street, a combined loading and bin collection area and an internal corridor to the hotel goods lift. Opportunities for consolidation should be actively investigated with the aim of reducing the overall number of vehicles needing to access the site.

### **Construction**

40. A construction Management Plan has been prepared and should be secured by condition.

### **Energy Strategy**

41. The London Plan requires all major developments to meet a net-zero carbon target. Reductions in carbon emissions beyond Part L of the 2021 Building Regulations should be met on-site. Only where it is clearly demonstrated that the zero-carbon target cannot be fully achieved on-site may a contribution to a carbon offset fund or reductions provided off-site be considered.
42. An Energy Statement has been submitted with the application, which does not yet fully comply with London Plan policies SI2, SI3 and SI4. The energy strategy should be further refined, with additional evidence supplied to confirm compliance. Full details have been provided to the Council and the applicant in a technical memo which should be responded to in full. Outstanding requirements include:
- Be Lean: Further exploration of energy efficiency measures for the non-domestic element and submission of full BRUKL reports;
  - Managing Heat Risk: Further details to demonstrate the cooling hierarchy has been followed;
  - Be Clean: Further exploration of DHN potential and energy strategy to be futureproofed for connection to a future DHN;
  - Be Green: Demonstration that renewable energy has been maximised, including roof layouts showing the extent of PV provision and details of the proposed air source heat pumps;

- Be Seen: Confirmation of compliance with this element of policy, with compliance to be secured within the S106 agreement;
  - Energy infrastructure: Further details and justification of the energy strategy and the design of the DHN is required, and the future connection to a network must be secured by condition or obligation.
43. The development is estimated to achieve a 28% reduction in CO2 emissions compared to 2021 Building Regulations. The development falls short of the net-zero carbon target and does not meet the minimum 35% carbon reductions on site required by Policy SI2. The carbon savings should be improved. Once the on-site carbon savings have been maximised, a carbon offset payment is required to be secured. This should be calculated based on a net-zero carbon target using the GLA's recommended carbon offset price. The draft S106 agreement should be submitted when available to evidence the agreement with the borough.

#### Whole Life-cycle Carbon

44. In accordance with London Plan Policy SI2 the applicant is required to calculate and reduce whole life-cycle carbon (WLC) emissions to fully capture the development's carbon footprint. The applicant has submitted a written whole life-cycle carbon assessment but has not yet provided a completed GLA template assessment. This must be done to allow a full assessment of the level of compliance with the GLA WLC guidance and London Plan Policy SI2.

#### Circular Economy

45. London Plan Policy D3 requires development proposals to integrate circular economy principles as part of the design process. London Plan Policy SI7 requires development applications that are referable to the Mayor of London to submit a Circular Economy Statement, following the Circular Economy Statements LPG. The applicant has submitted a Circular Economy Statement in accordance with the GLA guidance. The Circular Economy Statement does not yet fully comply with London Plan Policy SI7. Further information is required to demonstrate how the proposals respond to the Circular Economy design principles, and commitments to GLA policy targets. The proposals include a degree of in-situ retention of the listed building façade, but it has not yet been sufficiently justified that retention has been prioritised and maximised.

### **Local planning authority's position**

46. Camden Council planning officers are currently assessing the application. In due course the Council will formally consider the application at a planning committee meeting.

## Legal considerations

47. Under the arrangements set out in Article 4 of the Town and Country Planning (Mayor of London) Order 2008 the Mayor is required to provide the local planning authority with a statement setting out whether he considers that the application complies with the London Plan, and his reasons for taking that view. Unless notified otherwise by the Mayor, the Council must consult the Mayor again under Article 5 of the Order if it subsequently resolves to make a draft decision on the application, in order that the Mayor may decide whether to allow the draft decision to proceed unchanged; or, direct the Council under Article 6 of the Order to refuse the application; or, issue a direction under Article 7 of the Order that he is to act as the local planning authority for the purpose of determining the application (and any connected application). There is no obligation at this stage for the Mayor to indicate his intentions regarding a possible direction, and no such decision should be inferred from the Mayor's statement and comments.

## Financial considerations

48. There are no financial considerations at this stage.

## Conclusion

49. London Plan policies on land use, urban design, heritage, transport and sustainable development are relevant to this application. The application does not comply with the London Plan as summarised below:

- **Land use principles:** London Plan policies support the principle of a theatre use at this West End site, within a historic theatre building. The proposed hotel use would also support the strategic functions of the Central Activities Zone.
- **Urban design:** The scale and form of the proposed upwards extension raises serious concerns. GLA Officers consider that it fails to respect or relate well to the scale and character of the existing building and would dominate the local townscape and street scene to an inappropriate extent.
- **Heritage:** GLA Officers have identified a high degree of less than substantial direct harm to the listed building, as well as a moderate degree of less than substantial harm to the setting of adjacent conservation areas and listed buildings.
- **Climate change and sustainable development:** Improvements to the energy strategy are required, including the carbon savings achieved on site. Further work is also required to the Circular Economy Statement and Whole Life Cycle Carbon Assessment.
- Other issues relating to **Transport** also require resolution prior to the Mayor's decision making stage.

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We are committed to being anti-racist, planning for a diverse and inclusive London  
and engaging all communities in shaping their city.



## APPENDIX C – GLA Stage 1 Report (revised submission)

## Former Saville Theatre, 135-149 Shaftesbury Avenue

Local Planning Authority: Camden

Local Planning Authority reference: 2024/0993/P

### Strategic planning application stage 1 referral

Town & Country Planning Act 1990 (as amended); Greater London Authority Acts 1999 and 2007; Town & Country Planning (Mayor of London) Order 2008.

### The proposal

Part demolition, restoration and refurbishment of the existing Grade II listed building, roof extension, and excavation of basement space, to provide a theatre at lower levels, with ancillary restaurant / bar space (Sui Generis) at ground floor level; and hotel (Class C1) at upper levels.

### The applicant

The applicant is **YC Saville Theatre Limited**, and the architect is **SPPARC**.

### Strategic issues summary

**Land use principles:** The reinstated theatre would respond positively to London Plan policies which seek to promote and enhance London's cultural offering and visitor attractions. As such, this use is strongly supported by GLA Officers. The hotel use is in line with the strategic function of the CAZ and is supported.

**Urban design:** The height and scale of the proposed upwards extension has been reduced by 8.36 metres from the submitted scheme and the scale of the extension would now be similar in height to that of the existing building form. The proposal would provide an improved interface to Shaftesbury Avenue.

**Heritage:** GLA Officers have identified a high degree of less than substantial direct harm to the listed building, as well as a very low degree of less than substantial harm to the setting of adjacent conservation areas and listed buildings.

Other issues relating to **transport, sustainable development, and environment** also require resolution prior to the Mayor's decision making stage.

### Recommendation

That Camden Council be advised that the application does not fully comply with the London Plan for the reasons set out in paragraph 68.

## Context

1. On 21 March 2024 the Mayor of London received documents from Camden Council notifying him of a planning application of potential strategic importance to develop the above site for the above uses. The application is referable under the following Category/categories of the Schedule to the Order 2008:
  - **Category 1C (c):** The building is more than 30 metres high and is outside the City of London.
2. On 29 April 2024 the Deputy Mayor, acting under delegated authority considered the planning report (link to report [here](#))<sup>1</sup> and subsequently advised the Camden Council that the application did not comply with the London Plan for the reasons set out in paragraph 49 of the 29 April 2024 report.
3. On 21 February 2025, the Mayor received documents from Camden Council notifying him of a full resubmission package to the application including amendments to the scheme, as described in this report.
4. The purpose of this update report, which should be read in conjunction with the previously issued planning report GLA/2024/0159 (dated 29 April 2024), is for the Mayor to consider the amendments made and provide Camden Council with an updated statement setting out whether he considers that the application as amended complies with the London Plan, and his reasons for taking that view. The Mayor may also provide other comments. This report sets out information for the Mayor's use in deciding what decision to make.
5. Once Camden Council has resolved to determine the application, it is required to refer it back to the Mayor for his decision as to whether to direct refusal; take it over for his own determination; or, allow the Council to determine it itself.
6. The Mayor of London's statement of case will be made available on the GLA's public register: <https://planning.london.gov.uk/pr/s/>

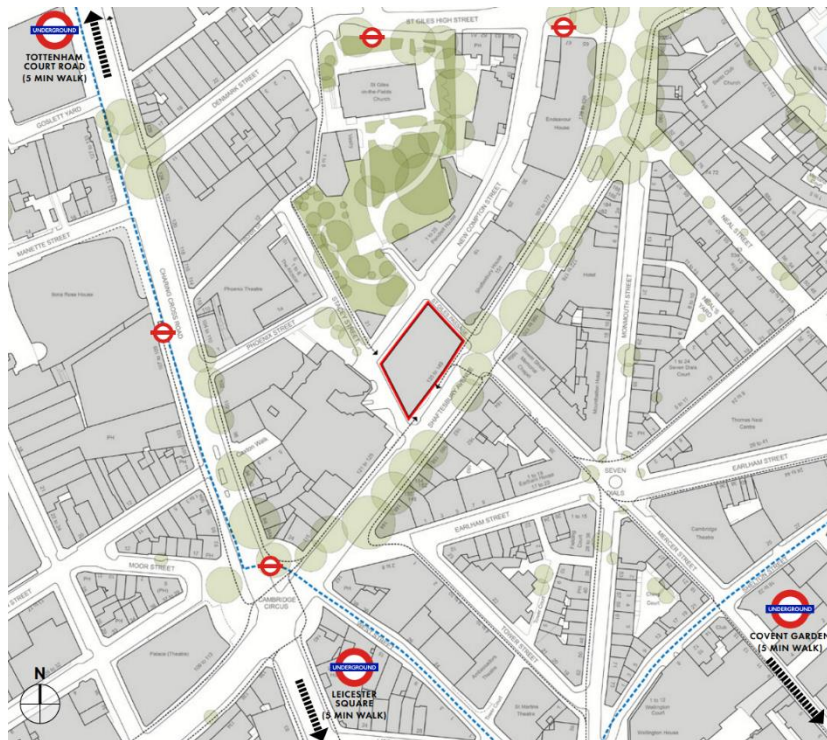
## Site description

7. The application relates to a historic former theatre building on the northern side of Shaftesbury Avenue, east of Cambridge Circus. The building is Grade II listed and dates from 1930-1, with a brick-and-stucco architecture highly reminiscent of the art deco styles of the period. The original theatre use ceased in the 1960s, after which the building was used as a live music venue before being converted into a two-screen cinema in 1970. In 2001, it underwent further internal remodelling to become a four-screen cinema, which continues to the present day.
8. The building is neighboured to the west and south by office buildings, to the east by a block of flats, and to the rear by the Phoenix community garden. The site is not within a conservation area but is adjoined by the Denmark Street

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<sup>1</sup> <https://planapps.london.gov.uk/planningapps/2024-0993-P>

Conservation Area to the north and the Seven Dials Conservation Area to the south. The location benefits from the highest level of public transport accessibility (6b according to Transport for London's methodology) reflecting its central location.



*Figure 1 site location.*

## Details of the revised proposal

9. The proposal would introduce a new theatre alongside a hotel. The development would comprise the excavation of two additional basement levels to accommodate the theatre use, whilst an upward extension of five storeys would accommodate the 211-bedroom hotel. In addition, the listed building would be extensively reconfigured internally, creating a large front-of-house space with a theatre lobby, box office, retail space and bar and restaurant at ground floor level.
10. The main amendment to the scheme relates to the roof extension, which has reduced the parapet height of the building by 8.36 metres whilst refining the design and material palette.

## Case history

11. Pre-application meetings were first held with GLA Officers on 21 November 2023 and 20 March 2024. Subsequently a planning application was submitted in March 2024. This application remains under consideration with the London Borough of Camden.
12. A GLA Stage 1 report was issued on 29 April 2024 which set out that the Deputy Mayor considered that the application did not comply with the London

Plan. Whilst the land use principle was supported, the scale and form of the proposed upward extension raised design concerns and a very high degree to loss than substantial harm was identified.

13. In late 2024, the applicant re-started pre-application discussions regarding potential refinements to the scheme. A pre-application meeting was held with GLA Officers on 3 December 2024.

## **Strategic planning issues and relevant policies and guidance**

14. For the purposes of Section 38(6) of the Planning and Compulsory Purchase Act 2004, the development plan in force for the area comprises the Camden Local Plan 2017 and the London Plan 2021.
15. The following are also relevant material considerations:
  - The National Planning Policy Framework (2024) and National Planning Practice Guidance;
  - National Design Guide (2021);
  - Relevant strategic supplementary planning guidance (SPG) and London Plan Guidance (LPG), including on design, economy, heritage and culture, and transport which can be found on the GLA's website [here](#).<sup>2</sup>

## **Land use principles**

16. The reinstatement of a theatre would further enhance the cultural offering within the West End, contributing to its ongoing commercial and economic success.
17. Objective GG5 of the London Plan aims to promote and support London's rich heritage and cultural assets, and its role as a 24-hour city. Policy E10 states that the special characteristics of major clusters of visitor attractions and heritage assets and the diversity of cultural infrastructure in all parts of London should be conserved, enhanced and promoted.
18. Furthermore, Policy HC5 encourages development proposals which:
  - support the development of new cultural venues in town centres and places with good public transport connectivity; and
  - identify, protect and enhance strategic clusters of cultural attractions.
19. Therefore, London Plan policy supports the promotion and enhancement of London's cultural assets and visitor attractions. The West End theatre district is a key cultural asset to London and this proposal would further enhance this area. As such, the reinstatement of the theatre use is strongly supported.

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<sup>2</sup> <https://www.london.gov.uk/programmes-strategies/planning/implementing-london-plan/london-plan-guidance?ac-63512=63507>

20. The new 211-bedroom hotel would also support the strategic function of the Central Activities Zone (CAZ), in accordance with Policy SD4.

#### Land use principles conclusion

21. The reinstated West End theatre would respond positively to London Plan policies which seek to promote and enhance London's cultural offering and visitor attractions. As such, this use is strongly supported by GLA Officers. The hotel use is in line with the strategic function of the CAZ and is supported.

### **Urban design**

#### Layout

22. The proposal would provide an improved interface to Shaftesbury Avenue with reintroduced openings providing access to the theatre foyer, box office, and theatre bar. Additionally, lift access is provided to the theatre space directly from Stacey Street whilst access to the hotel would occur from New Compton Street, at the rear of the site. Therefore, it is recognised that the applicant has developed a layout that best responds to the envelope of the Listed Building.

#### Height, scale, and massing

23. The height of the upward extension has been reduced by 8.36 metres from the submitted scheme which is welcomed. The proposed building would now be similar to that of the existing built form.
24. The elevation fronting Phoenix Gardens represents an improvement to the design.

#### Architecture and materials

25. A calm approach is required so the upward extension does not compete with the simple proportions and materials of the existing listed building. GLA officers query the effectiveness of the swellings in the facades as they risk competing with rather than complementing existing building features.

#### Fire safety

26. In accordance with London Plan Policy D12, a revised Fire Statement (dated 31/01/2025) has been submitted with the application, prepared by a suitably qualified fire engineer (OFR Consultants Ltd). The building is more than 18 metres high and the upper floors, comprising the hotel element, would be provided with two escape staircases. The building is also to be provided with one fire evacuation lift in the theatre portion of the building, and one in the hotel portion.

## Heritage

27. The Planning (Listed Buildings and Conservation Areas) Act 1990 imposes a statutory duty on local authorities to have special regard and attention to preserving listed buildings, including their settings, and to preserving or enhancing the character and appearance of Conservation Areas. The NPPF makes clear that when considering the impact of a scheme, any conflict with a heritage asset's conservation should be avoided or minimised. Paragraph 212 indicates that great weight should be given to a heritage asset's conservation. Harm should be clearly and convincingly justified and, if less than substantial, weighed against any public benefits.
28. London Plan Policy HC1 Heritage conservation and growth requires development proposals to conserve significance by being sympathetic to the assets' significance and appreciation within their surroundings and avoid harm and identify enhancement opportunities by integrating heritage considerations early in the design process.

### Significance

29. The existing building on site, used until recently as the Odeon Covent Garden, is listed Grade II.
30. The site is in the setting of the following designated heritage assets:
  - Church of St Giles in the Fields, listed Grade I and associated lych gate, Vestry Room, listed Grade II;
  - Palace Theatre, listed Grade II;
  - Elms Lester Painting Rooms, 1-5 Flitcroft Street, listed Grade II;
  - Denmark Street Conservation Area (LBC), adjacent to the north; and
  - Seven Dials (Covent Garden) Conservation Area (LBC), adjacent to the south.

### Direct impacts

#### *Internal changes*

31. The entire remaining interiors and interior structure of the building are proposed to be demolished, along with the rear wall (to be re-erected as a replica with additional windows). This is harmful since the last remaining internal theatre elements from 1931 would be lost. These consist of three secondary and altered staircases, various altered dressing rooms and offices to the rear and the flytower and its contents (including some theatrical machinery). While these are fragmentary, they do collectively contribute something to significance. There are some outline proposals for retention and display of elements of the theatrical machinery and this might be an appropriate mitigation for these elements. The proposed basement would take in (and remove) the existing vaults behind the former stage (north elevation, beneath the pavement); this loss of historic fabric also causes harm. Overall, the loss of the remaining interior elements is considered to cause less than substantial harm at a low level.



### *External changes*

32. The proposals include the removal of most of the rear wall to provide access for the substantial works to provide the proposed new basement theatre. The rear elevation, currently predominantly blank to the southwest, is proposed to be reconstructed with multiple windows for the hotel use. The additional windows here are justified on the basis that these originally existed. In addition, punctuations for additional windows are proposed on the northeast and southwest elevations. The insertion of new windows is considered to cause harm to its character.

### *Extension on the roof*

33. The proposed roof extension is five storeys (plus plant) in height. It is noted that the proposals have been revised since the 2024 submission, with a redesign of the roof extension and a reduction in the proposed total height by 8.36m. The façade retention of the outside wall of the fly tower is now proposed to the rear and north elevation and this is an improvement to the scheme. The extent of direct harm is reduced by these changes.
34. The proposed form which extends as far as, and sometimes beyond, the façade line of the listed building below has the potential to compete with the listed building below.

### *Conclusion on direct harms*

35. The proposals are considered overall to cause a high level of less than substantial harm to the significance of the listed building.

### Indirect harm

36. The reduction in height of the proposed roof extension results in a reduced extent of harm (relative to our previous Stage 1) to the settings of all nearby heritage assets, as outlined in the table below.

*Table 1: Table of indirect (setting) impacts*

<b>Table of indirect (setting) impacts</b>			
<b>Designated heritage asset</b>	<b>Category of harm</b>	<b>Extent of harm</b>	<b>View reference</b>
Church of St Giles in the Fields, listed Grade I and associated lych gate, Vestry Room, listed Grade II;	Less than substantial	Very low	DAS Views 8 and 11 and HTVIA Figure 9.1
Palace Theatre, listed Grade II;	No harm	No harm	DAS View 1
Elms Lester Painting Rooms, 1-5 Flitcroft Street, listed Grade II;	Less than substantial	Very low	DAS View 8 and HTVIA Figure 9.1
Denmark Street Conservation Area (LBC), adjacent to the north;	Less than substantial	Low	DAS Views 5, 6, 7, 8, 11, 12

Seven Dials (Covent Garden) Conservation Area (LBC), adjacent to the south;	Less than substantial	Very low	DAS Views 1, 2, 3, 4, 9, 10 and HTVIA Figures 9.2 and 9.3
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### Heritage benefits assessment

37. The heritage benefits include:

- The reinstatement of some lost features, including the entrance canopies and the tall window and entrances on Shaftesbury Avenue.
- Repair, cleaning, and structural works to the retained fabric, together with the cleaning and repair of the Bayes frieze and roundels (see comments below).

38. The reprovion of a theatre use is stated as a heritage benefit. However, whilst this is recognised as a key public benefit, which would respond positively to London Plan policies which seek to promote and enhance London's cultural offering and visitor attractions, it is not considered to be a heritage benefit because the use is proposed in a new basement space, without reinstatement or reuse of any historic theatre elements.

39. The applicant's case is that the building is in poor condition, that repair works would be costly, and that the hotel element (including the roof extension) is necessary to viably repair the building and to provide the basement theatre. A Façade Condition Survey has been submitted and this explains the observed condition and structural issues (including the possible Regent's Street Disease). The application includes a detailed Schedule of Works relating to the repairs necessary to implement the scheme. The repair works should be appropriately secured as part of any permission.

### Heritage conclusions

40. The proposed development is assessed to cause a high level of less than substantial harm to the Listed Building and, as such, it is contrary to London Plan Policy HC1. A range of heritage benefits have been identified whilst the applicant has also produced a schedule of wider public benefits. It is recognised that the repair works to the Listed Building are an important, and costly, heritage benefit.

41. In this circumstance, the heritage benefits and public benefits could potentially outweigh the reduced level of harm identified. GLA Officers will undertake a full assessment of the heritage balance at Stage 2.

## Transport

### Healthy Streets

42. The updated Transport Assessment (TA) includes a day and night-time ATZ which is welcome. The assessment has identified potential improvements to footways. The Council should consider securing a contribution towards these or S278 works in kind as appropriate.
43. The TA includes pedestrian comfort levels for all streets that surround the site, which is welcome. This shows pedestrian demand from that the development itself has marginal impact on pedestrian comfort levels and shows good scores for Shaftesbury Avenue and parts of New Compton Street. St Giles Passage and Stacey show low scores. The low score adjacent to proposed loading bay should be used to inform both the design of this area and management of deliveries and servicing.

### Cycle Parking and Cycle Hire

44. The proposed cycle parking provision is 18 short stay spaces and 32 long stay compliance with Policy T5 Cycling, design will comply with London Cycle Design Standards and proposed to provide end of journey facilities (4 showers and 32 lockers. This is welcome and should be secured by condition.
45. The TA suggest on-street provision for short stay cycle parking and recommends either direct provision or financial contribution. Additionally, TfL is keen to work with the Council to deliver a new Cycle Hire facility and are open to discussing what Cycle Hire provision is necessary and appropriate financial contribution.

### Accessible Car Parking

46. It's welcomed that applicant is discussing on-street blue badge parking proposals with Camden. The provision should be secured by s106 or by condition in line with London Plan Policy T6.

### Deliveries and Servicing

47. The draft Delivery and Servicing Plan proposes to reduce delivery vehicles by half through consolidation. This is welcome and should be secured by condition.
48. The proposal to spread deliveries throughout the day is supported in principle. However, it worth considering the types of deliveries, those that have longer dwell times or involve moving bulky or heavy loads across the footway should avoid pedestrian peaks.
49. The proposal to allow parking in the loading after 8pm and up to 8am, could constrain use of the loading when needed and reduce the option for out of hours of deliveries. This should be reconsidered.

## Construction

50. A Construction Management Plan has been prepared and should be secured by condition.

## **Sustainable development**

### Energy strategy

51. The London Plan requires all major developments to meet a net-zero carbon target. Reductions in carbon emissions beyond Part L of the 2021 Building Regulations should be met on-site. Only where it is clearly demonstrated that the zero-carbon target cannot be fully achieved on-site may a contribution to a carbon offset fund or reductions provided off-site be considered.
52. An Energy Statement has been submitted with the application, which does not yet fully comply with London Plan policies SI2, SI3 and SI4. The energy strategy should be further refined, with additional evidence supplied to confirm compliance. Further information is required on Be Lean, overheating, as well as additional measures to further reduce carbon savings. Full details have been provided to the Council and the applicant in a technical memo which should be responded to in full.

### Whole Life-cycle Carbon

53. The applicant has submitted a revised whole life-cycle carbon assessment and GLA WLC template. Further information is required relating to the key actions taken to reduce embodied carbon emissions along with refrigerant details. The applicant must respond to these matters outlined within the WLC GLA template (issued under separate cover).
54. A condition should be secured requiring the applicant to submit a post-construction assessment to report on the development's actual WLC emissions. The template and suggested condition wording are available on the GLA [website](#)<sup>3</sup>.

### Circular Economy

55. The applicant has submitted a Circular Economy Statement and GLA template in accordance with the GLA guidance. This does not yet comply with London Plan policies D3 and SI7 with further clarification needed regarding the Pre-Demolition Audit, standardisation of materials, as well as detailed information on the operational waste management strategy. The applicant must respond to the matters outlined within the CE Memo (issued under separate cover).

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<sup>3</sup> <https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/london-plan-guidance/whole-life-cycle-carbon-assessments-guidance>

56. A condition should be secured requiring the applicant to submit a post-construction report. The template and suggested condition wording are available on the GLA [website](#)<sup>4</sup>.

## **Environmental issues**

### Urban greening

57. The proposed development presents a considered approach to integrating green infrastructure and urban greening which is supported. This includes the incorporation of green roofing and proposed trees, which supports multifunctionality, in accordance with Policy G1 of the London Plan.
58. The applicant has calculated the Urban Greening Factor (UGF) score of the proposed development as 0.315, which exceeds the target set by Policy G5 of the London Plan.

### Sustainable drainage and flood risk

59. The FRA provided for the proposed development generally complies with London Plan Policy SI12. Direct engagement should also take place with relevant stakeholders concerning tidal, fluvial and reservoir flood risk.
60. The surface water drainage strategy for the proposed development generally complies with London Plan Policy SI13 subject to the condition that the SuDS maintenance plan, exceedance flow routes and drainage proforma have been submitted and approved by the relevant stakeholders.

### Air quality

61. An Air Quality Assessment was provided with the application which included a construction dust risk assessment, a qualitative site suitability assessment and an air quality neutral assessment.
62. The Air Quality Neutral Assessment used appropriate guidance and it has been appropriately demonstrated that the proposal is air quality neutral. The Dust Risk Assessment was undertaken using out of date guidance and this should be updated using the IAQM (2024) guidance.

### Biodiversity

63. The site is within close proximity the Phoenix Garden Site of Importance for Nature Conservation (SINC), identified as being of Local Importance. In accordance with Policy G6 the applicant should avoid impacts to the SINC and set out in the application how they will avoid direct or indirect impacts on the SINC.

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<sup>4</sup> <https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/london-plan-guidance/circular-economy-statement-guidance>

64. The applicant has provided quantitative evidence that the proposed development secures a net biodiversity gain of 0.12 units, which is equivalent to a net gain of 716.38%, in accordance with Policy G6 of the London Plan. This is acceptable.

## **Local planning authority's position**

65. Camden Council planning officers are currently assessing the application. In due course the Council will formally consider the application at a planning committee meeting.

## **Legal considerations**

66. Under the arrangements set out in Article 4 of the Town and Country Planning (Mayor of London) Order 2008 the Mayor is required to provide the local planning authority with a statement setting out whether he considers that the application complies with the London Plan, and his reasons for taking that view. Unless notified otherwise by the Mayor, the Council must consult the Mayor again under Article 5 of the Order if it subsequently resolves to make a draft decision on the application, in order that the Mayor may decide whether to allow the draft decision to proceed unchanged; or, direct the Council under Article 6 of the Order to refuse the application; or, issue a direction under Article 7 of the Order that he is to act as the local planning authority for the purpose of determining the application (and any connected application). There is no obligation at this stage for the Mayor to indicate his intentions regarding a possible direction, and no such decision should be inferred from the Mayor's statement and comments.

## **Financial considerations**

67. There are no financial considerations at this stage.

## **Conclusion**

68. London Plan policies on land use, urban design, heritage, transport, and sustainable development are relevant to this application. Whilst the proposal is supported in principle, the application does not fully comply with these policies, as summarised below:

- **Land use principles:** The reinstated theatre would respond positively to London Plan policies which seek to promote and enhance London's cultural offering and visitor attractions. As such, this use is strongly supported by GLA Officers. The hotel use is in line with the strategic function of the CAZ and is supported.
- **Urban design:** The height and scale of the proposed upwards extension has been reduced by 8.36 metres from the submitted scheme and the scale of the extension would now be similar in height to that of the existing

building form. The proposal would provide an improved interface to Shaftesbury Avenue.

- **Heritage:** GLA Officers have identified a high degree of less than substantial direct harm to the listed building, as well as a very low degree of less than substantial harm to the setting of adjacent conservation areas and listed buildings.
- **Transport:** The Transport Assessment generally complies with London Plan policy and a range of mitigation measures should be secured within the s106 legal agreement.
- **Sustainable development:** Further work is required to the Energy Strategy, Circular Economy Statement and Whole Life Cycle Carbon Assessment.
- **Environment:** The proposal generally complies with urban greening, flooding, drainage, and biodiversity policy. Minor matters remain outstanding on air quality.

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## APPENDIX D – BPS Viability audit report

# **Former Saville Theatre, 135-149 Shaftesbury Avenue, London, WC2H 8AH**

## **Independent Viability Review**

### **London Borough of Camden**

6<sup>th</sup> March 2025

Planning Reference: 2024/1005/L (2024/0993/P)



215a High Street, Dorking RH4 1RU  
[www.bps-surveyors.co.uk](http://www.bps-surveyors.co.uk)

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## 1.0 Introduction

- 1.1 BPS Chartered Surveyors have been instructed by the London Borough of Camden ('the Council') to undertake a review of a Financial Viability Assessment ('FVA') prepared by Montagu Evans ('ME') on behalf of YC Saville Theatre Limited ('the Applicant') in connection with a planning application for the redevelopment of the above site.
- 1.2 The site currently comprises the former Saville Theatre, a Grade II listed building, totalling 38,546 sqft GIA. In 1970 the building was converted to a cinema, with the most recent operator being Odeon. We understand from the FVA that Odeon vacated the site in September 2024 and the building is currently vacant.
- 1.3 The site is located in the heart of Central London (Zone 1). The location is predominantly mixed in nature, with a wide range of ground floor retail units and upper floor flats and offices. The location is part of the West End's main theatre area. The site benefits from good transport connections, being located within PTAL 6, and it is located within a 6 minute walk of Tottenham Court Road station, which is serviced by the Elizabeth Line and Central line. The site is not located in a conservation area but adjoins the Seven Dials (Covent Garden) and the Denmark Street Conservation Areas. We also understand this site is within a Tier II Archaeological Priority Area.
- 1.4 The subject site has been allocated for theatre/cinema & cultural use in the Camden draft Local Plan (S19).
- 1.5 The site comprises 0.08ha and is outlined in red on the plan below, reproduced from the planning website:



1.6 The proposals are for:

*'Part demolition, restoration and refurbishment of the existing Grade II listed building, roof extension, and excavation of basement space, to provide a theatre at lower levels, with ancillary restaurant / bar space (Sui Generis) at ground floor level; and hotel (Class C1) at upper levels; provision of ancillary cycle parking, servicing and rooftop plant, and other associated works.'*

1.7 BPS previously reported on this site in May 2019 under a previous application (ref 2017/7051/P). This application was subsequently subject to a Planning Appeal (ref APP/X5210/W/19/3243781 & APP/X5210/Y/19/3243782). The appeal scheme was refused consent and can be summarised as follows:

*"The comprehensive refurbishment of the existing Grade II listed building and the provision of a new two storey roof extension and new basement level, providing a new four-screen cinema (Class D2) and spa (sui generis) at basement levels, a restaurant/bar (Class A3/A4) at ground floor level, a 94-bed hotel (Class C1) at part ground and first to sixth floors and associated terrace and bar (Class A4) at roof level, together with associated public realm and highways improvements".*

1.8 The basis of our review is the Financial Viability Assessment prepared by Montagu Evans, dated 31<sup>st</sup> January 2025. ME have modelled three redevelopment scenarios, accompanied by further sensitivity testing around building height and developer profit targets. Of these scenarios, we understand the proposed scheme to comprise a 5-storey extension (211 bed hotel). They conclude that the proposed scheme generates a deficit and, therefore, no affordable housing can be viably offered.

1.9 ME have tested the viability of alternative schemes ranging in storey heights between 11 and 19 storeys. This demonstrates that on ME's numbers, the scheme would need to be 19 storeys in order for the developer profit target to be met and the scheme to be viable. We understand, however, the Applicant does not want to pursue these alternative scenarios.

1.10 We have downloaded documents available on the Council's planning website.

1.11 We have received a live version of the Argus appraisals included in the report.

1.12 We have assessed the cost and value inputs within the financial appraisal in order to determine whether the scheme can viably make any affordable housing contributions.

- 1.13 We have searched the Council's planning website and have not identified any more recent or outstanding planning applications relating to the subject site.
- 1.14 A Land Registry search shows that the Applicant purchased the property in 2021 for £29.5m.
- 1.15 The advice set out in this report is provided in the context of negotiating planning obligations and therefore in accordance with PS1 of the RICS Valuation – Global Standards 2025, the provisions of VPS1–6 are not of mandatory application. Accordingly, this report should not be relied upon as a Red Book Valuation. The Valuation Date for this Viability Review is the date of this report, as stated on the title page. This Viability Review has been undertaken in accordance with the Terms & Conditions provided to the Council and with any associated Letters of Engagement and should only be viewed by those parties that have been authorised to do so by the Council.
- 1.16 This Viability Review adheres to the RICS Professional Statement on Financial Viability in Planning (published May 2019). In accordance with this Statement, we refer you to our standard terms and conditions which incorporate details of our Quality Standards Control & Statement on Limitation of Liability/ Publication.

## 2.0 Summary Table

2.1 Our analysis presents the following outturn financial position for the project:

Input	ME	BPS	Comments
Income			
Hotel (Scenario 1)	£147,700,000 (£700,000 per key)	£112,173,545 (£532,000 per key)	Disagreed
Hotel (Scenario 3a)	£211,050,000 (£700,000 per key)	£161,465,600 (£535,000 per key)	Disagreed
Hotel (Scenario 3b)	£331,100,000 (£700,000 per key)	£221,576,436 (£468,000 per key)	Disagreed
Hotel (Scenario 3c)	£158,200,000 (£700,000 per key)	£120,761,582 (£534,000 per key)	Disagreed
Theatre & Restaurant (Scenario 1)	£40,000,000 (£10,839psm/£1,007psf)	£40,000,000 (£10,839psm/£1,007psf)	Agreed
Theatre (Scenario 2 & 3 abc)	£27,000,000 (£7,535psm/ £700psf)	£33,000,000 (£9,213psm/ £856psf)	Disagreed
Expenditure			
Existing Use Value	£2,600,000	£2,600,000	Ambiguous – Further evidence required.
Landowner's Premium	20%	0%	Disagreed
Benchmark Land Value	£2,900,000	£2,600,000	Ambiguous – Further evidence required. LP excluded.
Build Costs (inc. contingency) <b>Scenario 1</b>	£111,743,000	£111,743,000	Agreed
Build Costs (inc. contingency) <b>Scenario 2</b>	£38,274,000	£38,274,000	Agreed
Build Costs (inc. contingency) <b>Scenario 3a</b>	£139,444,000	£132,988,934	Disagreed
Build Costs (inc. contingency) <b>Scenario 3b</b>	£196,729,000	£190,273,934	Disagreed
Contingency	5%	5%	Agreed
Professional Fees	12.5%	12.5%	Agreed
Sales Agent Fee	1%	1%	Agreed
Sales Legal Fee	0.5%	0.5%	Agreed
CIL	£4,000,000	£4,000,000	Ambiguous - We require confirmation from the Council on this input.
Finance	7.5%	7.5%	Agreed
Profit Target (on Cost)	17.5%	15%	Disagreed
Development Timeframes			
Pre-construction Period	3- months	3-months	Agreed
Construction Period (Scenario 1)	57- months	57- months	Ambiguous – Unable to conclude. A detailed development programme should be provided
Construction Period (Scenario 2)	45- months	45- months	Ambiguous – Unable to conclude. A detailed development programme should be provided
Sales Period	1-month	1-month	Agreed



<b>Actual Profit (Scenario 1) Proposed Scheme</b>	<b>+£13.30m</b> 8.5% on Cost	<b>-£17.1m</b> -10.8% on Cost	<b>Disagreed</b> - we find the scheme to be in deficit
<b>Actual Profit (Scenario 2)</b>	<b>-£33.69m</b> -57.25% on Cost	<b>-£27.7m</b> -47.4% on Cost	<b>Disagreed</b> - we find the scheme to be in deficit
<b>Actual Profit (Scenario 3a)</b>	<b>+£17.14m</b> 8.36% on Cost	<b>-£11.8m</b> -6.16% on Cost	<b>Disagreed</b> - we find the scheme to be in deficit
<b>Actual Profit (Scenario 3b)</b>	<b>+£48.53m</b> 17.01% on Cost	<b>-£33.8m</b> -12.4% on Cost	<b>Disagreed</b> - we find the scheme to be in deficit

2.2 ME state that a 17.5% profit on Cost is in their opinion, a reasonable profit target for the proposed scheme, yet based on their proposed scheme assessment, this assumes that the Applicant is willing to accept a lower return of 8.5% on Cost. They note in their appraisal that whilst 8.5% is below the target, the scheme is considered “just viable”.

2.3 Given that ME do not explicitly state their viability positions, we have tested the appraisals using their figures to determine what their viability position would likely be. We have modelled our respective viability positions based on these different levels of profit return in the table below:

<b>Viability Position (Deficit/ Surplus)</b>					
<b>Profit Target (on Cost)</b>		<b>Scenario 1- Proposed Scheme</b>	<b>Scenario 2- Theatre only</b>	<b>Scenario 3a- 14 storeys</b>	<b>Scenario 3b- 19 storeys</b>
BPS	15% (Our Target)	-£40.9m	-£36.4m	-£40.8m	-£74.5m
	8.5% (Profit Acceptable by the Applicant)	-£30.6m	-£32.7m	-£28.2m	-£56.8m
ME	17.5% (ME's Target)	-£15m	-£44m	-£18.8m	-£1.4m
	8.5% (Profit Acceptable by the Applicant)	-£0.5m	-£38.7m	-£0.3m	+£24.3m

### 3.0 FVA Checklist

- 3.1 On the 13<sup>th</sup> of February 2025 we sent ME a request to provide the following information to assist with our review of the FVA. The table below summarises the documentation received at the date of this submission.

<b>Existing Site</b>	
Land ownership plan	Downloaded
Measurements of the Existing Site / Buildings	Received
Floor plans	Received
Detailed Description of the existing site	Downloaded
A schedule of condition	Not provided
External Photographs of the Existing Site / Buildings	Not provided
Internal Photographs of the Existing Site / Buildings	Not provided
Copies of the existing or recent leases	Received
Recent transactional evidence to support their BLV assumptions	Not provided
Modelling used to generate values (Residential/ Commercial)	Downloaded
<b>Proposed Development</b>	
Application plans	Downloaded
Accommodation schedule	Downloaded
Measurements for the proposed scheme (GIA/ NIA)	Partially provided (only GIA available)
Design and Access statement	Downloaded
Planning Statement	Downloaded
Cirque De Soleil fit out works concept	Received
Detailed design specification	Not provided
Recent transactional evidence to support their GDV assumptions	Not provided
Copy of the Lease	Received
Modelling used to generate values	Received
<b>Construction</b>	
A detailed cost plan	Received
Development programme	Not provided
<b>Appraisals</b>	
Copy of the live Argus appraisals	Received

## 4.0 Conclusions And Recommendations

### The Applicant's Conclusions

- 4.1 We have reviewed the FVA prepared by ME on behalf of the Applicant. ME conclude that the proposed scheme generates a deficit, therefore, no housing or affordable housing can be provided. They note in their FVA that this generates a net profit return of 8.5% on cost, which is below the 17.5% target but makes the scheme "just viable". We understand that the Applicant is willing to proceed on the basis of an 8.5% net profit return.
- 4.2 ME report that in order for the scheme to be viable and generate a return on cost of 17.50%, the scheme requires the building to be extended to 19 storeys (473 keys). Whilst the schemes with greater extensions are more viable in ME's view, they consider them to pose harm to the existing listed building and we understand the Applicant does not want to pursue them for this reason.
- 4.3 It will be seen that we conclude there is limited evidence underpinning the turnover expectations arising from the hotel, but also in relation to the performance area, restaurant and bar. Calculating scheme value on indicated base rents alone, suggests that the scheme deficit could be even greater than the deficit so far indicated by ME. We estimated this figure to be - **£40.9m.**
- 4.4 Ordinarily, deficits are considered to be a developer risk. In the current circumstances substantial deficits bring with them risks about delivery or essential repairs to the listed building and viability of delivering a new basement theatre which will comprise a very significant element of the scheme's costs. It is therefore not unreasonable that a better understanding of the anticipated trading levels of all elements of the development should be provided by the developer to support their own appraisal but also to provide assurance that the scheme is genuinely deliverable.

### Benchmark Land Value

- 4.5 ME have approached the Benchmark Land Value on an Existing Use Value (EUV) basis. They suggest that the existing building would be let to a cinema operator at the rent that was paid by the most recent occupier. ME have adopted a Benchmark Land Value of £2.9m.
- 4.6 Having reviewed the information provided as well as the details submitted in relation to the 2020 appeal, we consider the overall assessment of EUV submitted by ME to be poorly evidenced. Although we consider the rental value adopted by ME to be conservative, there is

no evidence that a cinema operator would take the space on a new lease without any repair works being carried out. We note that the previous passing rent was the product of a lease surrender agreement with Odeon which involved an early termination of their lease and waiver of repairing obligations and payment of a capital premium.

- 4.7 We have provisionally accepted ME's assessment of the EUV on a without prejudice basis, however, we do not consider inclusion of the Landowner's Premium to be appropriate at this stage for three reasons. Firstly, no evidence of continuing cinema operator interest has been provided. No account has been taken of the considerable works necessary to repair the listed structure, which would require any cinema re-use to be considered an AUV in respect of landowner premium under the NPPG. Furthermore, there are significant outgoings associated with vacant buildings which have not been taken into account in the EUV assessment.
- 4.8 Overall, we have adopted a provisional Benchmark Land Value of £2,600,000 in our assessment.

#### Development Value

- 4.9 The proposed scheme, as sought by the planning application, comprises a new 294 seat theatre space, which is intended to be occupied by Cirque du Soleil, a ground floor restaurant and a new 211-bed hotel for CitizenM.
- 4.10 We have seen a signed agreement for lease dated 29 March 2023 between the developer and Cirque du Soleil's operating company and various appendices which are said to form attachments to this agreement including a draft lease. We have also been provided with various heads of terms
- 4.11 Our Hotel Consultant, Melvin Gold, reviewed ME's assessment of the project net revenues for the hotel element of the scheme and considers them to be overstated. Mr Gold outlined his own assessment of the Net Operating Profit for each of the modelled scenarios and provided his opinion of the yield, which results in a lower hotel GDV than adopted by ME. We have incorporated Mr Gold's figures in our assessment. It should be noted that Mr Gold highlights the very unique nature of the intended operator CitizenM and considers the absence of input from the operator to the assessment to reflect a significant omission and leaves considerable ambiguity within the proposed figures.
- 4.12 Mr Gold feels unable to comment however in respect of the anticipated revenues which may be generated from the theatre, theatre restaurant and associated bar. The success of these elements are all very much linked to the prospects of Cirque du Soleil operating the theatre

and again we consider proper detailed justification for the anticipated turnover revenue payments from these elements should be provided.

- 4.13 Mr Gold's report is included in Appendix 3 of this report.
- 4.14 We have reviewed the information provided by ME in support of their theatre and restaurant values and we have also undertaken our own research into recent transactions in the local area. We have also reviewed draft lease agreements provided in relation to the proposed tenancy of Cirque du Soleil. Although we are of the view that the GDV adopted by ME for Scenario 1 aligns with the evidence provided, we do not consider ME's assessment of Scenarios 2 & 3 (abc) have been appropriately evidenced. We have highlighted the inconsistencies in Section 7 of this report. Overall, our suggested revisions result in an increase of approximately £6m on the theatre value proposed by ME, which reflects an increase of 22%.

#### Development Costs

- 4.15 Our Cost Consultant, Neil Powling, has reviewed the Cost Plan for the proposed scheme prepared by Gardiner & Theobald, dated 30<sup>th</sup> January 2025, and concludes that:

*"The allowance in Scenario 1 for contingencies is 5% which we consider reasonable. The total allowance for risk in Scenario 3 is 12%. Our view is that risk should be treated equally in both scenarios. "*

*"Our benchmarking of the proposed scheme results in an adjusted benchmark for the theatre of £12,622/m<sup>2</sup> that compares to the Applicant's £12,601/m<sup>2</sup> and for the hotel an adjusted benchmark of £8,686/m<sup>2</sup> that compares to the Applicant's £8,394/m<sup>2</sup>. We therefore consider the Applicant's costs for the proposed scheme to be reasonable."*

*"Our benchmarking of Scenario 3 results in an adjusted benchmark for the theatre of £11,079/m<sup>2</sup> that compares to the Applicant's £10,874/m<sup>2</sup> and for the hotel an adjusted benchmark of £10,106/m<sup>2</sup> that compares to the Applicant's £11,006/m<sup>2</sup>. We therefore consider the Applicant's costs for the Scenario 3 theatre to be reasonable, but the hotel costs too high by £6,455,066 (£900/m<sup>2</sup>). If the allowances for preliminaries, OHP and risk are adjusted to the same levels as the proposed scheme the adjusted benchmark and applicant's costs would be in line"*

- 4.16 We have reviewed the other costs outlined within the FVA and consider them to be broadly reasonable

Recommendations

- 4.17 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] *Signature*  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
- 4.18 This is no doubt a prudent measure for an untested entertainment offer but also provides a context against which to weigh the impact of the theatre provision.
- 4.19 We have been provided with a live version of the Argus appraisal included in ME's report to which we have applied our amendments. These amendments are outlined in the table included at Section 2 and our revised appraisal is at Appendix 4.
- 4.20 After these changes, we identify a deficit of **-£40.9m** for the proposed application scheme. On this basis, we agree with ME that the scheme would not be able to contribute towards or provide affordable housing.
- 4.21 It can be seen from the table included in Section 2 that the major points of disagreement between our respective positions are related to the assessment of the theatre GDV, (where the existing building is converted wholly to the theatre), as well as the assessment of the hotel value, which reflects an assessment from our independent expert.
- 4.22 We are of the opinion that even with the increased number of storeys and the lower profit target, the scheme would not only remain in deficit, but would be a loss-making development. We therefore question how the Applicant intends to deliver what is a loss-making scheme.
- 4.23 We have conducted a sensitivity analysis to analyse the impact of the change in sales values and build cost on the scheme's viability. We have included our analysis in the table below. We have found that with a 20% reduction in the construction costs and 20% increase in the revenue, the proposed application scheme would be viable:

Construction: Gross Cost					
Sales Revenue	-20.000%	-10.000%	0.000%	10.000%	20.000%
-20.000%	-£39,474,291	-£54,346,568	-£69,218,845	-£84,091,122	-£98,963,400
-10.000%	-£25,351,717	-£40,223,994	-£55,096,271	-£69,968,548	-£84,840,825
0.000%	-£11,229,142	-£26,101,419	-£40,973,696	-£55,845,974	-£70,718,251
10.000%	£2,893,432	-£11,978,845	-£26,851,122	-£41,723,399	-£56,595,676
20.000%	£17,016,007	£2,143,730	-£12,728,548	-£27,600,825	-£42,473,102



## 5.0 Principles Of Viability Assessment

- 5.1 Development appraisals work to derive a residual value. This approach can be represented by the formula below:

$$\text{Gross Development Value} - \text{Development Costs (including Developer's Profit)} \\ = \text{Residual Value}$$

- 5.2 The residual value is then compared to a benchmark land value. Existing Use Value (EUV) and Alternative Use Value (AUV) are standard recognised approaches for establishing a land value as they help highlight the apparent differences between the values of the site without the benefit of the consent sought.
- 5.3 The rationale for comparing the scheme residual value with an appropriate benchmark is to identify whether it can generate sufficient money to pay a realistic price for the land whilst providing a normal level of profit for the developer. In the event that the scheme shows a deficit when compared to the benchmark figure the scheme is said to be in deficit and as such would be unlikely to proceed.
- 5.4 Development appraisals can also be constructed to include a fixed land value and fixed profit targets. If an appropriate benchmark is included as a fixed land value within a development appraisal this allows for interest to be more accurately calculated on the Benchmark Land Value, rather than on the output residual value. By including fixed profit targets as a cost within the appraisal, programmed to the end of development so as not to attract interest payments, the output represents a 'super' profit. This is the profit above target levels generated by the scheme which represents the surplus available towards planning obligations.
- 5.5 This Viability Review report adheres to the RICS Professional Statement on Financial Viability in Planning: Conduct and Reporting (published May 2019). In accordance with this Statement, Section 8 below incorporates details of our Quality Standards Control & Statement on Limitation of Liability/ Publication. This report has been prepared according to the Professional Statement's requirement for objectivity and impartiality, without interference and with reference to all appropriate available sources of information. Where information has not been obtainable, we have stated this expressly in the body of the report.

## 6.0 Benchmark Land Value

### Viability Benchmarking

#### 6.1 Planning Policy Guidance, published May 2019, states:

*Benchmark land value should:*

- *be based on existing use value*
- *allow for a premium to landowners (including equity resulting from those building their own homes)*
- *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and*

*Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.*

*The evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.*

*[...] Where viability assessment is used to inform decision making under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan. Local authorities can request data on the price paid for land (or the price expected to be paid through an option agreement).*

#### 6.2 The NPPF recognises the need to provide both landowners and developers with a competitive return. In relation to landowners this is to encourage landowners to release land for development. This is set out in PPG as follows:

*To define land value for any viability assessment, a benchmark land value should be established on the basis of existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The Premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to fully comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).*

- 6.3 The RICS Guidance Note 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', published March 2021, supports the NPPG's definition of Benchmark Land Value.

- 6.4 NPPG further defines EUV as follows:

*Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).*

- 6.5 The Mayor of London's Affordable Housing and Viability SPG published August 2017 states a clear preference for using EUV as a basis for benchmarking development as this clearly defines the uplift in value generated by the consent sought. This is evidenced through the following extract:

*The Mayor considers that the 'Existing Use Value plus' (EUV) approach is usually the most appropriate approach for planning purposes. It can be used to address the need to ensure that development is sustainable in terms of the NPPF and Development Plan requirements, and in most circumstances the Mayor will expect this approach to be used.*

- 6.6 Guidance indicates that the sale of any premium should reflect the circumstances of the landowner. We are of the view that where sites represent an ongoing liability to a landowner and the only means of either ending this liability or maximising site value is through securing a planning consent this should be a relevant factor when considering whether a premium is applicable. This view is corroborated in the Mayor of London's Affordable Housing and Viability SPG which states:

*Premiums above EUV should be justified, reflecting the circumstances of the site. For a site which does not meet the requirements of the landowner or creates ongoing liabilities/ costs, a lower premium of no premium would be expected compared with a site occupied by profit-making businesses that require relocation. The premium could be 10 per cent to 30 per cent, but this must reflect site specific circumstances and will vary.*

- 6.7 While EUV is the primary approach to defining BLV, in some circumstances an Alternative Use Value approach can be adopted. This is the value of the land for a use other than its existing use. NPPG outlines:

*If applying alternative uses when establishing benchmark land value these should be limited to those uses which would fully comply with up to date development plan policies, including any policy requirements for contributions towards affordable housing at the relevant levels set out in the plan.*

*[...] Plan makers can set out in which circumstances alternative uses can be used. This might include if there is evidence that the alternative use would fully comply with up to date development plan policies, if it can be demonstrated that the alternative use could be implemented on the site in question, if it can be demonstrated there is market demand for that use, and if there is an explanation as to why the alternative use has not been pursued.*

- 6.8 The RICS Guidance Note 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', published March 2021, supports the definition of AUV from NPPG and reiterates that any AUV must reflect relevant policy requirements.
- 6.9 When adopting an AUV approach, the premium to the landowner is implicit and therefore an additional landowner premium should not be added as this would be double counting.
- 6.10 NPPG and RICS guidance are clear that if refurbishment or redevelopment is necessary to realise an existing use value then this falls under the AUV provision of NPPG and no landowner premium should be added.

#### The Benchmark Land Value

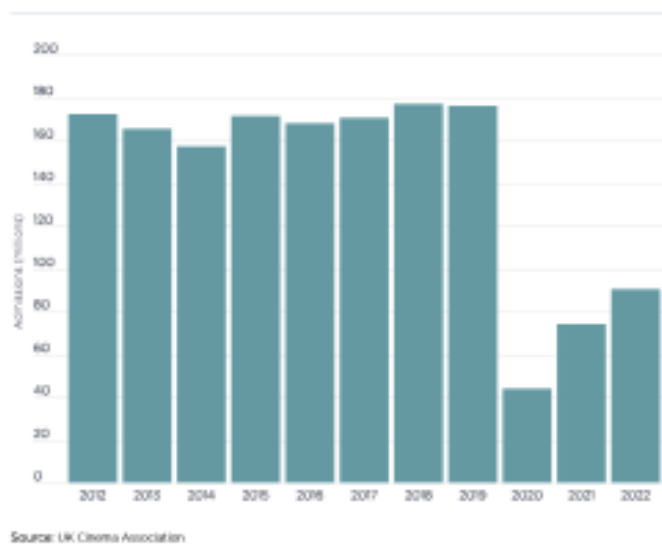
- 6.11 The benchmark proposed by ME for viability testing is based on an Existing Use Value Plus (EUV+) approach.
- 6.12 The site currently comprises a Grade II listed building, built as the former Saville Theatre, totalling 38,546 sq ft GIA. Historically the site was in use as a theatre but in 1970 the building was converted to the cinema, with the most recent operator being Odeon. We understand

from the FVA that Odeon vacated the site in September 2024 and the building is currently vacant.

- 6.13 From our previous involvement with this property, we were aware that Odeon had agreed to surrender its lease in return for a premium payment and not being required to undertake repairs to the property as would have been required under its full repairing and insuring lease.
- 6.14 We did not conclude a Benchmark Land Value in our past assessment of the previous application scheme.
- 6.15 The subject site has been allocated for a theatre/cinema & cultural use in the Camden draft Local Plan (S19).
- 6.16 We understand its current rateable value to be £58,000.
- 6.17 We last visited the site in 2019, when it was still occupied by Odeon, however we have not inspected more recently. We have not been provided with any recent photographs of the interior of the building, nor with a schedule of condition that would allow us to ascertain its current condition and state of repair. We understand from the appeal decision dated 2020 (X5210/W/19/3243781), that the building was in a poor condition requiring investment and repairs. It has not been clarified whether any of these have taken place since the appeal decision in 2020.
- 6.18 ME have adopted a rental value of £130,000pa (£3.40 psf), which is said to reflect the most recent rent paid by Odeon. As stated above the rent was a product of a deed for surrender leading to vacant possession. ME have then capitalised the rental income using a 5% yield, arriving at an EUV £6,434,457, having allowed for purchaser's costs at 6.8%. We have not received any market evidence to support this assessment nor to indicate whether there is operator demand for the property or what rent might be achieved.
- 6.19 We have not been provided with the former Odeon lease or any evidence that would support the rental assumption adopted. We have, however, conducted a search into the comparable cinema transactions (Appendix 4) and have found ME's rental value to be significantly below the evidence tone. However, noting that Odeon have a large cinema in Leicester Square, this location may be less viable, especially since the marked downturn in the cinema market post covid. There are also fewer operators in the market so it is not clear if there would be operator interest. Also, the condition of the property may well be a deterrent.
- 6.20 ME have adopted a substantial 20% Landowner's Premium in their assessment, arriving at the Benchmark Land Value of £2,900,000

- 6.21 It is our understanding, that since the last application, the level of UK cinema admissions have significantly dropped, which is illustrated on the chart below, reproduced from Savills' website:

(Figure 13) UK annual cinema admissions



- 6.22 Overall, although we consider ME's assessment of the BLV to be largely unevidenced, especially without substantial repairs being undertaken, we have provisionally accepted ME's assessment of EUV.
- 6.23 However, we consider the inclusion of a Landowner's Premium to be inappropriate at this stage, noting that any letting of the property would entail substantial repairs to be first undertaken and this would render any assessment of cinema use to be classed as an AUV under NPPG in regard to the treatment of a Landowner premium. We should also stress that no works allowances nor empty property costs have been included in ME's valuation.
- 6.24 We consider further evidence should be provided by ME to demonstrate the demand from the potential cinema occupiers to support their assessment.

## 7.0 Development Values

- 7.1 The proposed scheme, as sought by the planning application, comprises a new 294 seat theatre space, which is meant to be occupied by Cirque du Soleil, a ground floor restaurant and an associated bar as well as a new 211-bed hotel for CitizenM. In effect the building would have four separate areas of occupation. The proposed areas are summarised below:

Proposed Scheme (Scenario 1)		
Use	GIA (sqm)	GIA (sqft)
Hotel	6,097	65,627
Theatre & Ancillary Restaurant/ Bar	3,688	39,697
Ancillary/ Plant	1,291	13,896
Total	11,076	119,221

- 7.2 The proposed scheme envisages refurbishment of the listed building, alongside excavation of additional basement levels and erection of a 5-storey roof extension.
- 7.3 ME have tested alternative versions of the scheme, one scenario assumes that the existing building would be converted solely theatre use (no extension), and others assume upward extensions for varying level offering different sized hotel offerings.
- 7.4 We have outlined ME's adopted GDV's for each of the scenarios in the table below:

	Use	ME's GDV	Total GDV
Scenario 1 211-bed hotel 5-storey extension	Hotel	£147,700,000	£187,700,000
	Theatre	£30,000,000	
	Restaurant	£10,000,000	
Scenario 2 No extension	Theatre	£27,000,000	£27,000,000
Scenario 3a 302 bed hotel 14-storey extension	Theatre	£27,000,000	£238,050,000
	Hotel	£211,050,000	
Scenario 3b 473 bed hotel 19-storey extension	Theatre	£27,000,000	£358,100,000
	Hotel	£331,100,000	
Scenario 3c 226 bed hotel 11-storey extension	Theatre	£27,000,000	£185,200,000
	Hotel	£158,200,000	

### Hotel

- 7.5 ME have adopted a GDV of £147m to the hotel component of the scheme, which translates to c. £700,000 per key. ME's key inputs are outlined in the below table:



ME's Key Assumptions				
Scenario	1	3a	3b	3c
Value per key	£700,000	£700,000	£700,000	£700,000
GDV	£147,700,000	£211,050,000	£331,100,000	£158,200,000
Occupancy	85%	85%	85%	85%
ADR	£215	£215	£215	£215
Rev Par	£183	£183	£183	£183
Ac Room Size	13sqm	13sqm	13sqm	13sqm
Exit Yield	5%	5%	5%	5%
Revenue (per Room)	£66,704	£66,704	£66,704	£66,704
Room Revenue	£14,074,491	£20,144,532	£31,550,873	£15,075,047
Other Income (6%)	£844,469	£1,208,671.93	£1,893,052.39	£904,502.83
<b>Total Revenue</b>	<b>£14,918,960</b>	<b>£21,353,204</b>	<b>£33,443,926</b>	<b>£15,979,550</b>
Expenses	-£7,459,480	-£10,676,602	-£16,721,962	-£7,989,775
<b>NOI</b>	<b>£7,459,480</b>	<b>£10,676,602</b>	<b>£16,721,963</b>	<b>£7,989,775</b>

- 7.6 We have instructed our hotel specialist, Melvin Gold, to review ME's assessment of the Hotel's GDV. His advice is summarised below:

*"Overall, it seems that the £700,000 per room figure is too high. Montagu Evans state that it is bullish. We believe the financial estimates that underpin the figure are overstated and moreover they vary for each of the scenarios presented. A consistent level of value per room does not seem to recognise the underlying change in earnings under each scenario which we have sought to portray. We have also shown that the 5% yield used is likely only applicable to branded budget hotels held on an institutional lease basis by a company with a strong covenant. Both the yields quoted by Montagu Evans for the comparable transactions, and the Savills report that we have cited illustrate higher yields are applicable to other London hotel transactions, probably at least 5.5%."*

- 7.7 Mr Gold's report is included in Appendix 3 of this report.
- 7.8 Having adopted Mr Gold's average Net Operating Income, we arrived at the following figures:

BPS's Key Assumptions				
Scenario	1	3a	3b	3c
NOI	£6,169,545	£8,880,608	£12,186,704	£6,641,887
Yield	5.5%	5.5%	5.5%	5.5%
<b>Capital Value</b>	<b>£112,173,545</b>	<b>£161,465,600</b>	<b>£221,576,436</b>	<b>£120,761,582</b>
<b>Per Key</b>	<b>£531,628</b>	<b>£534,654</b>	<b>£468,449</b>	<b>£534,343</b>

- 7.9 We have adopted the above figures in our assessment.

Theatre & Restaurant GDV

*Scenario 1*

- 7.10 ME have adopted an annual rent of £1.5m and have capitalised it at a 5% yield in their assessment of the 294-seat theatre space, arriving at the GDV of £30m. As per the application, the proposed ground floor restaurant space would be ancillary to the theatre use. ME have attributed a rental value of £500,000 pa and have capitalised this income at a 5% yield, arriving at the GDV of £10m, before deducting 6.8% purchaser’s costs.
- 7.11 ME’s assessment reflects a blended rental value of £50 psf for the theatre & restaurant premise. It is unclear whether a rent free period has been assumed by ME.
- 7.12 Their rental assumption for the theatre reflects a value of c. £5,102 on a per seat basis. ME refer to a second opinion that a much lower rent of c. £2,000 per seat would be more appropriate.
- 7.13 ME have not provided any market evidence in their report to support the adopted assumptions.

7.14 [Redacted]

[Redacted] *Signature*  
[Redacted]

- 7.16 We understand from the accommodation schedule that the ground floor of the scheme would comprise GIA of 5,393 sqft. We note this proportion of the venue would be leased to the restaurant operator, Incipio.

7.17 [Redacted]

[Redacted] *Signature*  
[Redacted]

[Redacted]

- [Redacted]
- [Redacted]

7.18

*Signature*

7.19

7.20

*Signature*

- 7.21 We have conducted our own search into comparable evidence of restaurant rental transactions and have included our evidence in Appendix 4 of this report. It can be seen that the rental values within 0.5 mile of the subject site range between £53 - £119psf (£170,000 - £330,000pa). It can be seen that the rental assumption adopted by ME for the restaurant falls within the comparable range.
- 7.22 Having searched local market transactions, we have found limited evidence of theatre rental transactions. We have extended our search and included comparable evidence of other uses within Sui Generis use within the wider area of London. We found that other Sui Generis evidence range between £18psf - £30psf. We appreciate that in this instance the tenant represents a unique draw in a primary established entertainment location.
- 7.23 We note from the plans that restaurant would form a small part of the total GIA. Although the available evidence is located in inferior areas when compared to the subject, we consider it reasonable to assume rental values of any such venues would be lower in comparison to typical business models, such as food & beverage or retail on a £psf basis.
- 7.24 Overall, we found the rental values adopted by ME to reasonably align with the lease documents provided. We are unable to fully evidence its appropriateness against the market, given the scarcity of relevant comparable evidence.
- 7.25 According to Knight Frank Investment Yield Guide Oxford Street retail yields oscillate around 4.5%, albeit in relation to pure retail uses. We consider the 5% yield adopted for the site, which is located in a lower footfall pitch, to be broadly reasonable.
- 7.26 Overall, we have accepted ME's assessment of rental values and yield in our assessment on a without prejudice basis. We highlight, however, that given that the business model of the proposed site is somewhat unique, we found there to be a limited evidence of turnover that would underpin assumptions adopted by ME. Should the Council wish to conduct further assessment of the proposed business value, we would recommend a specialist be appointed.

#### Alternative Scenarios

- 7.27 We have summarised alternative scenarios modelled by ME in the below table:

	ME's Rental Assumption	ME's Capital Value	ME's Yield
Theatre (Scenario 1) (based on c. 34,304 sq ft GIA) 294-seat	£1.5m £5,102 on a per seat (£44psf)	£30,000,000 (£874psf)	5%
Theatre (Scenario 2 & 3 abc) (based on 38,546 sq ft GIA) 900-seat	£1.35m (£1,500 per seat) (£35psf)	£27,000,000 (£700psf)	5%

- 7.28 Scenario 2 is based on the theatre providing 900 seats and comprising 38,546 sqft GIA. Although the theatre GIA of Scenario 1 & 2 differs by c.12%, ME's rental assumption implies that the value on a per seat basis would drop by as much as 70%, which we do not consider to be proportionate.
- 7.29 Moreover, the theatre comprising a larger GIA (Scenario 2), would effectively achieve a lower rental value, which we consider to be a questionable assumption and not seen in typical market transactions.
- 7.30 ME state that their assumption of the GDV for scenarios 2 & 3 is based on a letter from a theatre operator. However, we have not been provided with a copy of this letter. Moreover, we do not consider a letter from a single operator qualifies as definitive evidence to justify clear inconsistencies between the presented scenarios. We consider that robust assessment should be submitted to support ME's figures
- 7.31 Finally, we note that effective capital value of larger building is lower than the smaller one, which we do not consider to be a logical assumption. In the absence of any supporting evidence, we have adjusted our assessment to present more realistic scenario, which broadly aligns with the assumption adopted for Scenario 1:

	BPS's Rental Assumption	BPS's Capital Value	BPS's Yield
Theatre (Scenario 2 & 3 abc) (based on 38,546 sq ft GIA) 900-seat	£1.65m (£1,500 per seat) (£42.8psf)	£33,000,000 (£856psf)	5%

- 7.32 We reserve the right to alter our position upon receiving further evidence.

GDV Conclusions

7.33 Overall, our respective GDV conclusions are outlined in the below table:

	Use	ME's GDV	ME's Total GDV	BPS' GDV	BPS' Total GDV
Scenario 1 211-bed hotel 5-storey extension	Hotel	£147,700,000	£187,700,000	£112,173,545	£152,173,545
	Theatre	£30,000,000		£30,000,000	
	Restaurant	£10,000,000		£10,000,000	
Scenario 2 No extension	Theatre	£27,000,000	£27,000,000	£33,000,000	£33,000,000
Scenario 3a 302 bed hotel 14-storey extension	Theatre	£27,000,000	£238,050,000	£33,000,000	£194,465,600
	Hotel	£211,050,000		£161,465,600	
Scenario 3b 473 bed hotel 19-storey extension	Theatre	£27,000,000	£358,100,000	£33,000,000	£254,576,436
	Hotel	£331,100,000		£221,576,436	
Scenario 3c 226 bed hotel 11-storey extension	Theatre	£27,000,000	£185,200,000	£33,000,000	£153,761,582
	Hotel	£158,200,000		£120,761,582	

## 8.0 Development Costs

### Construction Costs

- 8.1 Our Neil Powling, has reviewed the Cost Plan for the proposed scheme prepared by Gardiner & Theobald, dated 30th January 2025, and concludes that:

*“The allowance in Scenario 1 for contingencies is 5% which we consider reasonable. The total allowance for risk in Scenario3 is 12%. Our view is that risk should be treated equally in both scenarios.*

*Our benchmarking of the proposed scheme results in an adjusted benchmark for the theatre of £12,622/m<sup>2</sup> that compares to the Applicant’s £12,601/m<sup>2</sup> and for the hotel an adjusted benchmark of £8,686/m<sup>2</sup> that compares to the Applicant’s £8,394/m<sup>2</sup>. We therefore consider the Applicant’s costs for the proposed scheme to be reasonable.*

*Our benchmarking of Scenario 3 results in an adjusted benchmark for the theatre of £11,079/m<sup>2</sup> that compares to the Applicant’s £10,874/m<sup>2</sup> and for the hotel an adjusted benchmark of £10,106/m<sup>2</sup> that compares to the Applicant’s £11,006/m<sup>2</sup>. We therefore consider the Applicant’s costs for the Scenario 3 theatre to be reasonable, but the hotel costs too high by £6,455,066 (£900/m<sup>2</sup>). If the allowances for preliminaries, OHP and risk are adjusted to the same levels as the proposed scheme the adjusted benchmark and applicant’s costs would be in line.”*

- 8.2 Mr Powling’s full cost report can be found at Appendix 1.

### Additional Costs

- 8.3 ME have applied the following additional cost assumptions:

- Professional fees of 12.5%
- Purchaser’s Cost of 6.8%
- Sales agent fees of 1%
- Sales legal fees of 0.5%

- 8.4 Generally, we accept that these percentages are realistic and in line with market norms.

- 8.5 We note, however, that the Purchaser’s Costs allowance adopted in ME’s report equates to c. effective rate of 32% (Scenario 1) and 60% - 90% (Scenario 3). We consider it is due to its incorrect calculation by Argus software, which uses a gross value as opposed to net value as a basis of the calculation. In our appraisal, we have, therefore, included the hotel value as a fixed value, assuming inclusion of the purchaser’s costs of 6.8%.



- 8.6 CIL & S106 charges have been assumed at £4,000,000. We request the Council verify this amount.
- 8.7 Finance has been included at 7.5% assuming that the scheme is 100% debt financed. We consider this finance allowance to be broadly reasonable but note that it is at the very upper end of our expectations.

#### Profit

- 8.8 The developer profit target adopted by ME is 17.5% on Cost. Generally, we would expect to see a lower profit target for the commercial unit, to reflect the reduced risk, typically around 15 - 17% on GDV for commercial units. We have tested a blended profit target and reduced the profit target to 15% on Cost.

#### Development Timeframes

- 8.9 ME have adopted the proposed timeframes in their assessment:

	ME's Scenario 1	ME's Scenario 2
Pre-Construction	3-months	3-months
Construction	57-months	45-months

- 8.10 Our Cost Consultant has reviewed the programme with reference to the BCIS duration indicator and concludes as follows:

*"The duration allowed in the Applicant's appraisal of Scenario 1 comprises a pre-construction period of 3 months and a construction period of 57 months. The results determined from the BCIS duration calculation treating the whole building as a hotel (there is no BCIS duration data for theatres) provides an estimated average construction duration from start on site to construction completion of 73 weeks (16.8 months) with a 90% confidence interval for this estimate of 59 to 90 weeks (13.6 to 20.8 months). We consider the Applicant's allowance for pre-construction reasonable. We are unable to reach a conclusion on the construction duration partly because BCIS data for theatres is not available. We also note the construction of 6 basement levels which will create a considerable logistical construction problem in this central London location. We suggest the Applicant is requested to prepare a construction programme to provide realistic duration data for inclusion in the viability appraisal."*

- 8.11 On this basis, we have adopted the Applicant's programme pending further evidence.
- 8.12 ME have adopted a post completion sales period of 1 month, which we consider appropriate.

## 9.0 Author Sign Off

- 9.1 This report is provided for the stated purpose and for the sole use of the named clients. This report may not, without written consent, be used or relied upon by any third party.
- 9.2 The author(s) of this report confirm that there are no conflicts of interest and measures have been put in place to prevent the risk of the potential for a conflict of interest. In accordance with the RICS Professional Statement *Financial Viability in Planning: Conduct and Reporting* September 2019, this report has been prepared objectively, impartially, and with reference to all appropriate sources of information.
- 9.3 The following persons have been involved in the production of this report:



**Agnes Mrowiec MRICS**  
RICS Membership no. 6821180  
For and on behalf of  
BPS Chartered Surveyors



**Andrew Jones MRICS**  
RICS Registered Valuer  
RICS Membership no. 0085834  
For and on behalf of  
BPS Chartered Surveyors

March 2025

# Appendix 1: Build Cost Report

Project: 135-149 Shaftesbury Ave (Former Saville Theatre)  
WC2H 8AH  
2024/0993/P & 2024/1005/L

## Independent Review of Assessment of Economic Viability

### 1 SUMMARY

- 1.1 The proposed scenario 1 cost estimate includes an allowance of 17.5% for preliminaries. The allowance for overheads and profit (OHP) is 4.9%. We consider both of these allowances reasonable. The Scenario 3 cost estimate includes an allowance of 19.3% for preliminaries. The allowance for overheads and profit (OHP) is 5%. Our view is that the preliminaries for both scenarios should be the same.
- 1.2 The allowance in Scenario 1 for contingencies is 5% which we consider reasonable. The total allowance for risk in Scenario3 is 12%. Our view is that risk should be treated equally in both scenarios.
- 1.3 Our benchmarking of the proposed scheme results in an adjusted benchmark for the theatre of £12,622/m<sup>2</sup> that compares to the Applicant's £12,601/m<sup>2</sup> and for the hotel an adjusted benchmark of £8,686/m<sup>2</sup> that compares to the Applicant's £8,394/m<sup>2</sup>. We therefore consider the Applicant's costs for the proposed scheme to be reasonable.
- 1.4 Our benchmarking of Scenario 3 results in an adjusted benchmark for the theatre of £11,079/m<sup>2</sup> that compares to the Applicant's £10,874/m<sup>2</sup> and for the hotel an adjusted benchmark of £10,106/m<sup>2</sup> that compares to the Applicant's £11,006/m<sup>2</sup>. We therefore consider the Applicant's costs for the Scenario 3 theatre to be reasonable, but the hotel costs too high by £6,455,066 (£900/m<sup>2</sup>). If the allowances for preliminaries, OHP and risk are adjusted to the same levels as the proposed scheme the adjusted benchmark and applicant's costs would be in line.
- 1.5 The duration allowed in the Applicant's appraisal of Scenario 1 comprises a pre-construction period of 3 months and a construction period of 57 months. The results determined from the BCIS duration calculation treating the whole building as a hotel (there is no BCIS duration data for theatres) provides an estimated average construction duration from start on site to construction completion of 73 weeks (16.8 months) with a 90% confidence interval for this estimate of 59 to 90 weeks (13.6 to 20.8 months). We consider the Applicant's allowance for pre-construction reasonable. We are unable to reach a conclusion on the construction duration partly because BCIS data for theatres is not available. We also note the construction of 6 basement levels which will create a considerable logistical construction problem in this central London location. We suggest the Applicant is requested to prepare a construction programme to provide realistic duration data for inclusion in the viability appraisal.

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## 2 METHODOLOGY

- 2.1 The objective of the review of the construction cost element of the assessment of economic viability is to benchmark the Applicant's costs against RICS Building Cost Information Service (BCIS) average costs. We use BCIS costs for benchmarking because it is a national and independent database. Many companies prefer to benchmark against their own data which they often treat as confidential. Whilst this is understandable as an internal exercise, in our view it is insufficiently robust as a tool for assessing viability compared to benchmarking against BCIS. A key characteristic of benchmarking is to measure performance against external data. Whilst a company may prefer to use their own internal database, the danger is that it measures the company's own projects against others of its projects with no external test. Any inherent discrepancies will not be identified without some independent scrutiny.
- 2.2 BCIS average costs are provided at mean, median and upper quartile rates (as well as lowest, lower quartile and highest rates). We generally use mean or occasionally upper quartile for benchmarking. The outcome of the benchmarking is little affected, as BCIS levels are used as a starting point to assess the level of cost and specification enhancement in the scheme on an element-by-element basis. BCIS also provide a location factor compared to a UK mean of 100; our benchmarking exercise adjusts for the location of the scheme. BCIS Average cost information is available on a default basis which includes all historic data with a weighting for the most recent, or for a selected maximum period ranging from 5 to 40 years. We generally consider both default and maximum 5-year and also 30-year average prices. We have previously considered 5-year data more likely to reflect current regulations, specification, technology and market requirements, but because of reduce sample sizes in the last 5 years we consider the default values the most appropriate for benchmarking.
- 2.3 BCIS average prices are available on an overall £ per sqm and for new build work on an elemental £ per sqm basis. Rehabilitation/conversion data is available on an overall £ per sqm and on a group element basis i.e., substructure, superstructure, finishings, fittings and services - but is not available on an elemental basis. A comparison of the applicants elemental costing compared to BCIS elemental benchmark costs provides a useful insight into any differences in cost. For example: planning and site location requirements may result in a higher-than-normal cost of external wall and window elements.
- 2.4 If the application scheme is for the conversion, rehabilitation or refurbishment of an existing building, greater difficulty results in checking that the costs are reasonable, and the benchmarking exercise must be undertaken with caution. The elemental split is not available from the BCIS database for rehabilitation work; the new build split may be used instead as a check for some, but certainly not all, elements. Works to existing buildings vary greatly from one building project to the next. Verification of costs is helped greatly if the cost plan is itemised in reasonable detail thus describing the content and extent of works proposed.
- 2.5 BCIS costs are available on a quarterly basis - the most recent quarters use forecast figures; the older quarters are firm. If any estimates require adjustment on a time basis, we use the BCIS all-in Tender Price Index (TPI).
- 2.6

BCIS average costs are available for different categories of buildings such as flats, houses, offices, shops, hotels, schools etc. The Applicant's cost plan should ideally keep the estimates for different categories separate to assist more accurate benchmarking. However, if the Applicant's cost plan does not distinguish different categories, we may calculate a blended BCIS average rate for benchmarking based on the different constituent areas of the overall GIA.

2.7

To undertake the benchmarking, we require a cost plan prepared by the applicant; for preference in reasonable detail. Ideally the cost plan should be prepared in BCIS elements. We usually have to undertake some degree of analysis and rearrangement before the applicant's elemental costs can be compared to BCIS elemental benchmark figures. If a further level of detail is available showing the build-up to the elemental totals it facilitates the review of specification and cost allowances in determining adjustments to benchmark levels. An example might be fittings that show an allowance for kitchen fittings, bedroom wardrobes etc that is in excess of a normal BCIS benchmark allowance.

2.8

To assist in reviewing the estimate we require drawings and (if available) specifications. Also, any other reports that may have a bearing on the costs. These are often listed as having been used in the preparation of the estimate. If not provided we frequently download additional material from the documents made available from the planning website.

2.9

BCIS average prices per sqm include overheads and profit (OHP) and preliminaries costs. BCIS elemental costs include OHP but not preliminaries. Nor do average prices per sqm or elemental costs include for external services and external works costs. Demolitions and site preparation are excluded from all BCIS costs. We consider the Applicants detailed cost plan to determine what, if any, abnormal and other costs can properly be considered as reasonable. We prepare an adjusted benchmark figure allowing for any costs which we consider can reasonably be taken into account before reaching a conclusion on the applicant's cost estimate.

2.10

We undertake this adjusted benchmarking by determining the appropriate location adjusted BCIS average rate as a starting point for the adjustment of abnormal and enhanced costs. We review the elemental analysis of the cost plan on an element-by-element basis and compare the Applicants total to the BCIS element total. If there is a difference, and the information is available, we review the more detailed build-up of information considering the specification and rates to determine if the additional cost appears justified. If it is, then the calculation may be the difference between the cost plan elemental £/m<sup>2</sup> and the equivalent BCIS rate. We may also make a partial adjustment if in our opinion this is appropriate. The BCIS elemental rates are inclusive of OHP but exclude preliminaries. If the Applicant's costings add preliminaries and OHP at the end of the estimate (as most typically do) we add these to the adjustment amounts to provide a comparable figure to the Applicant's cost estimate. The results of the elemental analysis and BCIS benchmarking are generally issued as a PDF but upon request can be provided as an Excel spreadsheet.

2.11

We have considered the duration of the construction period by reference to the average duration calculation resulting from use of the BCIS Duration Calculator, and if we consider appropriate have drawn attention to any significant divergence between the Applicant's duration and the BCIS calculation. The duration is expected to be the result of a programme in appropriate detail for the stage of the project that should be prepared by a specialist in the field. We consider our experience of

construction and duration sufficient for benchmarking comparisons using BCIS, but do not possess the appropriate qualifications and experience for undertaking a more detailed examination of the construction duration.

### 3 GENERAL REVIEW

- 3.1 We have been provided with and relied upon the Financial Viability Assessment issued by Montague Evans January 2025 together with the Proposed Scenario 1 Stage 3 Cost Rev G issued 30 January 2025 by Gardiner & Theobald - base 1Q2025 and the Scenario 3 Cost issued 16 January 2025 by Gardiner & Theobald - base 1Q2025.

We have also downloaded a number of files from the planning web site.

- 3.2 The information we require to undertake the cost benchmarking process outlined in section 2 is a reasonably detailed cost estimate in elemental detail with each element separately costed, with separate sub-totals in accordance with the BCIS/NRM rules of measurement, preferably presented as an elemental summary, and supported by a sufficiently detailed build-up to indicate the proposed specifications. If fit-out is separated in the estimate it too should be in similar elemental detail.

- 3.4 The Cost Estimates received are in generally elemental detail requiring further analysis from the detail provided of both fit out and services costs for inclusion in the elemental analyses in the form we require for elemental benchmarking. There is reasonable supporting detail.

- 3.5 The base date of the cost estimates is 1Q2025. Our benchmarking uses current BCIS data which is on a current tender firm price basis. The BCIS all-in Tender Price Index (TPI) for 1Q2025 is 403 (Forecast).

- 3.6 The design information used to produce the cost plan has been scheduled. There is reference to structural (Elliott Wood) and services (Hoare Lee) information listed.

- 3.7 The proposed scenario 1 cost estimate includes an allowance of 17.5% for preliminaries. The allowance for overheads and profit (OHP) is 4.9%. We consider both of these allowances reasonable. The Scenario 3 cost estimate includes an allowance of 19.3% for preliminaries. The allowance for overheads and profit (OHP) is 5%. Our view is that the preliminaries for both scenarios should be the same.

- 3.8 The allowance in Scenario 1 for contingencies is 5% which we consider reasonable. The total allowance for risk in Scenario3 is 12%. Our view is that risk should be treated equally in both scenarios. All the % figures are based on a calculation of a conventional arrangement of the sums in the analysis.

We have extracted the cost information provided by the Applicant into a standard BCIS/NRM format to facilitate our benchmarking.

- 3.9 We have downloaded current BCIS data for benchmarking purposes including a Location Factor for Camden of 129 that has been applied in our benchmarking calculations.

3.10

3.11 We have adopted the same GIAs used in the Applicant's cost estimates; we assume these to be calculated in accordance with the RICS Code of Measurement 6<sup>th</sup> Edition 2007.

3.12 The structure of the existing building is retained with the necessary building work to repair and convert to the proposed uses. Scenario 1 the proposed development comprises a ground floor and levels of basement beneath for use as a theatre. The hotel use is accommodated in a shared ground floor with nine levels of mainly vertical extension above. The Scenario 3 cost is based on the existing theatre area with 226 hotel keys. The appraisal for scenario 3a assumes 302 keys and Scenario 3b 473 keys - construction costs for other hotel sizes have been adjusted accordingly.

3.13 Our benchmarking of the proposed scheme results in an adjusted benchmark for the theatre of £12,622/m<sup>2</sup> that compares to the Applicant's £12,601/m<sup>2</sup> and for the hotel an adjusted benchmark of £8,686/m<sup>2</sup> that compares to the Applicant's £8,394/m<sup>2</sup>. We therefore consider the Applicant's costs for the proposed scheme to be reasonable.

3.14 Our benchmarking of Scenario 3 results in an adjusted benchmark for the theatre of £11,079/m<sup>2</sup> that compares to the Applicant's £10,874/m<sup>2</sup> and for the hotel an adjusted benchmark of £10,106/m<sup>2</sup> that compares to the Applicant's £11,006/m<sup>2</sup>. We therefore consider the Applicant's costs for the Scenario 3 theatre to be reasonable, but the hotel costs too high by £6,455,066 (£900/m<sup>2</sup>). If the allowances for preliminaries, OHP and risk are adjusted to the same levels as the proposed scheme the adjusted benchmark and applicant's costs would be in line.

3.15 The duration allowed in the Applicant's appraisal of Scenario 1 comprises a pre-construction period of 3 months and a construction period of 57 months. The results determined from the BCIS duration calculation treating the whole building as a hotel (there is no BCIS duration data for theatres) provides an estimated average construction duration from start on site to construction completion of 73 weeks (16.8 months) with a 90% confidence interval for this estimate of 59 to 90 weeks (13.6 to 20.8 months). We consider the Applicant's allowance for pre-construction reasonable. We are unable to reach a conclusion on the construction duration partly because BCIS data for theatres is not available. We also note the construction of 6 basement levels which will create a considerable logistical construction problem in this central London location. We suggest the Applicant is requested to prepare a construction programme to provide realistic duration data for inclusion in the viability appraisal.

3.16 The costs included in the appraisal are not consistent with the costs in the estimate.

BPS Chartered Surveyors  
Date: 4<sup>th</sup> March 2025



135-149 Shaftsbury Ave (Former Saville Theatre) WC2H 8AH  
Elemental analysis of Proposed Scenario 1 & BCIS benchmarking

GIA m <sup>2</sup>		11,074		11,074		4,375		6,699		Theatres		Hotels	
		Total		Demolition		Theatre		Hotel		LF100	LF129	LF100	LF129
		£	£/m <sup>2</sup>	£	£/m <sup>2</sup>	£	£/m <sup>2</sup>	£	£/m <sup>2</sup>	£/m <sup>2</sup>	£/m <sup>2</sup>	£/m <sup>2</sup>	£/m <sup>2</sup>
Demolitions 5.1%		4,272,000	386	4,272,000	386								
1	Substructure	21,599,200	1,950			21,599,200	4,937			226	292	234	302
2A	Frame	6,678,000	603			306,800	70	6,371,200	951	295	381	222	286
2B	Upper Floors									151	195	69	89
2C	Roof	1,378,100	124					1,378,100	206	146	188	166	214
2D	Stairs	939,000	85			635,000	145	304,000	45	123	159	50	65
2E	External Walls	11,184,600	1,010			1,284,400	294	9,900,200	1,478	459	592	262	338
	Entrance canopy	750,000	68			500,000	114	250,000	37				
2F	Windows & External Doors	350,000	32			135,000	31	215,000	32	88	114	135	174
2G	Internal Walls & Partitions	2,270,800	205			501,000	115	1,769,800	264	101	130	74	95
2H	Internal Doors	1,665,400	150			592,000	135	1,073,400	160	62	80	83	107
	Superstructure allowances: stage structure, catwalk & grid, balustrade void, forming levels	2,224,000	201			2,224,000	508		0				
2	Superstructure	27,439,900	2,478	0	0	6,178,200	1,412	21,261,700	3,174	1,425	1,838	1,061	1,369
3A	Wall Finishes	2,647,200	239			1,559,800	357	1,087,400	162	29	37	80	103
3B	Floor Finishes	1,141,800	103			730,000	167	411,800	61	93	120	76	98
3C	Ceiling Finishes	1,139,000	103			582,000	133	557,000	83	28	36	50	65
3	Internal Finishes	4,928,000	445	0	0	2,871,800	656	2,056,200	307	150	194	206	266
4	Fittings	4,346,180	392			1,610,000	368	2,736,180	408	212	273	104	134
	Fit out												
	YC Contribution	1,200,000	108			1,200,000	274		0				
5A	Sanitary Appliances	1,939,100	175			384,100	88	1,555,000	232	10	13	136	175
5B	Services Equipment (kitchen, laundry) - FoH MEPH fit out	450,000	41					450,000	67			62	
5C	Disposal Installations	687,200	62			193,800	44	493,400	74	20	26	13	17
5D	Water Installations	1,063,000	96			308,300	70	754,700	113	19	25	85	110
5E	Heat Source	996,300	90			440,500	101	555,800	83			28	
5F	Space Heating & Air Treatment	3,998,200	361			1,386,500	317	2,611,700	390			164	
5G	Ventilating Systems, smoke extract & control	2,308,700	208			1,724,200	394	584,500	87	50	65	97	125
5H	Electrical Installations (power, lighting, emergency lighting, standby generator, UPS, PV Panels)	3,947,090	356			1,410,200	322	2,536,890	379	315	406	209	270
5I	Fuel Installations											6	
5J	Lift Installations	1,320,000	119			615,000	141	705,000	105	44	57	43	55
5K	Protective Installations (fire fighting, dry & wet risers, sprinklers, lightning protection)	1,375,550	124			507,700	116	867,850	130			31	
5L	Communication Installations (burglar, panic alarm, fire alarm, cctv, door entry, public address, data cabling, tv/satellite, telecommunication systems, leak detection, induction loop)	2,795,650	252			862,700	197	1,932,950	289	163	210	83	107
5M	Special Installations - (window cleaning, BMS, medical gas)	253,150	23			44,900	10	208,250	31	520	671	67	86
	Client IT	500,000	45					500,000	75				
5N	BWIC with Services and fire stopping	1,663,380	150			1,147,900	262	515,480	77	6	8	24	31
5O	Testing & commissionng	59,320	5					59,320	9				
	Sub contract prelims	362,980	33					362,980	54				
5	Services	23,719,620	2,142	0	0	9,025,800	2,063	14,693,820	2,193	1,147	1,480	1,048	977
6A	Site Works (also see green roofs)	250,000	23			250,000	57		0				
6B	Drainage												
6C	External Services												
6D	Minor Building Works - sub station	750,000	68			296,000	68	454,000	68				
6	External Works 1.1%	1,000,000	90	0	0	546,000	125	454,000	68	0	0	0	0
	SUB TOTAL	88,504,900	7,992	4,272,000	386	43,031,000	9,836	41,201,900	6,150	3,160	4,076	2,653	3,047
7	Preliminaries 17.5%	15,527,500	1,402	726,000	66	7,084,000	1,619	7,717,500	1,152				
	Overheads & Profit 4.9%	5,141,000	464	250,000	23	2,445,000	559	2,446,000	365				
	SUB TOTAL	109,173,400	9,859	5,248,000	474	52,560,000	12,014	51,365,400	7,668	3,160	4,076	2,653	3,047
	Design Development risks 2.5%	2,699,000	244	131,000	12	1,284,000	293	1,284,000	192				
	Construction risks 2.5%	2,699,000	244	131,000	12	1,284,000	293	1,284,000	192				
	Employer change risks												
	Employer other risks - to balance	1,600	0		0								
	TOTAL	114,573,000	10,346	5,510,000	498	55,128,000	12,601	53,933,400	8,051				
	Client direct	2,300,000	208		0			2,300,000	343				
		116,873,000	10,554	5,510,000	498	55,128,000	12,601	56,233,400	8,394				
			10,554		498		12,601		8,394				
	Benchmarking						4,650		3,421				
	Add external works					125		68					
	Add additional cost of substructure/ basements					4,645							
	Add superstructure allowances					508							
	Add additional cost of finishes							41					
	Add additional cost of fittings					95		274					
	Add YC Contribution					274							
	Add additional cost of services - allow					100		1,217					
	Add additional cost of frame & upper floors							576					
	Add additional cost of external walls & windows							998					
	Add entrance canopy							37					
	Add additional cost of internal walls							169					
	Add additional cost of internal doors							53					
	Add client direct							343					
						5,747		3,776					
	Add prelims 17.5%					1,006		661					
	Add OHP 5%					338	7,091	222	4,659				
							11,741		8,080				
	Add contingency 7.5%						881		606				
	Total adjusted benchmark						12,622		8,686				

135-149 Shaftsbury Ave (Former Saville Theatre) WC2H 8AH  
Elemental analysis Scenario 3 & BCIS benchmarking

		GIA m <sup>2</sup>		10,756		3,581		7,175		Theatres		Hotels	
		Total		Theatre		Hotel				LF100	LF129	LF100	LF129
		£	£/m <sup>2</sup>	£	£/m <sup>2</sup>	£	£/m <sup>2</sup>	£/m <sup>2</sup>	£/m <sup>2</sup>	£/m <sup>2</sup>	£/m <sup>2</sup>	£/m <sup>2</sup>	£/m <sup>2</sup>
Demolitions 0.3%		250,000	23	250,000	70								
1	Substructure	4,000,000	372	1,500,000	419	2,500,000	348	226	292			234	302
Structural alterations for seating and acoustics		7,321,000	681	7,321,000	2,044		0						
2A	Frame	8,136,000	756		0	8,136,000	1,134	295	381			222	286
2B	Upper Floors							151	195			69	89
2C	Roof	2,564,000	238	304,000	85	2,260,000	315	146	188			166	214
2D	Stairs	1,138,000	106	460,000	128	678,000	94	123	159			50	65
2E	External Walls & façade retention	18,565,000	1,726	7,265,000	2,029	11,300,000	1,575	459	592			262	338
Roof terrace amenity		2,000,000	186		0	2,000,000	279						
2F	Windows & External Doors							88	114			135	174
2G	Internal Walls & Partitions	1,582,000	147		0	1,582,000	220	101	130			74	95
2H	Internal Doors	1,356,000	126		0	1,356,000	189	62	80			83	107
2	Superstructure	35,341,000	3,286	8,029,000	2,242	27,312,000	3,807	1,425	1,838			1,061	1,369
3A	Wall Finishes	3,041,849	283	2,137,849	597	904,000	126	29	37			80	103
3B	Floor Finishes	157,180	15	157,180	44		0	93	120			76	98
3C	Ceiling Finishes	125,313	12	125,313	35		0	28	36			50	65
3	Internal Finishes	3,324,342	309	2,420,342	676	904,000	126	150	194			206	266
4	Fittings	2,828,658	263	1,698,658	474	1,130,000	157	212	273			104	134
Technical & stage equipment		1,802,000	168	1,802,000	503		0						
Fit out		9,718,000	903		0	9,718,000	1,354						
5A	Sanitary Appliances	64,269	6	9,067	3	55,203	8	10	13			136	175
5B	Services Equipment (kitchen, laundry) - FoH MEPH	541,204	50		0	541,204	75					62	
5C	Disposal Installations	414,199	39	99,940	28	314,259	44	20	26			13	17
5D	Water Installations	757,942	70	129,424	36	628,518	88	19	25			85	110
5E	Heat Source	921,481	86	253,035	71	668,446	93					28	
5F	Space Heating & Air Treatment	2,647,661	246	648,575	181	1,999,086	279					164	
5G	Ventilating Systems, smoke extract & control	1,023,146	95	700,829	196	322,317	45	50	65			97	125
5H	Electrical Installations (power, lighting, emergency lighting, standby generator, UPS, PV Panels)	2,930,363	272	512,506	143	2,417,857	337	315	406			209	270
5I	Fuel Installations											6	
5J	Lift Installations	1,273,532	118	425,647	119	847,886	118	44	57			43	55
5K	Protective Installations (fire fighting, dry & wet risers, sprinklers, lightning protection)	1,175,177	109	245,629	69	929,547	130					31	
5L	Communication Installations (burglar, panic alarm, fire alarm, cctv, door entry, public address, data cabling, tv/satellite, telecommunication systems, leak detection, induction loop)	2,152,762	200	348,269	97	1,804,493	251	163	210			83	107
5M	Special Installations - (window cleaning, BMS, medical gas)	212,392	20		0	212,392	30	520	671			67	86
Client IT		601,337	56		0	601,337	84						
5N	BWIC with Services and fire stopping	1,218,281	113	702,213	196	516,068	72	6	8			24	31
5O	Management of commissioning of services												
5	Services	15,933,747	1,481	4,075,136	1,138	11,858,611	1,653	1,147	1,480			1,048	977
6A	Site Works	250,000	23	250,000	70		0						
6B	Drainage												
6C	External Services												
6D	Minor Building Works - sub station & utilities	1,500,878	140	954,864	267	546,014	76						
6	External Works	1,750,878	163	1,204,864	336	546,014	76	0	0			0	0
SUB TOTAL		82,269,626	7,649	28,301,000	7,903	53,968,626	7,522	3,160	4,076			2,653	3,047
7	Preliminaries 19.3%	15,866,374	1,475	4,811,000	1,343	11,055,374	1,541						
Overheads & Profit 5%		4,907,000	456	1,656,000	462	3,251,000	453						
SUB TOTAL		103,043,000	9,580	34,768,000	9,709	68,275,000	9,516	3,160	4,076			2,653	3,047
Design Development risks 2%		2,061,000	192	695,000	194	1,366,000	190						
Construction risks 10%		10,305,000	958	3,477,000	971	6,828,000	952						
Employer change risks													
Employer other risks													
TOTAL		115,409,000	10,730	38,940,000	10,874	76,469,000	10,658						
Client direct 2.2		2,500,000	232		0	2,500,000	348						
TOTAL		117,909,000	10,962	38,940,000	10,874	78,969,000	11,006						
					10,874		11,006						
Benchmarking					4,650		3,421						
Add demolitions				70									
Add external works				336		76							
Add additional cost of substructure				127		47							
Add Structural alterations for seating and acoustics				2,044									
Add additional cost of external walls, facade retention & windows				1,323		1,063							
Add additional cost of finishes				482									
Add additional cost of fittings				201		23							
Add additional cost of frame						759							
Add additional cost of roof						101							
Add roof terrace amenity						279							
Add additional cost of in ternal walls & doors						207							
Add additional cost of fit out						1,354							
Add additional cost of services						676							
				4,584		4,585							
Add prelims 17.5% (as proposed)				802		802							
Add OHP 5%				269	5,656	269	5,656						
					10,306		9,077						
Add contingency 7.5% (as proposed)					773		681						
Add client direct							348						
Total adjusted benchmark					11,079		10,106						
Difference						6,455,066	900						

The difference between the benchmarked and applicants hotel costs is the higher costs of preliminaries, OHP and contingency in the scenario 3 estimate compared to the proposed scenario 1. At the same rates as Scenario 1 the cost would be £10,083/m<sup>2</sup> compared to the applicants £11,006/m<sup>2</sup>

## Appendix 2: Glossary

Term	Definition (links provided for further information)
Actual Developer Return (or profit)	As opposed to target return, the actual return is what developers are due to receive from a development scheme.
Affordable Rent:	Affordable rent is rent that is set at up to 80% of market rent (including service charges). Includes SR, LAR and DMR housing.
Social Rent (SR)	Social rent is usually rent that is paid to registered providers and local authorities. It is low-cost rent that is set by a government formula.
London Affordable Rent (LAR)	London Affordable Rent (LAR) homes are rented by social landlords with rents capped at benchmark levels published by the Greater London Authority. They are lower than the 80% per cent of market rents at which affordable rents can be charged. <a href="#">The London Plan</a>
Discounted Market Rent (DMR)	Usually at 80% or less of open market rent, or to LAR levels.
Alternative Use Value (AUV)	Ultimately, AUV considers other options for a property to ascertain the highest value and best use for the land. There's usually more than one thing that can be done to release value in a site, and it's logical that the landowner should consider all avenues before bringing a scheme forward. Government guidance allows viability assessors to consider the alternative use value of a building as a benchmark, provided this relates to a lawful use which complies with the adopted development plan. This alternative use can therefore be: <ul style="list-style-type: none"> <li>- a legal permitted change of use or development (which does not require planning permission)</li> <li>- an existing planning permission (for example a smaller scheme)</li> <li>- or a proposal which fully complies with all development plan policies.</li> </ul> Existing Use Value remains the preferred method of assessing BLV under PPG and AUV use is limited by a number of specific conditions. <a href="#">NPPG</a>
Benchmark Land Value (BLV)	The benchmark land value (BLV) is the hypothetical land value used to assess planning viability; it does not include hope value. Established based on either the existing use value (EUV) or the Alternative Use Value (AUV) of the land and may include a Landowner Premium. <a href="#">NPPG</a>
Construction Costs	Total build costs associated with the development.
Build to Rent (BTR)	Build to Rent is a property development that is designed with the sole intention of appealing to the rental market as opposed to long-term home ownership. <a href="#">The London Plan</a>
Co-Living	the practice of living with other people in a group of homes that include some shared facilities (typically shared working, leisure spaces and kitchens). <a href="#">The London Plan</a>
Community Infrastructure Levy (CIL)	The Community Infrastructure Levy (CIL) is a levy on development that councils across the country, are implementing. It helps to pay for local infrastructure including schools, paths, parks, open spaces and healthcare facilities.
Developer Return (or profit)	The amount or percentage return retained or retainable by the developer. <a href="#">NPPG</a>
Developer return on cost	The amount of developer Return expressed as a percentage of Build Costs. <a href="#">NPPG</a>
Developer return on GDV	The amount of Developer Return expressed as a percentage of GDV. <a href="#">NPPG</a>
Development Appraisal	A financial appraisal of a development. It is normally used to calculate either the residual site value or the residual development profit, but it can be used to calculate other outputs. <a href="#">RICS Development Valuation</a>
Existing Use Value (EUV)	What property or land is worth in its current form. In other words, the hypothetical price that it can be sold for on the open market, assuming it will only be used for the existing use for the foreseeable future and that no capital works will be undertaken. It excludes hope value for redevelopment. <a href="#">NPPG</a>
Extra Care	The term 'extra care' housing is used to describe developments that comprise self-contained homes with design features and support services available to enable self-care and independent living.
Fair Value	'The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.' (This definition derives from international Financial Reporting Standards IFRS 13.) <a href="#">The Red Book</a>

Gross Development Value (GDV)	The value of a development once construction has been completed, or the total sum of the sales values for the finished development. <a href="#">NPPG</a>
Gross External Area (GEA)	Broadly speaking the whole area of a building taking each floor into account, including the thickness of the external walls. Most similar to IPMS 1. <a href="#">Code of Measuring Practice IPMS</a>
Gross Internal Area (GIA)	Broadly speaking the whole enclosed area of a building taking each floor into account and excluding the thickness of the external walls. Most similar to IPMS 2. <a href="#">Code of Measuring Practice IPMS</a>
Ground Rent	An additional amount which many people who own leasehold properties must pay. It's charged by a "landlord", although the more accurate term is perhaps "freeholder" – the person who owns the land, and ultimately owns the lease. No longer applied on new dwellings.
House of Multiple Occupation (HMO)	A property shared by at least 3 people who are not from 1 'household' (for example a family) and share facilities like the bathroom and kitchen. You must have a licence if you're renting out a large HMO in England or Wales. Your property is defined as a large HMO if all of the following apply: <ul style="list-style-type: none"> <li>it is rented to 5 or more people who form more than 1 household.</li> <li>some or all tenants share toilet, bathroom, or kitchen facilities.</li> <li>at least 1 tenant pays rent (or their employer pays it for them) <a href="#">The London Plan</a></li> </ul>
Internal Rate of Return (IRR)	The rate of interest (expressed as a percentage) at which all future project cash flows (positive and negative) will be discounted in order that the net present value (NPV) of those cash flows, including the initial investment, be equal to zero. IRR can be assessed on both gross and net of finance. <a href="#">RICS Development Valuation</a>
Shared Ownership (SO)	The purchaser pays a mortgage on the share they own and pays a subsidised rent to a housing association on the remaining share. The purchaser has the option to increase their share during their time in the property via a process known as 'staircasing', and in most cases can staircase all the way to 100%. It is a form of intermediate housing.
London Living Rent (LLR)	London Living Rent is a type of intermediate affordable housing for Londoners to build up savings to buy a home. London Living Rent provides rented homes on stable tenancies, with rents based on a third of local household incomes. It is a form of intermediate housing. <a href="#">The London Plan</a>
ITZA	ITZA is surveyor-abbreviation meaning 'area in terms of Zone A'. Totalling the Zone A equivalent of each zone (i.e. Zone B/2, Zone C/4 etc) and expressing the total in terms of Zone A is a method of analysing rents. <a href="#">Code of Measuring Practice</a>
Landowner Premium	The premium (or the 'plus' in EUV+) is a component of benchmark land value. It is the amount (if any) above existing use value (EUV) that goes to the landowner and reflects an incentive for the landowner to dispose of the land for development. <a href="#">NPPG</a>
Market Value	The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. <a href="#">The Red Book</a>
National Planning Policy Framework (NPPF)	The revised National Planning Policy Framework sets out government's planning policies for England and how these are expected to be applied. <a href="#">National Planning Policy Framework</a>
Net Internal Area (NIA)	Broadly speaking the usable area within a building measured to the face of the internal finish of perimeter or party walls, excluding corridors and WCs etc and taking each floor into account. Most similar to IPMS 3. <a href="#">Code of Measuring Practice IPMS</a>
Net Sales Area (NSA)	Net Sales Area is the GIA of a new or existing residential dwelling, including basements, mezzanines, galleries and hallways, but excluding garages, conservatories, balconies, outbuildings, terraces and restricted height areas under 1.5m. <a href="#">Code of Measuring Practice</a>
Net Lettable Area (NLA)	As above, expressing the area to be rentalised. <a href="#">Code of Measuring Practice</a>
Planning Obligations	Planning obligations are legal obligations entered into to mitigate the impacts of a development proposal. This is usually via s106 agreement. Planning obligations run with the land, are legally binding and enforceable. They can include affordable housing, infrastructure contributions, CIL etc.
NPPG	The <a href="#">National Planning Practice Guidance</a> adds further context to the <a href="#">National Planning Policy Framework</a> (NPPF) and it is intended that the two documents should be read together. Plan makers must have regard to national policies and advice contained in the guidance when developing their plans. The guidance is also a 'material consideration' when taking decisions on planning applications. This means that if a local policy is deemed out of date, local authorities may be directed by the national guidance's requirements.

Open Market Sale (OMS)	Housing that is to be sold at Market Value.
Residual Value	The amount remaining once the gross development cost of a project is deducted from its gross development value (GDV) and an appropriate return has been deducted. <a href="#">RICS Development Valuation</a>
Retirement Living	A retirement village or development built specifically for older adults - often those aged 55, 60 or 65 and over. They come with a range of superb facilities and can offer on-site care.
RICS	Royal Institution of Chartered Surveyors.
Target Developer Return (or profit)	The target profit required by the developer. <a href="#">NPPG</a>
The Red Book	The Red Book is issued by RICS and details mandatory practices for RICS members undertaking valuation services. It also offers a useful reference resource for valuation users and other stakeholders. <a href="#">The Red Book</a>
Zoning	In retail property valuation, Zoning is the area closest to the street and the most valuable area of retail, with the value decreasing with distance from the frontage: Zone B is the next 6 metres and then Zone C until the entire depth of the retail area is allocated into a zone. Anything after Zone C is usually delegated as the remainder (of space). <a href="#">Code of Measuring Practice</a>

The above definitions are indicative only and are not to be relied upon. Professional advice should always be sought.

## Appendix 3: Hotel Report

# Melvin Gold Consulting

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Specialist Consultant to the Hotel Industry

Proposed Hotel as part of a Development Site  
at 135-149 Shaftesbury Avenue, London WC2,  
in the London Borough of Camden

## Initial Report

Prepared for:



February 2025



# Melvin Gold Consulting Ltd

Specialist Consultant to the Hotel Industry

BPS Chartered Surveyors  
215a High Street  
Dorking  
Surrey RH4 1RU

19 February 2025

Dear Sirs

**Re: Proposed Hotel Development in Shaftesbury Avenue, London WC2**

Thank you for retaining us to prepare a report and financial estimates related to the proposed development of a hotel as part of a development site located at 135-149 Shaftesbury Avenue, London WC2H 8AH. You are retained on this matter by the London Borough of Camden.

Our Initial Report is contained herein, based on a brief research programme conducted during February 2025. It illustrates our initial view as to the potential future performance of the hotel assuming the market conditions which we expect to prevail, as discussed. This considers both the hotel envisaged as part of the application and the scenarios submitted. We note neither the FVA nor the documents submitted with the application contain any information or support from the hotel operator, nor much supporting information on the London hotel market.

As is usual in such reports we have, by necessity, made a number of assumptions (generally following research) which lead us to the conclusions contained herein. This report sets out our opinion, after considering all the factors of which we were aware.

We have used our best endeavours to research the specific issues highlighted in respect of this proposed hotel development. Whilst we have used all reasonable care and skill in undertaking the assignment we are not responsible and cannot be held responsible for any losses or other liabilities arising from the conduct of this assignment, or from any actions taken as a result of the information provided. Our report is submitted as part of the planning application process to support the assignment that you are retained for. Although you may rely on it for your purpose, and that of London Borough of Camden, it does not represent commercial advice for the subject development or for any other purpose. We recognise it may enter the public domain through the planning process but it does not constitute advice to any third party who may receive it and they should retain their own independent advice.

We thank you for having retained us on this most interesting and important assignment and remain at your service for further advice or discussion concerning this report or any other hotel industry related matters.

Yours faithfully



Melvin Gold  
Hotel Industry Consultant

'Hilltop', Carroll Hill, Loughton, Essex IG10 1NL  
Tel:07906-630187 e-mail: melvin.gold@melvingoldconsulting.com

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## 1 – Introduction

### Introduction

BPS Chartered Surveyors (BPS) has been instructed as valuers by the London Borough of Camden (LB of Camden) in relation to a planning application for a development site at 135-149 Shaftesbury Avenue, London WC2H 8AH. The applicant is YC Saville Theatre Limited and they are supported in their application by a team of specialist professionals, most notably from our perspective, Montagu Evans LLP (Montagu Evans) who have prepared a Financial Viability Assessment and other supporting documents.

Historically the site was built and operated as The Saville Theatre. Subsequently it was converted to use as a cinema by various operators most recently as a 4-screen Odeon cinema. That operator has now vacated the site and it is unoccupied. A full background and description is contained in the various documents submitted as part of the planning application (London Borough of Camden planning application reference 2024/0993/P) and we do not unnecessarily re-iterate them here. We note that the building is Grade II listed.

According to the Financial Viability Assessment (FVA) dated January 2025 “The Proposed Development would include part-demolition, part-retention and stabilisation and refurbishment of the existing Grade II listed building. New basement levels will be excavated to accommodate the theatre, with the introduction of ancillary retail and theatre lobby, box office and front of house facilities at ground floor level.” Overall the proposed scheme comprises “a theatre within new basement levels, ancillary restaurant/bar at ground floor, and 211 hotel beds on upper floors. The hotel beds are a mixture of conversion and new build units, the latter within the 5-storey upwards extensions.”

Montagu Evans also state that “The Proposed Development would become the first UK-based permanent home of Cirque du Soleil. At upper levels, the 211-bed boutique hotel would be operated by citizenM.” They state, among other comments which we are unqualified to comment upon, “The proposed hotel use is an enabling use that is better able to cross subsidise the costs of development than is the proposed theatre.”

In addition to the scheme which is the subject of this application, Montagu Evans have stated that they are instructed to carry out an FVA for two additional scenarios. Specifically:

- Scenario 2: A hypothetical scheme in which the existing building envelope is filled with a new theatre. There would be no additional basement dig or upwards extensions and the use of the completed building would be 100% theatre.
- Scenario 3 - A variation of Scenario 2, with hotel bedrooms added through upwards extensions (i.e. new build only) until such a point as the scheme would be deliverable.

BPS Chartered Surveyors has approached Melvin Gold Consulting, a specialist hotel industry consultancy, with the key task of preparing financial estimates for the potential hotel, as well as a suitable report and commentary on the hotel element. Consideration of various planning issues are critical elements of the outcomes of BPS’ valuation and development appraisal of the project as a whole. The hotel financial estimates are intended as inputs into those valuations. Given our specific expertise we have confined our report to hotel industry matters.

### Scope of Work and Methodology

We have conducted this assignment from the desk. We have not visited the site during the period of this assignment although it, and the area around it, are well known to us. In fact

over time we have viewed films in the cinema there prior to closure. We have been in the vicinity of the site within a month prior to being retained on the assignment.

Our work has primarily comprised earnings estimates of the hotel proposed in the planning application, envisaging a future opening with the facilities proposed. We have also considered the scenarios that are submitted by Montagu Evans within their FVA report.

There is no information provided by, or sourced to, the hotel operator CitizenM within the submission (except for a short Operating Plan) and as we have noted the brand and its operation is a very specific hotel. As the company's website states "It's impossible to confuse citizenM with any other hotel. We don't look or sound like anyone else." Given this, we would have expected input from the operator to underpin the application and for the application to contain additional support and information on the competitive hotel market and CitizenM's positioning within it.

Noting the scarcity of such information we have compiled a short initial report supporting our earnings estimates and appropriate market commentary. If more information is subsequently provided then we may wish to extend and/or reconsider our reporting but we believe it is appropriate for the current context given the information made available within the application.

The report and our earnings estimates are submitted to BPS Chartered Surveyors for consideration in the valuations that they are preparing related to this application. We are available to discuss our findings with BPS to assist with rationale for the valuations as required. If required we are also available to discuss the matter with Montagu Evans if they challenge our report by a written submission, albeit we note the information that they have currently provided is relatively brief. If further information is provided then we will be prepared to further consider and enhance our report and if necessary to revise our earnings estimates.

## 2 – Executive Summary

- The development site is located at 135-149 Shaftesbury Avenue, London WC2H 8AH. Shaftesbury Avenue is a busy road connecting New Oxford Street to the north with Picadilly Circus to the south west. Road traffic operates in both directions. Covent Garden is situated to the east with the Soho district to the west. It would generally be regarded as being within London's West End and its theatreland. In micro location terms the site comprises an entire city block bounded by Shaftesbury Avenue, Stacey Street, St Giles Passage and New Compton Street.
- We note that as part of the proposed development there is intended to be a permanent London theatre housing Cirque du Soleil and of course there would be some synergy with a hotel on the site for tourist visitors to such a theatre offering. We consider that a hotel on the site would be well located for both leisure/tourist and business visitors to London. There are plenty of attractions and businesses within easy walking distance of the hotel and good public transport from which to visit any of the remainder of the city that requires a longer journey.
- The Proposed Hotel is a 211 bedroom CitizenM hotel. Average bedroom size is 13m<sup>2</sup> and the bedrooms are located on floors 1 to 9. The hotel entrance is located on the Ground Floor from New Compton Street and the hotel lobby including its Food and Beverage facilities are located on the 5th Floor. There is a luggage store at Ground Floor level as well as recycling and delivery facilities and there are also Back of House areas on the 4th Floor.
- We believe it is important to understand the brand and company because, on their own admission, "It's impossible to confuse citizenM with any other hotel. We don't look or sound like anyone else." We discuss the brand and the factors that make it so individual – perhaps unique – within the body of this report.
- London is the largest and arguably the most dynamic hotel market in Europe. Savills estimate that there are currently some 9,300 rooms under development and due to open before the end of 2026. Development activity is heavily skewed towards branded hotels at all tiers of the market.
- London is among the world's most dynamic and resilient hotel markets. Typically the 'market' Occupancy level exceeds 80% as it did for almost all of the 30 years prior to the Covid pandemic. This is unprecedented in any other major European hotel market. PWC's UK hotel forecast for 2025 envisages positive but generally subdued market conditions
- Montagu Evans have predominantly relied upon a per room valuation of the proposed hotel (and the scenario hotels) within their FVA. They have provided an abbreviated hotel Profit and Loss estimate depicting the subject hotel. There is no commentary, explanation or support provided for this Profit and Loss Account. We note that a 50% NOI for a London hotel would be unusual, perhaps unprecedented. If it relates to a level that CitizenM are achieving or believe they would achieve then we believe that evidence of that should be provided, or at the very least operator support should be provided.
- We are unaware of CitizenM's proposed tenure of the subject hotel. Management Agreement would require fees to be provided for and other options would also need to be financially reflected.

- Overall we believe that the Occupancy and Average Room Rate used by Montagu Evans is reasonable for the 211 bedroom hotel in stabilised trading conditions and we have therefore also used their Occupancy of 85% and Average Room Rate of £215 as a basis for our financial estimates. We have also adopted their Food and Beverage estimates for a stabilised year of operation.
- We have then sought to consider the operating costs by department taking account of the characteristics of the hotel and the brand.
- At stabilised levels of performance this indicates Net Operating Profit at £6.7m or 45.1% of revenue. However we note that our estimates do not include any management fees – base or incentive – nor a provision for renewals and replacements. Hotels tend to take a period of time to reach optimum trading performance and we have considered that this stabilised level is only reached in the third year of operation. Our estimates are summarised as follows:

Financial Estimates for the Proposed 211 room CitizenM Hotel at Shaftesbury Avenue, London WC2 in constant 2025 values										
	Year 1	Ratio	Year 2	Ratio	Year 3	Ratio	Year 4	Ratio	Year 5	Ratio
	£	%	£	%	£	%	£	%	£	%
<b>Revenues</b>										
Rooms	11,921,922	94.0%	13,056,160	94.2%	14,074,491	94.3%	14,074,491	94.3%	14,074,491	94.3%
Food & Beverage	760,022	6.0%	802,246	5.8%	844,469	5.7%	844,469	5.7%	844,469	5.7%
<b>Total Revenue</b>	<b>12,681,944</b>	<b>100.0%</b>	<b>13,858,406</b>	<b>100.0%</b>	<b>14,918,960</b>	<b>100.0%</b>	<b>14,918,960</b>	<b>100.0%</b>	<b>14,918,960</b>	<b>100.0%</b>
<b>Total Dept. Costs</b>	<b>4,372,663</b>	<b>34.5%</b>	<b>4,506,892</b>	<b>32.5%</b>	<b>4,560,135</b>	<b>30.6%</b>	<b>4,560,135</b>	<b>30.6%</b>	<b>4,560,135</b>	<b>30.6%</b>
<b>Gross Profit</b>	<b>8,309,281</b>	<b>65.5%</b>	<b>9,351,514</b>	<b>67.5%</b>	<b>10,358,825</b>	<b>69.4%</b>	<b>10,358,825</b>	<b>69.4%</b>	<b>10,358,825</b>	<b>69.4%</b>
<b>Total Undistributed Costs</b>	<b>2,472,979</b>	<b>19.5%</b>	<b>2,605,380</b>	<b>18.8%</b>	<b>2,685,413</b>	<b>18.0%</b>	<b>2,685,413</b>	<b>18.0%</b>	<b>2,685,413</b>	<b>18.0%</b>
<b>Income Before Fixed Charges</b>	<b>5,836,302</b>	<b>46.0%</b>	<b>6,746,134</b>	<b>48.7%</b>	<b>7,673,412</b>	<b>51.4%</b>	<b>7,673,412</b>	<b>51.4%</b>	<b>7,673,412</b>	<b>51.4%</b>
<b>Total Fixed Costs</b>	<b>950,990</b>	<b>7.5%</b>	<b>950,990</b>	<b>6.9%</b>	<b>950,990</b>	<b>6.4%</b>	<b>950,990</b>	<b>6.4%</b>	<b>950,990</b>	<b>6.4%</b>
<b>Net Operating Profit/EBITDA</b>	<b>4,885,313</b>	<b>38.5%</b>	<b>5,795,144</b>	<b>41.8%</b>	<b>6,722,423</b>	<b>45.1%</b>	<b>6,722,423</b>	<b>45.1%</b>	<b>6,722,423</b>	<b>45.1%</b>
<b>Statistics</b>										
Room Occupancy	80%		83%		85%		85%		85%	
Average Room Rate	193.50		204.25		215.00		215.00		215.00	
RevPar	154.80		169.53		182.75		182.75		182.75	

- Montagu Evans have envisaged various alternative scenarios. We have also made estimates for those scenarios which are summarised as follows:

Summary of Profitability of the Proposed Scheme and Various Scenarios – Shaftesbury Avenue Hotel						
	Rooms	Year 1 NOP £	Year 2 NOP £	Year 3 NOP £	Year 3 NOP %	Year 3 NOP per room
Proposed Scheme	211	4,885,313	5,795,144	6,722,423	45.1%	31,860
Scenario 3a	302	7,295,767	8,305,309	9,600,654	46.6%	31,790
Scenario 3b	473	9,062,917	11,174,526	13,565,358	46.9%	28,679
Scenario 3c	226	5,262,505	6,239,864	7,235,689	45.3%	32,016

- We consider our financial modelling and estimates to be appropriate for use within the valuations that BPS Chartered Surveyors are preparing for the London Borough of Camden, for consideration in relation to the planning application.

### 3 – 135-149 Shaftesbury Avenue Development Site

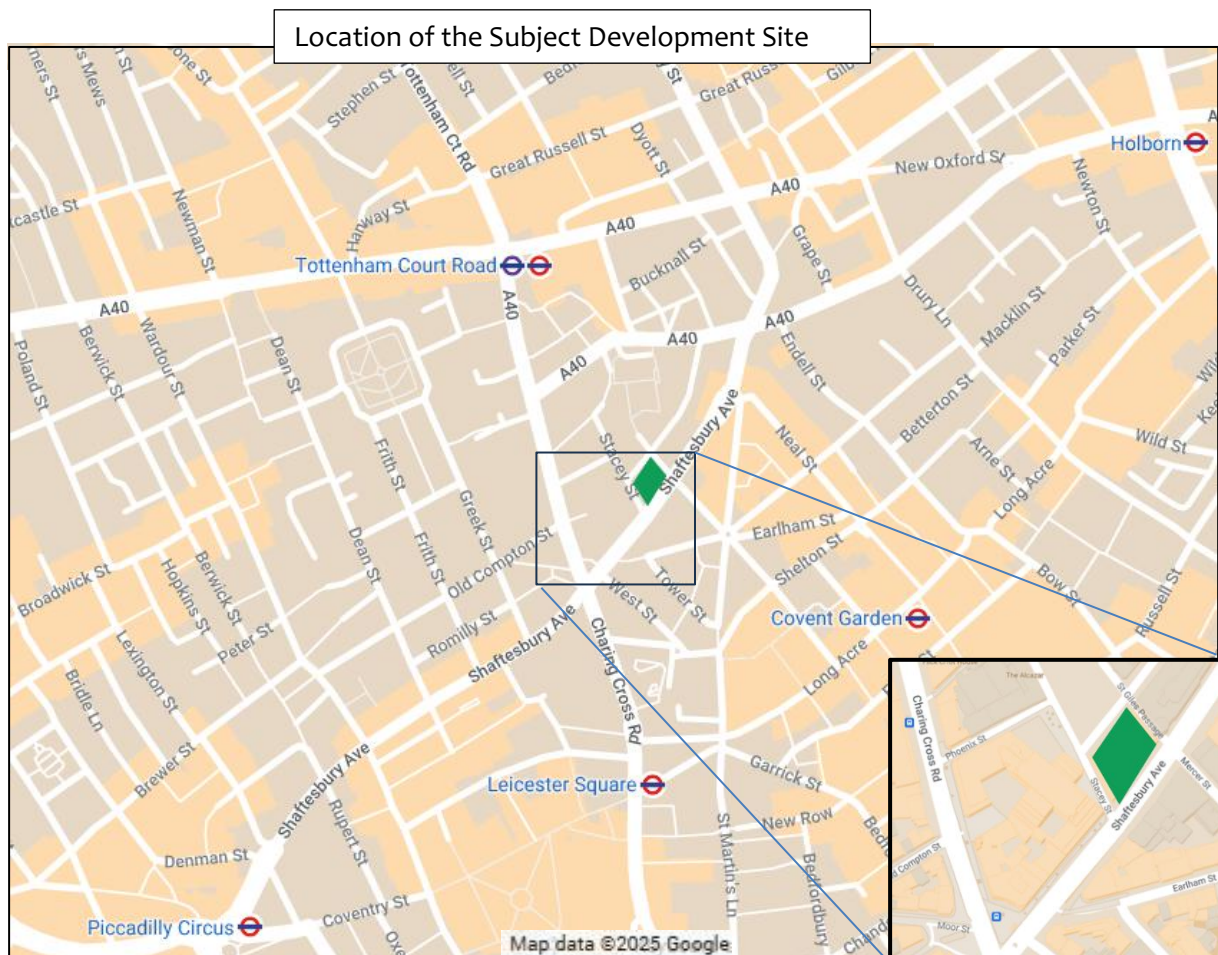
#### Introduction

In this section we discuss the development site and its location, as well as the proposed hotel scheme which is a major element of it and our primary focus.

#### Site Location

The development site is located at 135-149 Shaftesbury Avenue, London WC2H 8AH. Shaftesbury Avenue is a busy road connecting New Oxford Street to the north with Piccadilly Circus to the south west. Road traffic operates in both directions and the road is within the congestion charge area as well as the ULEZ area. Covent Garden is situated to the east with the Soho district to the west. It would generally be regarded as being within London's West End and its theatreland. The site location is depicted on the Map below.

In micro location terms the site comprises an entire city block bounded by Shaftesbury Avenue, Stacey Street, St Giles Passage and New Compton Street.



#### Consideration of the Site as a Hotel Location

The site would be well regarded as a hotel location with popular visitor districts nearby and many visitor attractions and most of London's theatres being within easy walking distance. The site is also well located for public transport with Tottenham Court Road, Leicester Square and Covent Garden underground stations all within easy reach and numerous bus routes also operating through the area or nearby.

Although we consider the location well suited for hotel development, especially at the mid-market and budget / economy sectors of the market, we note there are relatively few hotels in the area. This is probably due to the variety of other uses of sites in the area which



are historic to some extent. We note that the Radisson Blu Mercer Street is the closest branded full service hotel to the site, and the boutique luxury Covent Garden Hotel is also nearby. On the other hand the Z Hotel Soho and the sizeable Travelodge Covent Garden are budget hotels within the area. The area would not be generally regarded as a luxury hotel area – these tend to predominate around Mayfair and Park Lane.

### Proximity to the Site

We note that as part of the proposed development there is intended to be a permanent London theatre housing Cirque du Soleil and of course there would be some synergy with a hotel on the site for tourist visitors to such a theatre offering.

Beyond that, as stated above, we consider that a hotel on the site would be well located for both leisure/tourist and business visitors to London. There are plenty of attractions and businesses within easy walking distance of the hotel and good public transport from which to visit any of the remainder of the city that requires a longer journey.

### The Proposed Hotel Development Plan

We have earlier summarised the development proposal in broad terms. Below we seek to present more of the detail of the proposal, especially the hotel component which is our primary focus. As well as taking account of the information within the FVA we have viewed the plans and other documents on the London Borough of Camden planning website under reference 2024/0993/P. We note that new plans were added to the site on 7 February 2025 although there is not yet a Design and Access Statement presented to support those plans. The previous version dated 12 March 2024 is marked as superseded and as at 18 February 2025 there is not a new version.

From the FVA (page 8) we understand the current proposal to comprise:

#### Quote

- Extensive refurbishment of the listed building façade;
- Excavation of additional basement levels;
- Provision of a new 294 seat theatre space. Cirque du Soleil have signed a 20 year lease for their first permanent UK home;
- Erection of 5-storey roof extension (plus plant);
- Creation of a new 211-bedroom hotel for citizenM;
- Retail at ground floor level, associated with the theatre use; and
- Addition of 1,291 sqm ancillary floorspace, including servicing facilities and cycle parking

#### Unquote

Montagu Evans summarise the floorspace created within the development as follows:

Use Class	Floorspace GIA (m <sup>2</sup> )
Hotel	6,097
Theatre & Ancillary Restaurant/Bar	3,688
Ancillary/Plant	1,291
<b>Total</b>	<b>11,076</b>

In Appendix 1 of the FVA, Montagu Evans illustrate the overall layout in area terms (Proposed Area Schedule) and we have copied that overleaf for ease of reference.

As is evident from the Proposed Area Schedule the Theatre (and Food and Beverage facilities) are predominantly located on the Ground Floor and basement levels whereas the hotel largely occupies all of the space from Level 1 upwards as well as an area to facilitate entrance/arrival on the Ground Floor. We confine the remainder of our comments to the hotel component only.

2111-SPP-ST-ZZ-SH-A-XX-6110-S4

Proposed Area Schedule

135 Shaftesbury Avenue, London

SPPARC

Revision P02

Dated: 15.01.25

LEVEL	THEATRE		HOTEL		ANCILLARY / PLANT		TOTAL GEA	
	GEA sqm	GEA sqft	GEA sqm	GEA sqft	GEA sqm	GEA sqft	GEA sqm	GEA sqft
Level 10			51	549	16	172	67	721
Level 09			731	7868	16	172	747	8041
Level 08			816	8783	16	172	832	8956
Level 07			816	8783	16	172	832	8956
Level 06			790	8503	16	172	806	8676
Level 05			692	7449	16	172	708	7621
Level 04			811	8730	22	237	833	8966
Level 03			587	6318	185	1991	772	8310
Level 02			587	6318	185	1991	772	8310
Level 01	130	1,399	599	6448	43	463	772	8,310
Ground Floor	569	6,125	206	2,217	47	506	822	8,848
B1 Mezzanine	708	7,621			296	3,186	1,004	10,807
Auditorium Technical	316	3,401			14	151	330	3,552
Basement 01	813	8,751			14	151	827	8,902
Basement 02	825	8,880			14	151	839	9,031
Basement 03	990	10,656			14	151	1,004	10,807
Basement 04	559	6,017			445	4,790	1,004	10,807
<b>TOTAL</b>	<b>4,910</b>	<b>52,851</b>	<b>6,686</b>	<b>71,967</b>	<b>1,375</b>	<b>14,800</b>	<b>12,971</b>	<b>139,619</b>

LEVEL	THEATRE		HOTEL		ANCILLARY / PLANT		TOTAL GIA	
	GIA sqm	GIA sqft	GIA sqm	GIA sqft	GIA sqm	GIA sqft	GIA sqm	GIA sqft
Level 10			44	474	10	108	54	581
Level 09			711	7653	15	161	726	7815
Level 08			785	8450	15	161	800	8611
Level 07			785	8450	15	161	800	8611
Level 06			757	8148	15	161	772	8310
Level 05			651	7007	15	161	666	7169
Level 04			577	6211	160	1722	737	7933
Level 03			524	5640	160	1722	684	7363
Level 02			524	5640	160	1722	684	7363
Level 01	118	1,270	538	5,791	30	323	686	7,384
Ground Floor	501	5,393	201	2,164	42	452	744	8,008
B1 Mezzanine	476	5,124			294	3,165	770	8,288
Auditorium Technical	201	2,164			14	151	215	2,314
Basement 01	581	6,254			12	129	593	6,383
Basement 02	593	6,383			12	129	605	6,512
Basement 03	758	8,159			12	129	770	8,288
Basement 04	460	4,951			310	3,337	770	8,288
<b>TOTAL</b>	<b>3,688</b>	<b>39,697</b>	<b>6,097</b>	<b>65,627</b>	<b>1,291</b>	<b>13,896</b>	<b>11,076</b>	<b>119,221</b>

Note:

All area calculations are preliminary based on the architectural design information currently available and will be subject to change following the required cross discipline coordination with the MEP, structural, facade, fire and accessibility consultants, identification of any unknown legal restrictions, continued collaboration with the exhibition business, further design development and obtaining the required statutory Planning and Building Control consents.

We discuss CitizenM and the specifics of its brand offer subsequently. The plans have very specifically been tailored to CitizenM and its requirement in our opinion. This is consistent with the stated operator of the hotel of course.

The plans show that the entrance to the hotel will be from New Compton Street close to the junction with Stacey Street. It appears that there would be no hotel staff at that level. Guests would progress to the lifts and up to the hotel reception and lobby which is to be situated on Floor 5. We assume there would be some security device on the lifts to prevent entry to guest floors although that is hard to enforce if a resident guest alights at a lower floor of the hotel before arriving guests have reached reception.

There is also a luggage store at the Ground Floor level although again we do not know how that will be operated securely with no hotel staff in proximity. Perhaps a locker arrangement will prevail. Adjacent to that, segregated, there is a hotel bin store and goods entrance. These also open onto New Compton Street although a little further along the road to the guest entrance. The theatre bin store, goods entrance and stage door are further along New Compton Street.

The Ground Floor and Floors 1 to 5 of the development are intended to be remodelled from the existing building with 5 additional floors to be newly built above that. Of those new floors, Floor 10 would hold plant and equipment. Thus the hotel bedrooms would be situated on Floors 1 to 9 and we summarise the number of rooms per floor from our analysis of the plans in the table below.

	<b>Rooms</b>
Floor 1	17
Floor 2	20
Floor 3	20
Floor 4	23
Floor 5	8
Floor 6	31
Floor 7	32
Floor 8	32
Floor 9	28
<b>Total</b>	<b>211</b>

Floor 5 has fewer rooms because it houses the Hotel Reception, Front of House and Food and Beverage areas. There is also a pantry area for food preparation and, we assume, storage. There is a further Back of House area for the hotel operator on the 4<sup>th</sup> floor. There are no other obvious storage or back of house areas for the hotel within the plans. We do not yet know whether the plans have been approved by the hotel operator.

### **Scenario 3**

As stated earlier, the FVA also considers two further scenarios although Scenario 2 does not include a hotel component. We have therefore disregarded that as it is outside the scope of our expertise. Scenario 3 does provide for hotel bedrooms added through upwards extensions (i.e. new build only). The theatre for Cirque du Soleil would be enlarged and located in the existing building necessitating the new build hotel development above. No plans or detail have been provided for this and of course it is a financial scenario only and not part of the planning application.

The FVA considers a level which, according to Montagu Evans calculations, the development would become viable with a hotel above the theatre. They estimate that 14 additional storeys comprising 302 rooms would generate an 8.5% development profit and that to receive a target developer profit of 17.5% there would need to be 19 additional storeys constructed with 473 bedrooms.

## 4 – CitizenM

### Introduction

The subject planning application states that the hotel element of the development will be operated by CitizenM hotels. As far as we have been able to determine there is no meaningful discussion of the brand or company within any of the documents submitted. We believe it is important to understand the brand and company because, on their own admission, “It’s impossible to confuse citizenM with any other hotel. We don’t look or sound like anyone else.”

Thus in this section we present information on the company and its brand predominantly by reference to their own website. Any other sources are quoted and our own input is clear where provided.

### Profile of CitizenM

CitizenM currently operates 36 hotels in 19 cities in Europe, North America and Asia Pacific. Our research and industry knowledge shows that the company opened their first hotel in Amsterdam in 2008. The entrepreneurial company was founded by Rattan Chadha and its growth has been supported by a range of institutional investors which reportedly include Dutch pension provider APG and Singapore-based GIC, which, in 2019, acquired a 25% stake. In March 2024 it was reported that some of the institutional shareholders (but not the founders or operational shareholders) were initiating a sale of their shareholdings in a transaction that would have valued the company (according to media speculation) at €4bn. There has been little media comment since that initial speculation.

Their website provides the following text to define the brand and its characteristics (letter capitalisation, or lack of, is theirs):

#### Quote

##### *our mission*

Become the leading transformational hotel; inspiring a new generation of modern travellers in the big cities of the world by offering an affordable luxury lifestyle, while providing sustained premium returns to stakeholders.

##### *a new breed of hotel*

We disrupted the traditional hotel model to give modern travellers what they want – affordable luxury.

In 2008, we opened our first hotel and designed it around a new type of traveller – one who values a luxury hotel experience in central city locations, but at an affordable price. A hybrid hotel that isn’t just a place to sleep, but somewhere to work, relax, and play. To meet like-minded people and get inspired. Somewhere to feel at home the moment you walk through the door. Somewhere with free Wi-Fi, comfortable furniture, and a great bed to crash in at the end of a long day.

##### *mobile citizens*

They cross continents as easily as others cross streets. We named our hotel after them – citizenM.

Modern travellers have more important needs than chocolates on pillows. They love to mix and match their choices, like a Gap shirt with an Armani blazer, or a Zara coat with a Chanel bag. They take the train into town, but order champagne once they get there. We took this type of traveller and called them ‘mobile citizens’, or citizenM for short. Every decision we made, and continue to make, is based around them and their ever-evolving appreciation of luxury and value. We call this ‘affordable luxury for the people’.

*a brand with attitude*

We aren't afraid to do things differently, to have fun, and to shout it to the world.

We are what we say, and we say we won't conform to old-fashioned standards. citizenM is a brand with attitude, and a strong but fun personality. A brand that connects with the young at heart, targeted to the global traveller of today. We like pushing boundaries and we always run pretty crazy ad campaigns to announce our hotel openings. From performances by hired actors in NYC to cheeky notes intended for our hospitality colleagues in London, we really know how to make an impact on the streets.

*living rooms*

Feel at home, even if home is 5,000 miles away.

We know our beds are the best in the world, but we don't want anyone to feel they have to stay in the bedroom. We made our living rooms as inviting as possible by creating multiple corners for working and eating, lounges for relaxing, and places for sitting and watching TV. Our 'curated chaos' includes exceptional art, books, designer furniture by Vitra, kitschy souvenirs and local artefacts. We use natural materials and add splashes of colour in the form of big cabinets and their styling, adjusting to the seasons, the city, the neighbourhood, or changing fashions, without ever going out of style.

*check-in*

Hello superfast check-in, nice to meet you.

We know your time is precious, that's why we don't want to waste any of it, not even when you check in or out. We swapped the tedious form-filling for self-service check-in at touch-screen terminals. It takes just 60 seconds to check in, 30 to check out, and our friendly ambassadors are always there to help. Room keys are RFID cards that double as payment method at canteenM, as luggage tags on your way home, and new keys for your next stay at citizenM. Clever, huh? And when you check out, your receipt goes straight to your email inbox.

*art*

The Earth without art is just 'eh'.

Our hotels are designed to make citizens feel comfortable enough to kick off their shoes and take a nap surrounded by accessible, inspiring artworks. Can you imagine doing that at an art gallery or a museum? Whether it's on our facades, in our living rooms, in the lifts, or at societyM, we like to mix the recognisable with art that makes you think. The main focus of our collection is conceptual art: works that stand for something, convey a certain philosophy, and stir up ideas.

*citizenM rooms*

The bigger your bed, the better your dreams.

We're not sure which part of our room is our favourite: the wall-to-wall beds and windows, powerful rain showers, or tablet-controlled ambient settings. Perhaps it's the fact that we only have one type of bed (king-size double), or that we stripped away all unnecessary and unwanted extras to give our citizens everything they truly need. Or maybe it's the superfast free Wi-Fi and streaming. Take a tour and decide for yourself.

Unquote

As is evident from the above, but not explicit, CitizenM's bedrooms are relatively compact in size, although focused (per the above) on satisfying the needs of their target clients. Obviously they have achieved this over a period of time given the successful expansion of the company and its portfolio.

We have previously been shown around some CitizenM hotels in London and we were impressed. But they are different from typical hotels and, for example, bedrooms are a relatively standard module and fairly narrow, as the plans for the subject hotel show, and so there is no space to separate their king size bed into separate twin beds.

CitizenM's website does not provide standard plans or room sizes and it is not possible to scale from the plans for the proposed hotel but Montagu Evans FVA states that "the CitizenM rooms envisaged are circa 13m<sup>2</sup> on average".

None of this is an intended criticism of the brand – it's successful expansion to cities around the world is testament to its success – but it is targeted on specific travellers, as the above text explains.

#### *Environmental and Social Responsibility*

The company is strongly focused on environmental and social responsibility issues and states its ESG vision "to influence positive change in a world where we are simply guests." The company publishes an ESG report annually illustrating its achievements against the targets it has set. The most recent report (at February 2025) is for 2023 although we assume the 2024 report is in preparation.

The ESG section of their website is sub-divided into these sections:

- how we build
- making conscious travel easy
- good neighbours

and is available via this link: <https://www.citizenm.com/esg>

#### **portfolio & rollout**

Quote

Meet the best hotels in the world's best cities.

We started in 2008, with one hotel at Amsterdam's Schiphol Airport. Since then, we made many plans, shook many hands, and made ourselves at home on three continents. Some cities stole our hearts more than once – like Paris, London, Amsterdam and New York – with multiple hotels each. Other cities made us say 'this is where we want to wake up next'. Now, we have an ambitious target of doubling our portfolio by 2030. We want to put affordable luxury wherever our travel-thirsty citizens dream of going next, which is everywhere. citizenM will keep disrupting the hospitality industry with focussed European, North American and Asia-Pacific expansion.

Unquote

The group has three hotels currently under development in Dublin, London (Olympia), and Washington DC (Georgetown).

#### *development specifications*

It is worth noting that originally CitizenM developed its hotels using a modular method of constructions where the rooms were factory-built in the Netherlands. They have subsequently moved beyond that although, as is evident from the below, modular construction is still an option for its developments.

Quote

citizenM brings affordable luxury to all mobile citizens around the world by building a global portfolio of hotels in prime metropolitan locations and at major international airports.

Our development specifications are:

- 3,500 - 10,000 sq m (40,000 - 110,000 sq ft);
- with 100 to 350 keys;
- in prime metropolitan locations, central business districts and terminal-linked airport sites (of >35 million passengers per year).

We're open to all kinds of development opportunities. These types of projects and deals are best for our portfolio:

Project types:

- modular or traditional new build
- redevelopment or conversion
- mixed-use projects

Deal types:

- freehold
- long-term ground lease
- turnkey development
- joint-venture investment
- management agreement
- operating lease with equity stake

Unquote

### **Membership**

The company offers a paid membership scheme with some specific benefits for its members as illustrated below. We do not know how the membership income is accounted for by the group nor whether the discounts offered are reflected fully at unit level.

Membership is currently \$120, £90 or €100 per year depending on country of residence. According to website Skift.com the membership scheme was introduced in 2022 “as a means to grow its business rather than a revenue stream” and by February 2023 it had 18,000 members. We have not been able to find a more recent figure.

The main benefits / perks of membership are:

- 15% off all stays. The favourite perk of all our members is paying less than everyone else for all citizenM stays – 15% off, and even more during sales!
- free late check-out. Everyone checks out at 11:00 AM... members stay in bed until 2:00 PM for free! They love the extra time and the savings – up to \$79 per each stay.
- 15% off food & drink. Flash your app member ID at the bar and get 15% off all food and drinks (cocktails, wine, desserts, pizza... everything except breakfast).
- early access to all sales. All sales are open to members before the general public. This means the best availability of rooms in all cities, and at the biggest discount.
- guaranteed room availability (48 hrs' notice)
- free premium view (if available)

### **Staffing**

The group's staff are known as ambassadors and as illustrated above, they are typically multi-skilled. Attracting the right staff is clearly an important aspect of the CitizenM business and their website states:



## Quote

Personalities wanted.

We hire our ambassadors purely based on their personalities. Instead of a traditional interview, we hold a fun casting day. The result: amazing teams in every hotel. Curious, well-travelled and open-minded, they embody the typical mobile citizen. They are also completely multifunctional: they'll help you check in and also shake up the perfect cocktail. We don't believe in segmenting people into concierge, receptionist, or bar staff. We want our ambassadors to be completely free to do what's best for each guest.

- real caring. I show empathy for people and the planet. Being open to other points of view and experiences brings out the best in me. I create positive change.
- genuine touch. I connect with guests, colleagues and partners as friends. My actions are sincere, not scripted.
- passionate attitude. I am collaborative and believe we are stronger working together. I am playful, dedicated and optimistic - I spread good vibes.
- smart thinking. I find simpler, better and bolder ways to do things - I keep my mind curious and my actions brave.

## Unquote

Although lengthy, we believe this explanation of CitizenM is important within the context of this development. It is, on their own admission, a very specific – perhaps unique – hotel brand. Without explanation and context we believe it is hard to contemplate the hotel component of the subject development.

## 5 – The Hotel Market in London

### Introduction

The documentation provided in support of the subject planning application contains sparse detail in terms of the hotel element of the development whether in respect of the London hotel market, the competitive market nor, in particular, the very specific hotel that is intended to be created. In particular there is no input from the operator in particular in respect of the brand and competitive positioning, nor the basis on which they would be involved in the hotel ie. lease, management agreement, joint venture etc.

At this stage we have similarly kept our comments fairly brief in terms of the London hotel market and the competitive market and instead predominantly focused on the subject hotel. In the previous section we have illustrated the very specific nature of the CitizenM brand and further comment subsequently in respect of this development.

Below we briefly comment on the London hotel market to provide a broad context which is appropriate to this Initial Report.

### Hotel Supply in London

London is the largest and arguably the most dynamic hotel market in Europe. However there is no statutory grading or hotel registration scheme in the UK (except in Northern Ireland) and consequently there are varying views on the number of hotel bedrooms in the city. In part this is because of the fragmented nature of the market and the definitions of what is a hotel. It is now generally agreed that there are significantly more than 150,000 hotel rooms in the city and supply has grown consistently, become more widespread in location terms and more varied in the type of supply.

The hotel sector is changing and consolidating and the ownership and operating structure is also changing with, especially branded, hotels typically being owned by investors and operated by a specialist operator which is sometimes the hotel brand but sometimes a third party specialist operator. Consequently the franchising of hotel brands in order to 'badge' the properties is far more common in the UK than it was even 10 years ago. The variety of types and styles of hotels has also changed and CitizenM is but part of the evidence of that.

Until the onset of the Covid-19 pandemic there was a significant pipeline of new hotel openings. Over 5,000 rooms entered the market in each year from 2017 to 2019, perhaps 6,500 rooms in 2019. It was expected that some 8,000 new rooms would open in 2020 but with the onset of the pandemic and various lockdown periods some projects were delayed although have subsequently opened. Knight Frank estimated that there were 5,000 new hotel rooms in London in 2022. 2023 openings were at a similar level and in PWC's 2024 forecast published in December 2023 they stated that "According to the STR AM:PM hotel database, approximately 11,000 rooms are under construction in the capital, a 7% increase in existing room stock over the next two years, with around 9,500 of these rooms slated to open by the end of 2024." This level of supply pipeline was supported by Savills in their report 'UK Hotels 2024' released in October 2024 which stated "Looking to development hotspots, London remains a major driver of new supply, with c9,300 rooms under construction or in final planning with a proposed delivery date prior to the close of 2026. In growth terms this equates to an average annual rate of 1.8%, in line with the 15 year average."

In terms of the overall supply trend, it is fair to say that development activity is heavily skewed towards branded hotels at all tiers of the market. These tend to be far larger than the smaller independent properties that were once far more commonplace and this trend, exacerbated by the Covid pandemic, has seen an increasing number of Independent hotels exit the market for redevelopment, especially for alternate uses.

**Hotel Performance in London**

London is among the world's most dynamic and resilient hotel markets. Typically the 'market' Occupancy level exceeds 80% as it did for almost all of the 30 years prior to the Covid pandemic. This is unprecedented in any other major European hotel market. There are fluctuations in Occupancy and/or Average Room Rate caused by economic, geopolitical and security events, as well as by supply changes but the market has always demonstrated resilience and recovered relatively quickly to resume a growth trend.

It is important to note that the Occupancy levels achieved are underpinned but also effectively capped by a variety of factors that are inherent to the market. Overall it is unlikely to rise significantly on average, although individual hotels and market segments do perform more strongly. When considering the overall market, or the performance of any single hotel, it is important to take into account seasonality, both weekly and monthly, geographic origins of demand and motivations for travel. This recognises that different segments of demand (such as business, conference and events, leisure) have different travel patterns. Overall though, certain periods of the year such as December to February tend to show weakest performance, and Sunday nights tend to be the weakest night of the week. Also August tends to be a relatively weak month since room rates are lower as hotels are more dependent on tourists than the higher paying corporate and conference segments. This is of course less true in hotels that predominantly accommodate tourists throughout the year.

As will be well known to readers of this report, in early 2020 the Coronavirus Covid-19 global pandemic commenced, and this has continued to have an impact around the world although the worst effects subsided post-vaccine. This began as primarily a health issue and subsequently affected the social environment in almost every country, and as a consequence tourism and the economy suffered deeply.

2020 and 2021 were hugely disrupted by the pandemic environment and performance was almost unrecognisable from the many decades prior. In 2022 the market demonstrated signs of recovery and this especially manifested in Average Room Rate performance which was well above 2019 levels. This was partly a reflection of some discounted segments of demand being slower to recover as discussed above. Thus Occupancy remained below the long term norm but Average Room Rate grew. 2023 continued to progress towards normalisation and although the trend continued into 2024 the market has been slightly subdued due to economic uncertainties.

In their report cited above Savills opined that "2024 top-line performance growth has aligned with historical norms. The continuation of growth, albeit slower, reiterates that current average daily rates (ADR) and Revenues per available room (RevPAR) are the new norm." In December 2024 PWC published their well-respected annual UK hotel forecast for 2025 which reflected positive but generally subdued market conditions. They commenced their report, "The outlook for demand in the UK hotel market suggests a positive, but low growth scenario in 2025. This is being driven by normalisation of economic conditions, and a return to pre-pandemic levels of leisure tourism after the covid boom." In respect of London they then stated "London revenue per available room (RevPAR) in 2025 is forecast to increase by 3% to £161.10, driven by an occupancy increase of 3.8% to 83.2% representing a return close to pre-covid levels. Average daily rate (ADR) however, is forecast to decline marginally due to low inflation and leisure and corporate traveller price sensitivity in a competitive market."

## 6 – Consideration of the Proposed Hotel

### Introduction

In this section we consider the proposed CitizenM hotel to be created within the development at 135-149 Shaftesbury Avenue. We have sought to take account of the brand and the project plans as presented, and of course we have reflected upon the documents submitted with the application especially the FVA prepared by Montagu Evans.

Within the FVA Montagu Evans have introduced various scenarios in order to contemplate a different development scenario. We have considered these as well, although they are financial scenarios and supported solely by project description and not by any plans.

### The Proposed Hotel

We have described the hotel in the available detail within Section 3 of this report. In summary the Proposed Hotel is a 211 bedroom CitizenM hotel. Average bedroom size is 13m<sup>2</sup> and the bedrooms are located on floors 1 to 9. The hotel entrance is located on the Ground Floor from New Compton Street and the hotel lobby including its Food and Beverage facilities are located on the 5<sup>th</sup> Floor. There is a luggage store at Ground Floor level as well as recycling and delivery facilities and there are also Back of House areas on the 4<sup>th</sup> Floor.

### Montagu Evans Financial Estimates

Montagu Evans have predominantly relied upon a per room valuation of the proposed hotel (and the scenario hotels) within their FVA. We comment on that subsequently to some extent.

In Appendix 2 of the FVA (page 53 of the pdf version) Montagu Evans have presented a very abbreviated hotel Profit and Loss estimate depicting the subject hotel. We summarise this in Table 1 below:

Table 1			
Proposed Hotel Estimated Profit and Loss Account			
<b>Inputs</b>			
Hotel Keys	211		
Days in Year	365		
Occupancy	85%		
ADR	£215		
RevPar	£183		
Room Size (Average)	13m <sup>2</sup>		
<b>P&amp;L Summary</b>			
Revenue	Total (£)	£ per Key	Margin
Rooms	14,074,491	66,704	
Other Income	844,469	4,002	6%
Total Revenue	14,918,961	70,706	
Expenses	-7,459,480	-35,353	
<b>NOI</b>	<b>7,459,480</b>	<b>35,353</b>	<b>50%</b>
Source: Montagu Evans from FVA			

There is no commentary, explanation or support provided for this Profit and Loss Account. We note that a 50% NOI for a London hotel would be unusual, perhaps unprecedented. If it relates to a level that CitizenM are achieving or believe they would achieve then we believe that evidence of that should be provided, or at the very least operator support should be provided. Furthermore more detail should be provided including the way that

the operator is earning from the development which would vary depending on whether they had a management contract, a lease or were the project owner. Management Fees would also impact the Profit and Loss Account.

We have reviewed various documents submitted in relation to the application and found some relevant comments.

#### *Food and Beverage*

The Food and Beverage (Other) revenue provided for within the Profit and Loss seems relatively low. £844,469 would equate to £12.90 per bedroom per night. Given that there is more than one guest per room and that CitizenM is renowned for attracting outside guests to its public areas either with laptops or without, this seems a relatively low level of food and beverage even for a 5<sup>th</sup> floor space (not as accessible or visible as Ground Floor).

However CitizenM is a very specific brand and it is only really them that can guide to an achievable number given how specific the brand is, as illustrated earlier.

The Operational Plan submitted with the application states:

#### *Quote*

3.5 A staffed bar and dining area will provide a wide range of food and beverage. This is on Level 5 of the building and there is no external space for the guests, which ensures the potential noise and impact to nearby residents is significantly reduced.

3.6 The ground floor of the hotel (L5 of the building) will host the restaurant/bar to principally serve hotel guests during their stay,

#### *Unquote*

This suggests that few non-residents will be served which is contrary to CitizenM's normal practice.

We also note that in the Economic Statement submitted by Montagu Evans as part of the application it states:

#### *Quote*

4.52 CitizenM hotels do not require provision of a bar or restaurant, and as such, both their space and MEP requirements are much lower than a traditional luxury hotel. This model both depressurises the build requirements of the hotel whilst also ensuring that their offer is luxury affordable, enabling younger travellers to stay in a central London location and support other hospitality venues nearby.

#### *Unquote*

This seems to contradict the Operational Plan and CitizenM's brand standards although it is true that there is no formal restaurant or bar, it is intended as a multi-functional space.

#### *Staffing*

There is also some contradiction in terms of the information provided with regard to staffing. The Operational Plan states:

#### *Quote*

5.2 The hotel will employ approximately 20 full time employees covering day and night shifts. In general, it is expected that there will be 4 team members attending the hotel during the day and 2-3 team members attending the hotel during the overnight period.

#### *Unquote*

However in the Economic Statement (para 4.3) it expects that the hotel will employ 49 staff in Reception, Management, and Housekeeping. We expect that for a 211 room hotel

that this number is closer to the required headcount although again it would need to be clarified by CitizenM. It may be that the difference is in the housekeeping staff who may be provided by a third party agency (we suppose). In that case they should also be covered by the Operational Plan. Clarification will assist the preparation of financial estimates.

#### *Property Taxes*

We have noted that in the Economic Statement Montagu Evans have considered the Property Taxes that might be generated by the subject hotel. They state:

#### *Quote*

4.47 Nearby hotels also attract significant rateable values, such as the more upmarket Radisson Blu at Seven Dials (£1.5m – equivalent to £10,900 per room) and budget Thistle High Holborn (£995k - £7,700 per room). On this basis, the proposed 210 bed hotel could attract a rateable value of c. £1.6m per annum.

#### *Unquote*

Firstly they state only rateable value rather than opining on the property taxes that might be actually payable (although they do estimate this subsequently for the development as a whole).

However in our research we have found entirely different figures for the hotels that they quote on the Valuation Office website, voa.gov.uk.

The Radisson Blu Mercer Street has a rateable value of £921,500 and this has been current since 1.4.23 (but it was £1,402,000 from 24.2.23 – 31.3.23 and £1,495,250 from 1.4.17 to 23.2.23). Taking account of the current multiplier of .546 this would generate property taxes payable of £503,139 which would be divided by the hotel's 137 rooms to equal £3,672 per room. Similarly the Thistle Hotel Bloomsbury (which we believe is the hotel referred to) has a rateable value of £565,000 (although it was £995,000 from 18.11.20 – 31.3.23 and £1,027,500 from 1.4.17 to 17.11.20). Similarly using the multiplier of .546 this would equal taxes payable at £308,490 which, divided by 129 rooms would equal £2,391 per room. We have also considered the Hoxton Holborn as another quality hotel in the locale and one used as a comparator for the transactions considered. This hotel has had a rateable value of £1,560,000 since 1.4.23 (but it was £2,122,000 from 28.10.22 to 31.3.23 and £1,890,000 from 26.8.22 to 27.10.22). Using the multiplier of .546 would equal tax payable of £851,760. The hotel has 220 rooms and thus it would equate to £3,872 per room which is similar to, although slightly above, the Radisson Blu Mercer Street.

These above figures are useful in considering inputs to the hotel profit and loss account.

#### **Financial Estimates for Proposed Hotel**

We have taken note of the foregoing in considering the hotel financial estimates that we submit to BPS Chartered Surveyors for consideration within the valuations that they are preparing for their own submission in relation to this planning application. These financial estimates would greatly benefit from input from CitizenM given the very specific nature of the proposed hotel but these are not available. Consequently we have taken account of the submissions from Montagu Evans in both their FVA and their Economic Statement as illustrated above. However we have extensive knowledge and experience of the performance of hotels in the London hotel market (and beyond) and we have used this to consider the potential profitability of the proposed hotel in both the planning application case and the scenarios considered by Montagu Evans. These are appropriate to this Initial Report and may be subject to revision in a later version if we receive further information from CitizenM.

We did seek to gain insight into the current pricing and performance of CitizenM hotels in London by analysing some of the prices on offer at their hotels during this year. We chose

Tuesday and Saturday nights – both typically busy nights of the week – outside Bank Holiday periods in Feb/Mar and then during June and October. As with many hotel groups there were often two prices shown, Flexible which allows for later payment or Non-Refundable for which immediate payment is made upon booking. This Non-Refundable rate wasn't always available. The resultant room rates are shown in Table 2 below.

<b>Table 2</b>							
<b>Direct Booking Rates Available on CitizenM website for Various Dates in 2025</b>							
		<b>Tues</b>	<b>Sat</b>	<b>Tues</b>	<b>Sat</b>	<b>Tues</b>	<b>Sat</b>
		<b>25-Feb</b>	<b>01-Mar</b>	<b>17-Jun</b>	<b>21-Jun</b>	<b>14-Oct</b>	<b>18-Oct</b>
<i>Inc VAT</i>							
CitizenM Shoreditch	Flexible	250.80	257.32	269.80	284.05	355.30	227.05
	Non-Refundable	225.72	174.80	n/a	n/a	n/a	n/a
CitizenM Southwark	Flexible	239.00	198.55	269.80	288.80	317.30	236.55
	Non-Refundable	n/a	178.69	n/a	n/a	n/a	n/a
CitizenM Tower Hill	Flexible	284.05	184.30	338.20	334.40	370.50	250.80
	Non-Refundable	255.64	165.87	287.47	284.24	314.92	213.18
CitizenM Victoria	Flexible	296.65	258.40	331.55	379.05	387.60	235.60
	Non-Refundable	n/a	232.56	n/a	n/a	n/a	n/a
<i>Ex VAT</i>							
CitizenM Shoreditch	Flexible	209.00	214.43	224.83	236.71	296.08	189.21
	Non-Refundable	188.10	145.67	n/a	n/a	n/a	n/a
CitizenM Southwark	Flexible	199.17	165.46	224.83	240.67	264.42	197.13
	Non-Refundable	n/a	148.91	n/a	n/a	n/a	n/a
CitizenM Tower Hill	Flexible	236.71	153.58	281.83	278.67	308.75	209.00
	Non-Refundable	213.03	138.23	239.56	236.87	262.43	177.65
CitizenM Victoria	Flexible	247.21	215.33	276.29	315.88	323.00	196.33
	Non-Refundable	n/a	193.80	n/a	n/a	n/a	n/a
Source: Melvin Gold Consulting research collected from CitizenM website 11 Feb 2025							

These are publicly available room rates. As we have shown earlier, CitizenM offers a discount on these rates for its members and guarantees availability to them up to 48 hours in advance of their stay. They also have sale periods from time to time. Like most hotel groups there may also be other discounts available for regular corporate clients, particular events etc. Pricing varies according to demand and also according to location and activity in a particular area. We note, for example, that the CitizenM Victoria is typically more expensive than the other three hotels.

Overall we believe that the Occupancy and Average Room Rate used by Montagu Evans is reasonable for the 211 bedroom hotel in stabilised trading conditions and we have therefore also used their Occupancy of 85% and Average Room Rate of £215 as a basis for our financial estimates.

We have also adopted their Food and Beverage estimates for a stabilised year of operation at £844, 469 since we do not have better information or insight. It does appear that these are below what we might expect at £12.90 per room per night but perhaps the 5<sup>th</sup> floor location of the Food and Beverage and the indication that the space will predominantly be used for resident guests constrains the revenue to this level.

We have then sought to consider the costs in accordance with the Uniform System of Accounts for the Lodging Industry, a widely used system of hotel accounting. This apportions costs that can be specifically attributed to a department to that department ie. Rooms, Food and Beverage, and the remainder of operational costs are shown by category but are not distributed to departments. These Undistributed Costs are items such as Administrative and General, Sales and Marketing, Property Operation and Maintenance and Utilities. Fixed Costs such as Insurance and Property Taxes are shown separately.



As we have shown earlier CitizenM predominantly use multi-tasking staff in front of house areas. The check-in and check-out processes are largely processed by technology and staff are on hand to help guests but are deployed in the lobby area for both reception and food and beverage tasks. Consequently we have shown all such staff within the Rooms department which has a slightly higher percentage cost (at 30% when stabilised) than might normally be the case. Rooms cleaning staff are also within that department as well as all other Rooms related costs. On the other hand Food and Beverage costs are far lower than normal with only the cost of purchasing the food and beverage supplies and some other costs being within that department. We have estimated the cost at 40% (stabilised) of sales and there are no staff costs envisaged within that department.

We have then envisaged Administrative and General Costs at 8% of total revenue to take account of management and the other costs that might be required. Accounting would also be covered here although we assume it will be undertaken centrally and an element of cost apportioned. Sales and Marketing is estimated at 3.5% of revenue with activity being undertaken locally as well as a central apportionment. Property Operation and Maintenance is envisaged at 2.5% of revenue and Utilities at 4% of revenue although this should be relatively efficient given mainly new build construction, few public areas and CitizenM's strong focus on energy efficiency.

Property Taxes are estimated at £3,800 per room given the prior analysis. This equates to 5.4% of revenue which is a relatively normal level for a London hotel at the present time. Insurance is estimated at 1% of revenue, again a reasonable industry benchmark.

At stabilised levels of performance this indicates Net Operating Profit at £6.7m or 45.1% of revenue, below the conversion rate that Montagu Evans estimated. However we note that our estimates do not include any management fees – base or incentive – nor a provision for renewals and replacements. All of these would be expected if the hotel were operated under a management agreement and there might also be a head office expenses allocation. If under a lease then the lessee would expect to be able to profit from the operation and thus a lease amount would be well below the Net Operating Profit to allow for a profit margin. Thus these estimates are only really applicable if the hotel operator was also the owner of the hotel (and might be reflected in the purchase price or investment value).

In addition, hotels tend to take a period of time to reach optimum trading performance and we have considered that this stabilised level is only reached in the third year of operation. Thus the first two years reflect lower Occupancy and Average Room Rate as trade builds up, less efficient cost ratios in general, additional sales and marketing costs and more efficient Maintenance costs (due to the newness of the building). Property Taxes and Insurance would normally be incurred at their full price and are thus more expensive on a percentage of revenue basis. Thus profitability in the first two years is lower in cash and percentage terms than when stabilisation is reached in Year 3. Our financial estimates in constant (uninflated) 2025 values are reflected in Table 3 overleaf.

As well as a deduction for management fees, if appropriate, per the above, it should also be noted that the significant rise in Employers' National Insurance from April 2025 – the effect of which it is hard to calculate at this stage – and continuing rises in Utility costs are likely to mean that the earnings estimates overleaf are likely to be at the higher end of achievable expectations.

Table 3										
Financial Estimates for the Proposed 211 room CitizenM Hotel at Shaftesbury Avenue, London WC2 in constant 2025 values										
	Year 1	Ratio	Year 2	Ratio	Year 3	Ratio	Year 4	Ratio	Year 5	Ratio
	£	%	£	%	£	%	£	%	£	%
<b>Revenues</b>										
Rooms	11,921,922	94.0%	13,056,160	94.2%	14,074,491	94.3%	14,074,491	94.3%	14,074,491	94.3%
Food & Beverage	760,022	6.0%	802,246	5.8%	844,469	5.7%	844,469	5.7%	844,469	5.7%
<b>Total Revenue</b>	12,681,944	100.0%	13,858,406	100.0%	14,918,960	100.0%	14,918,960	100.0%	14,918,960	100.0%
<b>Departmental costs and expenses</b>										
Rooms	4,053,453	34.0%	4,177,971	32.0%	4,222,347	30.0%	4,222,347	30.0%	4,222,347	30.0%
Food & Beverage	319,209	42.0%	328,921	41.0%	337,788	40.0%	337,788	40.0%	337,788	40.0%
<b>Total Dept. Costs</b>	4,372,663	34.5%	4,506,892	32.5%	4,560,135	30.6%	4,560,135	30.6%	4,560,135	30.6%
<b>Gross Profit</b>	8,309,281	65.5%	9,351,514	67.5%	10,358,825	69.4%	10,358,825	69.4%	10,358,825	69.4%
<b>Undistributed Costs</b>										
Admin. & General	1,141,375	9.0%	1,177,965	8.5%	1,193,517	8.0%	1,193,517	8.0%	1,193,517	8.0%
Sales & Marketing	570,687	4.5%	554,336	4.0%	522,164	3.5%	522,164	3.5%	522,164	3.5%
Property Operation & Maintenance	253,639	2.0%	318,743	2.3%	372,974	2.5%	372,974	2.5%	372,974	2.5%
Utilities	507,278	4.0%	554,336	4.0%	596,758	4.0%	596,758	4.0%	596,758	4.0%
<b>Total Undistributed Costs</b>	2,472,979	19.5%	2,605,380	18.8%	2,685,413	18.0%	2,685,413	18.0%	2,685,413	18.0%
<b>Income Before Fixed Charges</b>	5,836,302	46.0%	6,746,134	48.7%	7,673,412	51.4%	7,673,412	51.4%	7,673,412	51.4%
<b>Fixed Costs</b>										
Property Taxes	801,800	6.3%	801,800	5.8%	801,800	5.4%	801,800	5.4%	801,800	5.4%
Insurance	149,190	1.2%	149,190	1.1%	149,190	1.0%	149,190	1.0%	149,190	1.0%
<b>Total Fixed Costs</b>	950,990	7.5%	950,990	6.9%	950,990	6.4%	950,990	6.4%	950,990	6.4%
<b>Net Operating Profit/EBITDA</b>	4,885,313	38.5%	5,795,144	41.8%	6,722,423	45.1%	6,722,423	45.1%	6,722,423	45.1%
<b>Statistics</b>										
Room Occupancy	80%		83%		85%		85%		85%	
Average Room Rate	193.50		204.25		215.00		215.00		215.00	
RevPar	154.80		169.53		182.75		182.75		182.75	
Rooms Let	61,612		63,922		65,463		65,463		65,463	
Double Occupancy Percentage	1.6		1.6		1.6		1.6		1.6	
Number of Guests	98,579		102,276		104,740		104,740		104,740	
Available Rooms Per Night	211		211		211		211		211	
Available Rooms per Annum	77,015		77,015		77,015		77,015		77,015	
Source: Melvin Gold Consulting estimates										

### Financial Estimates for Montagu Evans's Scenarios

Montagu Evans have prepared valuations under various scenarios although they have not prepared financial estimates for any of those scenarios and there are no illustrative plans to support them. Instead they have used a per room valuation – the same per room value for each scenario and the subject application – and we discuss this subsequently. We have been asked by BPS Chartered Surveyors to similarly consider those scenarios and in order to do so we have prepared a similar set of financial estimates for each of the scenarios. These are appropriate to support valuations that will be undertaken by BPS Chartered Surveyors.

These scenario estimates are based upon the above financial estimates for the subject hotel planning application but are adjusted to take account of how we believe the financial outcome may vary for each scenario. The critical change is in the number of bedrooms but we comment under each scenario as to any other factors that we have considered within each scenario.

#### *Scenario 3a*

This scenario assumes that the theatre occupies all of the lower floors of the building and that the hotel rooms are built above entirely as new build space. Montagu Evans describe the scenario as follows:

#### *Quote*

This case strives to achieve the same level of profit on cost as the revised submission scheme (i.e. 8.7%), by developing the theatre 'as is' (i.e. with no further basement dig), and with hotel keys delivered on top of the existing structure. Value is derived from leasing the theatre box, assuming a capacity of 900 seats, based on an offer letter from a theatre operator. £1.35m annual income with a 5% cap rate to arrive at value of £27m. To get to an even viability position with the scheme submission, the key count would need to be above 302 keys, i.e. 14 storeys above the existing structure.

#### *Unquote*

The main advantage of this scheme is the economies of scale from the additional number of bedrooms although the fact that the hotel element is almost entirely new build rather than being within an existing building curtilage may also be an advantage. We have assumed that the Food and Beverage facilities are in similar proportion to the application scenario although of course they would take additional space to be able to accommodate the additional number of residents.

In this scenario we have slightly reduced the Occupancy of the hotel at stabilisation to 82% although we have assumed that the same Average Room Rate is achievable. Typically larger hotels are more exposed to weak trading periods and often they seek to attract groups and tours and other lower priced sources of demand to fill such voids. However the CitizenM product does not lend itself to that and we have assumed that Occupancy will fall slightly. Food and Beverage revenue is held in proportion to the original planning application financials. In general we have assumed that the economies of scale in the larger hotel will allow for some additional cost efficiencies and Rooms and Administrative and General Costs are reflected lower as a proportion.

Overall this scenario allows for Net Operating Profit of £9.6m at a conversion rate of 46.6% of revenue. The financial estimates for Scenario 3a are illustrated in Table 4 overleaf in constant (uninflated) 2025 values.

Table 4										
Financial Estimates for the Scenario 3a 302 room CitizenM Hotel at Shaftesbury Avenue, London WC2 in constant 2025 values										
	Year 1	Ratio	Year 2	Ratio	Year 3	Ratio	Year 4	Ratio	Year 5	Ratio
	£	%	£	%	£	%	£	%	£	%
<b>Revenues</b>										
Rooms	16,637,014	94.0%	18,011,582	94.1%	19,433,549	94.3%	19,433,59	94.3%	19,433,549	94.3%
Food & Beverage	1,062,000	6.0%	1,121,000	5.9%	1,180,000	5.7%	1,180,000	5.7%	1,180,000	5.7%
<b>Total Revenue</b>	17,699,014	100.0%	19,132,582	100.0%	20,613,549	100.0%	20,613,549	100.0%	20,613,549	100.0%
<b>Departmental costs and expenses</b>										
Rooms	5,240,659	31.5%	5,493,533	30.5%	5,538,561	28.5%	5,538,561	28.5%	5,538,561	28.5%
Food & Beverage	446,040	42.0%	459,610	41.0%	472,000	40.0%	472,000	40.0%	472,000	40.0%
<b>Total Dept. Costs</b>	5,686,699	32.1%	5,953,143	31.1%	6,010,561	29.2%	6,010,561	29.2%	6,010,561	29.2%
<b>Gross Profit</b>	12,012,315	67.9%	13,179,439	68.9%	14,602,988	70.8%	14,602,988	70.8%	14,602,988	70.8%
<b>Undistributed Costs</b>										
Admin. & General	1,504,416	8.5%	1,549,739	8.1%	1,587,243	7.7%	1,587,243	7.7%	1,587,243	7.7%
Sales & Marketing	796,456	4.5%	765,303	4.0%	721,474	3.5%	721,474	3.5%	721,474	3.5%
Property Operation & Maintenance	353,980	2.0%	440,049	2.3%	515,339	2.5%	515,339	2.5%	515,339	2.5%
Utilities	707,961	4.0%	765,303	4.0%	824,542	4.0%	824,542	4.0%	824,542	4.0%
<b>Total Undistributed Costs</b>	3,362,813	19.0%	3,520,395	18.4%	3,648,598	17.7%	3,648,598	17.7%	3,648,598	17.7%
<b>Income Before Fixed Charges</b>	8,649,502	48.9%	9,659,044	50.5%	10,954,389	53.1%	10,954,389	53.1%	10,954,389	53.1%
<b>Fixed Costs</b>										
Property Taxes	1,147,600	6.5%	1,147,600	6.0%	1,147,600	5.6%	1,147,600	5.6%	1,147,600	5.6%
Insurance	206,135	1.2%	206,135	1.1%	206,135	1.0%	206,135	1.0%	206,135	1.0%
<b>Total Fixed Costs</b>	1,353,735	7.6%	1,353,735	7.1%	1,353,735	6.6%	1,353,735	6.6%	1,353,735	6.6%
<b>Net Operating Profit/EBITDA</b>	7,295,767	41.2%	8,305,309	43.4%	9,600,654	46.6%	9,600,654	46.6%	9,600,654	46.6%
<b>Statistics</b>										
Room Occupancy	78%		80%		82%		82%		82%	
Average Room Rate	193.50		204.25		215.00		215.00		215.00	
RevPar	150.93		163.40		176.30		176.30		176.30	
Rooms Let	85,979		88,184		90,389		90,389		90,389	
Double Occupancy Percentage	1.6		1.6		1.6		1.6		1.6	
Number of Guests	137,567		141,094		144,622		144,622		144,622	
Available Rooms Per Night	302		302		302		302		302	
Available Rooms per Annum	110,230		110,230		110,230		110,230		110,230	
Source: Melvin Gold Consulting estimates										

### Scenario 3b

This scenario is by far the largest of the scenarios and assumes that the hotel would be built above the theatre with a total of 473 bedrooms. Montagu Evans description is as follows:

### Quote

This case strives to achieve a target profit on cost of 17.5%, by developing the theatre 'as is' (i.e. with no further basement dig), and with hotel keys delivered on top of the existing structure. Value is derived from leasing the theatre box, assuming a capacity of 900 seats, based on an offer letter from a theatre operator. £1.35m annual income with a 5% cap rate

to arrive at value of £27m. To achieve a target viability position, the key count would need to be at 473 keys, i.e. 19 storeys above the existing structure.  
Unquote

Our starting point for considering this scenario is to note that it is well above CitizenM's target size for their hotels which, as described on Page 13, is '100 to 350 keys'. Furthermore we believe that both the Occupancy and Average Room Rate would fall under this scenario, mainly due to additional exposure to low demand periods and the specific nature of the product which mitigates against bulk segments such as groups and tours. Some additional discounting would likely be required in low season periods in particular.

Furthermore it is not clear how the Food and Beverage areas and Front of House area would fit into a property of this size. CitizenM operates efficiently with these areas in proximity and the floor plate of the building may not easily allow for the optimum size. We have therefore assumed smaller Food and Beverage areas than pro-rata the proposed scheme would allow and these revenues are therefore shown as being lower as a proportion of the total revenue.

Rooms and Administrative and General Costs are likely to be more efficient as a result of economies of scale although we have allowed for a higher proportion of sales and marketing costs given the effort required to enable this larger hotel to have the required market reach.

Overall this scenario allows for Net Operating Profit of £13.6m at a conversion rate of 46.9% of revenue. The financial estimates for Scenario 3b are illustrated in Table 5 overleaf in constant (uninflated) 2025 values.

Table 5

Financial Estimates for the Scenario 3b 473 room CitizenM Hotel at Shaftesbury Avenue, London WC2 in constant 2025 values

	Year 1	Ratio	Year 2	Ratio	Year 3	Ratio	Year 4	Ratio	Year 5	Ratio
	£	%	£	%	£	%	£	%	£	%
<b>Revenues</b>										
Rooms	21,753,270	94.9%	24,601,913	95.2%	27,623,200	95.5%	27,623,200	95.5%	27,623,200	95.5%
Food & Beverage	1,170,000	5.1%	1,235,000	4.8%	1,300,000	4.5%	1,300,000	4.5%	1,300,000	4.5%
<b>Total Revenue</b>	22,923,270	100.0%	25,836,913	100.0%	28,923,200	100.0%	28,923,200	100.0%	28,923,200	100.0%
<b>Departmental costs and expenses</b>										
Rooms	6,743,514	31.0%	7,134,555	29.0%	7,458,264	27.0%	7,458,264	27.0%	7,458,264	27.0%
Food & Beverage	491,400	42.0%	506,350	41.0%	520,000	40.0%	520,000	40.0%	520,000	40.0%
<b>Total Dept. Costs</b>	7,234,914	31.6%	7,640,905	29.6%	7,978,264	27.6%	7,978,264	27.6%	7,978,264	27.6%
<b>Gross Profit</b>	15,688,356	68.4%	18,196,008	70.4%	20,944,936	72.4%	20,944,936	72.4%	20,944,936	72.4%
<b>Undistributed Costs</b>										
Admin. & General	2,017,248	8.8%	2,144,464	8.3%	2,256,010	7.8%	2,256,010	7.8%	2,256,010	7.8%
Sales & Marketing	1,146,164	5.0%	1,162,661	4.5%	1,156,928	4.0%	1,156,928	4.0%	1,156,928	4.0%
Property Operation & Maintenance	458,465	2.0%	594,249	2.3%	723,080	2.5%	723,080	2.5%	723,080	2.5%
Utilities	916,931	4.0%	1,033,477	4.0%	1,156,928	4.0%	1,156,928	4.0%	1,156,928	4.0%
<b>Total Undistributed Costs</b>	4,538,807	19.8%	4,934,850	19.1%	5,292,946	18.3%	5,292,946	18.3%	5,292,946	18.3%
<b>Income Before Fixed Charges</b>	11,149,549	48.6%	13,261,158	51.3%	15,651,990	54.1%	15,651,990	54.1%	15,651,990	54.1%
<b>Fixed Costs</b>										
Property Taxes	1,797,400	7.8%	1,797,400	7.0%	1,797,400	6.2%	1,797,400	6.2%	1,797,400	6.2%
Insurance	289,232	1.3%	289,232	1.1%	289,232	1.0%	289,232	1.0%	289,232	1.0%
<b>Total Fixed Costs</b>	2,086,632	9.1%	2,086,632	8.1%	2,086,632	7.2%	2,086,632	7.2%	2,086,632	7.2%
<b>Net Operating Profit/EBITDA</b>	9,062,917	39.5%	11,174,526	43.3%	13,565,358	46.9%	13,565,358	46.9%	13,565,358	46.9%
<b>Statistics</b>										
Room Occupancy	70%		75%		80%		80%		80%	
Average Room Rate	180.00		190.00		200.00		200.00		200.00	
RevPar	126.00		142.50		160.00		160.00		160.00	
Rooms Let	120,852		129,484		138,116		138,116		138,116	
Double Occupancy Percentage	1.6		1.6		1.6		1.6		1.6	
Number of Guests	193,362		207,174		220,986		220,986		220,986	
Available Rooms Per Night	473		473		473		473		473	
Available Rooms per Annum	172,645		172,645		172,645		172,645		172,645	
Source: Melvin Gold Consulting estimates										

**Scenario 3c**

This scenario envisages using the existing building for the theatre with the hotel above to enable the overall development to at least make a minimal level of profit – effectively a break even scenario according to Montagu Evans. They describe the development as follows:

**Quote**

This case explores developing the theatre 'as is' (i.e. with no further basement dig), and with 226 hotel keys delivered on top of the existing structure. Value is derived from leasing the theatre box, assuming a capacity of 900 seats, based on an offer letter from a theatre operator. £1.35m annual income with a 5% cap rate to arrive at value of £27m. With the key

count at 226 keys and 11 storeys above the existing structure, the project is barely viable at 1.3% profit on cost  
Unquote

Although the hotel is a very similar size under this scenario, it is created from a new build construction and there will be wider considerations. However from a hotel profitability scenario it is largely similar to the subject application with only a few additional rooms. We estimate the revenue would be similar and the costs would be slightly more efficient and this it would be more profitable from a hotel perspective even on a per room basis.

Table 6										
Financial Estimates for the Scenario 3c 226 room CitizenM Hotel at Shaftesbury Avenue, London WC2 in constant 2025 values										
	Year 1	Ratio	Year 2	Ratio	Year 3	Ratio	Year 4	Ratio	Year 5	Ratio
	£	%	£	%	£	%	£	%	£	%
<b>Revenues</b>										
Rooms	12,769,452	93.9%	13,984,323	94.1%	15,075,048	94.3%	15,075,048	94.3%	15,075,048	94.3%
Food & Beverage	823,500	6.1%	869,250	5.9%	915,000	5.7%	915,000	5.7%	915,000	5.7%
<b>Total Revenue</b>	<b>13,592,952</b>	<b>100.0%</b>	<b>14,853,573</b>	<b>100.0%</b>	<b>15,990,048</b>	<b>100.0%</b>	<b>15,990,048</b>	<b>100.0%</b>	<b>15,990,048</b>	<b>100.0%</b>
<b>Departmental costs and expenses</b>										
Rooms	4,328,844	33.9%	4,460,999	31.9%	4,507,439	29.9%	4,507,439	29.9%	4,507,439	29.9%
Food & Beverage	345,870	42.0%	356,393	41.0%	366,000	40.0%	366,000	40.0%	366,000	40.0%
<b>Total Dept. Costs</b>	<b>4,674,714</b>	<b>34.4%</b>	<b>4,817,392</b>	<b>32.4%</b>	<b>4,873,439</b>	<b>30.5%</b>	<b>4,873,439</b>	<b>30.5%</b>	<b>4,873,439</b>	<b>30.5%</b>
<b>Gross Profit</b>	<b>8,918,238</b>	<b>65.6%</b>	<b>10,036,182</b>	<b>67.6%</b>	<b>11,116,608</b>	<b>69.5%</b>	<b>11,116,608</b>	<b>69.5%</b>	<b>11,116,608</b>	<b>69.5%</b>
<b>Undistributed Costs</b>										
Admin. & General	1,209,773	8.9%	1,247,700	8.4%	1,263,214	7.9%	1,263,214	7.9%	1,263,214	7.9%
Sales & Marketing	611,683	4.5%	594,143	4.0%	559,652	3.5%	559,652	3.5%	559,652	3.5%
Property Operation & Maintenance	271,859	2.0%	341,632	2.3%	399,751	2.5%	399,751	2.5%	399,751	2.5%
Utilities	543,718	4.0%	594,143	4.0%	639,602	4.0%	639,602	4.0%	639,602	4.0%
<b>Total Undistributed Costs</b>	<b>2,637,033</b>	<b>19.4%</b>	<b>2,777,618</b>	<b>18.7%</b>	<b>2,862,219</b>	<b>17.9%</b>	<b>2,862,219</b>	<b>17.9%</b>	<b>2,862,219</b>	<b>17.9%</b>
<b>Income Before Fixed Charges</b>	<b>6,281,205</b>	<b>46.2%</b>	<b>7,258,564</b>	<b>48.9%</b>	<b>8,254,390</b>	<b>51.6%</b>	<b>8,254,390</b>	<b>51.6%</b>	<b>8,254,390</b>	<b>51.6%</b>
<b>Fixed Costs</b>										
Property Taxes	858,800	6.3%	858,800	5.8%	858,800	5.4%	858,800	5.4%	858,800	5.4%
Insurance	159,900	1.2%	159,900	1.1%	159,900	1.0%	159,900	1.0%	159,900	1.0%
<b>Total Fixed Costs</b>	<b>1,018,700</b>	<b>7.5%</b>	<b>1,018,700</b>	<b>6.9%</b>	<b>1,018,700</b>	<b>6.4%</b>	<b>1,018,700</b>	<b>6.4%</b>	<b>1,018,700</b>	<b>6.4%</b>
<b>Net Operating Profit/EBITDA</b>	<b>5,262,505</b>	<b>38.7%</b>	<b>6,239,864</b>	<b>42.0%</b>	<b>7,235,689</b>	<b>45.3%</b>	<b>7,235,689</b>	<b>45.3%</b>	<b>7,235,689</b>	<b>45.3%</b>
<b>Statistics</b>										
Room Occupancy	80%		83%		85%		85%		85%	
Average Room Rate	193.50		204.25		215.00		215.00		215.00	
RevPar	154.80		169.53		182.75		182.75		182.75	
Rooms Let	65,992		68,467		70,117		70,117		70,117	
Double Occupancy Percentage	1.6		1.6		1.6		1.6		1.6	
Number of Guests	105,587		109,547		112,186		112,186		112,186	
Available Rooms Per Night	226		226		226		226		226	
Available Rooms per Annum	82,490		82,490		82,490		82,490		82,490	
Source: Melvin Gold Consulting estimates										



Overall this scenario allows for Net Operating Profit of £7.2m at a conversion rate of 45.3% of revenue. The financial estimates for Scenario 3c are illustrated in Table 6 above in constant (uninflated) 2025 values.

### Summary of the Various Financial Estimates

In Table 7 below we summarise the profitability of the Proposed Scheme and the various scenarios according to the above financial estimates which we have prepared. As well as the overall cash amounts from each profit and loss estimate in the first three years of operation we also show the Net Operating Profit percentage for each version and the Net Operating Profit per room in each version.

This illustrates that although the 473 room version generates the highest profit conversion in percentage terms it actually produces the lowest profit per room. The highest profit per room is from the 226 room scenario although it is only slightly above the 211 room Proposed Scheme and the 302 room scenario.

We believe it is important to note that different hotel scenarios produce different results and in our view it is not appropriate to use the same value per room as a valuation methodology under all these scenarios. Hotels are complex as an asset class and specific modelling is likely to be required to consider the nuances of varying scenarios in comparison to one another.

Table 7						
Summary of Profitability of the Proposed Scheme and Various Scenarios – Shaftesbury Avenue Hotel						
	Rooms	Year 1 NOP £	Year 2 NOP £	Year 3 NOP £	Year 3 NOP %	Year 3 NOP per room
Proposed Scheme	211	4,885,313	5,795,144	6,722,423	45.1%	31,860
Scenario 3a	302	7,295,767	8,305,309	9,600,654	46.6%	31,790
Scenario 3b	473	9,062,917	11,174,526	13,565,358	46.9%	28,679
Scenario 3c	226	5,262,505	6,239,864	7,235,689	45.3%	32,016
Source: Melvin Gold Consulting estimates						

### Choice of Valuation Yield

We are not hotel valuers but as experienced hotel consultants we are able to make meaningful comment on valuation inputs in this situation. In particular it is unclear under what form of contract or ownership CitizenM will operate the subject hotel. If it is under a management agreement then management fees will need to be factored into the financial estimates that underpin the valuation. Ownership or Leasehold options also have valuation implications.

In this case Montagu Evans have, on page 53 of their pdf, used a link from Knight Frank to illustrate the valuation yield that they have referenced. The only relevant reference on that document is for Budget Hotels in London that are on a 20 year lease with 5 yearly indexed reviews. These are typically only properties branded as Premier Inn or Travelodge. The yield is shown as 4.75% as at September 2024. Noting that, Montagu Evans have used a 5% yield for their valuation but we are unclear of the basis of the tenure that they are valuing.

In the Savills UK Hotels 2024 publication which we referred to earlier (<https://pdf.euro.savills.co.uk/uk/commercial--other/savills-uk-hotel-spotlight-2024.pdf>) there is also a chart (Page 13, Fig 8) which illustrates that Fixed Yield (strong covenant) investments (of the type envisaged in the Knight Frank report used by Montagu Evans) were at 4.75% in Q3 2024 whereas Franchise/ Vacant Possession hotel investments attracted a yield of some 5.5%.

### Comparable Hotel Values

Also on Page 53 of their pdf Montagu Evans illustrate a variety of comparable hotel transaction which they use as reference points for their valuation. In summary these are:

Table 8						
Summary of Comparable Hotel Values used on Montagu Evans FVA						
Hotel	Area, Postcode	Keys	Yield	£ / Key	Room Size	Date
The Hoxton Hoborn	Holborn WC1V 7BD	220		584,000	12m <sup>2</sup>	Dec 23
Radisson Blu Mercer Street	Seven Dials WC2H 9HD	137	5.1%	515,000	13m <sup>2</sup>	Jan 24
The Standard	Kings Cross WC1H 8EG	266	5.75%	695,000	20m <sup>2</sup>	Oct 24
Clayton Hotel London Wall	Moorgate EC2R 7NJ	89		600,000	23m <sup>2</sup>	Jun 23
The Hoxton Shoreditch	Shoreditch EC2A 3HU	210		400,000	20m <sup>2</sup>	Dec 23
Hyatt Place London City East	Whitechapel E1 1DU	280	5.7%	357,000	20m <sup>2</sup>	Feb 24
Source: Melvin Gold Consulting presentation of Montagu Evans FVA data						

Primarily we note that on a per bedroom basis none of the prices per key exceed the £700,000 per key which Montagu Evans have applied across all of the valuation scenarios that they have prepared. Only The Standard was even close to that level, the Clayton London Wall (purchased from Apex Hotels) was the next highest at £600,000 per room.

Similarly the yields shown are all higher than the 5% which Montagu Evans have used which is supportive of the Savills report cited above which differentiates between budget hotel leaseholds and other forms of tenure.

Although we have shown the Room Sizes cited by Montagu Evans we have disregarded their per square foot values. These are calculated by converting per square metre per room to per square foot per room and then dividing it into the price per key. This is not a generally used hotel industry metric and neither it is correct. The room sizes as stated are not consistent through the subject hotels.

Montagu Evans show The Hoxton Holborn as having a room size of 12m<sup>2</sup>. In fact the hotel (<https://thehoxton.com/london/holborn/rooms/>) has a variety of room sizes available of which 12m<sup>2</sup> is the smallest. Room categories and sizes are summarised as follows:

Shoebox	12m <sup>2</sup>
Snug	14m <sup>2</sup>
Cosy	16m <sup>2</sup>
Cosy Up	18m <sup>2</sup>
Roomy	21m <sup>2</sup>
Biggy	27m <sup>2</sup>

Similarly, at The Standard which Montagu Evans show as having a room size of 20m<sup>2</sup>, the smallest room size on their website is the Queen's Standard which is stated as being sized from 16m<sup>2</sup> to 19m<sup>2</sup>. There is also a Single room with a size of 13m<sup>2</sup> although all of the other room categories are larger than 20m<sup>2</sup>.

The closest hotel to the Shaftesbury Avenue site is the Radisson Blu Mercer Street in Seven Dials. Their room size is stated as having 13m<sup>2</sup>. The hotel's website states that standard rooms are 13m<sup>2</sup> but there are three other room categories with room sizes ranging from 16m<sup>2</sup> to 28m<sup>2</sup> and the hotel also has corner suites sized at 43m<sup>2</sup>.

Overall room sizes in hotels tend to vary, except in new build hotels built to a specific brand standard, and do not provide a reliable standard without detailed review and we are not aware of them being a generally cited valuation metric.

The hotel transaction market has been relatively subdued and we have only identified a couple of other transactions within London that are worthy of note, albeit not directly comparable.

In November 2023 German real estate company Aroundtown SA sold the four star Hilton Hyde Park in London, UK, for a reported price close to £50m (£368,000 per room), to a family office from Dubai. The 136 room property is located opposite the north western corner of Hyde Park in Bayswater. It is understood the hotel is operated by Hilton under a lease until 2031 and it is thought that the new owners will consider converting the site to residential apartments at the end of the lease.

In January 2024 the American private-equity firm Starwood Capital Group acquired 10 London hotels from Edwardian Hotels. Bloomberg News reported the sum was approximately £800m, attributing the figure to anonymous sources. This is understood to equate to around £450,000 per room.

Importantly, we have been unable to identify any transactions in London where a CitizenM hotel has been sold. That of course would provide the most specific evidence.

### **Valuation at £700,000 per Room**

We have noted that Montagu Evans have used a figure of £700,000 per room for the valuation of the hotel that is the subject of the planning application as well as in each of the three scenarios.

In their commentary on Page 14 of the GVA (and similarly on Page 17) they state:

Quote

£700,000 per key is at the upper end of the evidence for comparable hotel sales provided at Appendix 2.

A profit and loss valuation has also been run which also arrives at broadly £700,000 per key, see Appendix 2.

We consider our assumptions bullish given the CitizenM rooms envisaged are circa 13m<sup>2</sup> on average, which is at the lower end of the comparable range.

Unquote

Overall it seems that the £700,000 per room figure is too high. Montagu Evans state that it is bullish. We believe the financial estimates that underpin the figure are overstated and moreover they vary for each of the scenarios presented. A consistent level of value per room does not seem to recognise the underlying change in earnings under each scenario which we have sought to portray. We have also shown that the 5% yield used is likely only applicable to branded budget hotels held on an institutional lease basis by a company with a strong covenant. Both the yields quoted by Montagu Evans for the comparable transactions, and the Savills report that we have cited illustrate higher yields are applicable to other London hotel transactions, probably at least 5.5%.

We draw the attention of BPS Chartered Surveyors to these comments and this evidence base for consideration in the valuations that they are preparing in relation to this application.





We consider our financial modelling and estimates to be appropriate for use within the valuations that BPS Chartered Surveyors are preparing for the London Borough of Camden, for consideration in relation to the planning application.

## Appendix 4: Comparable Evidence

### F&B Rental Evidence

Address	Description	Date	Size (sf)	Rent Achieved (psf)
32 Charlotte Street, London, W1T 2NQ 	Signed for a 10 years lease with a 5 year tenant only break clause.	Nov 2023	3,078 (NIA)	£61.72 psf (£189,974pa)
Soho Restaurant, 81 Dean Street, London, W1D 3HA 	Partially fitted, modern, corner unit arranged over ground and basement floors, forming part of a modern mixed-use building comprising 16 upper floor flats. The restaurant has trading areas on the ground floor and basement. Open kitchen on ground floor. Disabled WC. Extraction and plant area to rear. Nil Premium for fixtures and fittings	Aug 2023	5,283 (GIA) 4,400 (NIA)	£85 psf (£375,000pa)
Basement- 2 <sup>nd</sup> Fl, 53 Shaftesbury Avenue, London W1D 6LB 	Let for a 15 years lease, 5-month rent free period with 5-yearly rent reviews. Let to Singapulah Ltd.	May 2023	2,757 (NIA)	£119.69 (£330,000pa)
GF & LGF, 5 Berners Street, London, W1T 3LA 	Let for a 20 years lease with a rent free period of 10 months and 5-yearly rent reviews.	April 2023	3,197 (NIA)	£53.17 (£170,000pa)

**Cinema Rental Evidence**

Address	Description	Date	Size (sf)	Rent Achieved (psf)
13 Esther Anne Plane, Islington Square, LONDON, N1 1UL 	Space in a newly renovated period scheme let to Odeon for a 25 year lease with 5 yearly rent reviews and a 14-month rent free period. Inferior location to the subject	Feb 2023	24,316 (GIA)	£18.96 (£461,031pa)
Cinema Unit, Royale Leisure Park, Kendal Avenue, London W3 0PA 	Let for a 11 years lease and 4 months with 2 month rent free period to Odeon. Inferior location to the subject	Sep 2022	44,089 (GIA)	£30.96 (£1.364.995)
Cinema Unit, 1 City North Place, London N4 3FU 	Size not stated. Let for a 25 year lease with 5-year rent reviews. Located in a new development, inferior location to the subject.	April 2022	1 unit	£400,000pa
Cinema at Borough Yards, Stoney Street, London SE1 9PA 	Let for a 25-year lease to a boutique Everyman cinema operator. 6-months rent free period. Unit is located in a new development. Inferior location to the subject.	Mar 2022	6,455 (NIA)	£20.05 (£129,100pa)

## Appendix 5: BPS Appraisals

# APPRAISAL SUMMARY

BPS SURVEYORS

## Saville Theatre Scenario 1

### Appraisal Summary for Phase 1

Currency in £

#### REVENUE

##### Rental Area Summary

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Theatre	1	1,500,000	1,500,000	1,500,000
Restaurant	1	500,000	500,000	500,000
Hotel	1	6,169,545	6,169,545	6,169,545
<b>Totals</b>	<b>3</b>		<b>8,169,545</b>	<b>8,169,545</b>

#### Investment Valuation

<b>Theatre</b>					
Current Rent	1,500,000	YP @	5.0000%	20.0000	30,000,000
<b>Restaurant</b>					
Current Rent	500,000	YP @	5.0000%	20.0000	10,000,000
<b>Hotel</b>					
Current Rent	6,169,545	YP @	5.5000%	18.1818	112,173,545
<b>Total Investment Valuation</b>					<b>152,173,545</b>

#### GROSS DEVELOPMENT VALUE

152,173,545

Purchaser's Costs	(10,347,801)
Effective Purchaser's Costs Rate	6.80%
	(10,347,801)

#### NET DEVELOPMENT VALUE

141,825,744

#### NET REALISATION

141,825,744

#### OUTLAY

##### ACQUISITION COSTS

Fixed Price	2,600,000	
Fixed Price		2,600,000
		2,600,000
Stamp Duty		119,500
Effective Stamp Duty Rate	4.60%	
Agent Fee	1.00%	26,000
Legal Fee	0.50%	13,000
		158,500

##### CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Theatre	1 un	30,960,800	30,960,800
Hotel Keys	211 un	255,616	53,935,000
Basement Costs	1 un	26,847,200	26,847,200
<b>Totals</b>			<b>111,743,000</b>
CIL/S106			4,000,000
			115,743,000

##### PROFESSIONAL FEES

Professional Fees	12.50%	13,967,875
		13,967,875

##### DISPOSAL FEES

Sales Agent Fee	1.00%	400,000
Sales Legal Fee	0.50%	200,000
		600,000

##### FINANCE

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)



**APPRAISAL SUMMARY****BPS SURVEYORS****Saville Theatre  
Scenario 1**

Land	1,216,644	
Construction	24,670,017	
Total Finance Cost		25,886,661

**TOTAL COSTS** **158,956,036**

**PROFIT**  
**(17,130,291)**

**Performance Measures**

Profit on Cost%	-10.78%
Profit on GDV%	-11.26%
Profit on NDV%	-12.08%
Development Yield% (on Rent)	5.14%
Equivalent Yield% (Nominal)	5.37%
Equivalent Yield% (True)	5.55%
IRR% (without Interest)	2.65%
Rent Cover	-2 yrs -1 mths
Profit Erosion (finance rate 7.500)	N/A

# APPRAISAL SUMMARY

BPS SURVEYORS

## Saville Theatre Scenario 2

### Appraisal Summary for Phase 1

Currency in £

#### REVENUE

##### Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Theatre	1	38,546	42.81	1,650,154	1,650,154	1,650,154

##### Investment Valuation

<b>Theatre</b>						
Current Rent	1,650,154	YP @	5.0000%	20.0000	33,003,085	

#### GROSS DEVELOPMENT VALUE **33,003,085**

Purchaser's Costs		(2,244,210)				
Effective Purchaser's Costs Rate		6.80%			(2,244,210)	

#### NET DEVELOPMENT VALUE **30,758,875**

#### NET REALISATION **30,758,875**

#### OUTLAY

##### ACQUISITION COSTS

Fixed Price	2,600,000					
Fixed Price		2,600,000			2,600,000	
Stamp Duty		119,500				
Effective Stamp Duty Rate	4.60%					
Agent Fee	1.00%	26,000				
Legal Fee	0.50%	13,000				
					158,500	

##### CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost			
Theatre	1 un	38,274,000	38,274,000			
CIL/S106			4,000,000			
					42,274,000	

##### PROFESSIONAL FEES

Professional Fees	12.50%	4,784,250			4,784,250	
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##### DISPOSAL FEES

Sales Agent Fee	1.00%	307,589				
Sales Legal Fee	0.50%	153,794				
					461,383	

##### FINANCE

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)						
Land			931,976			
Construction			7,303,311			
Total Finance Cost					8,235,286	

#### TOTAL COSTS **58,513,420**

#### PROFIT

**(27,754,544)**

##### Performance Measures

Profit on Cost%	-47.43%
Profit on GDV%	-84.10%
Profit on NDV%	-90.23%
Development Yield% (on Rent)	2.82%

**Saville Theatre****Scenario 2**

Equivalent Yield% (Nominal)	5.00%
Equivalent Yield% (True)	5.16%
IRR% (without Interest)	-22.49%
Rent Cover	-16 yrs -10 mths
Profit Erosion (finance rate 7.500)	N/A

**APPRAISAL SUMMARY****BPS SURVEYORS****Saville Theatre  
Scenario 3a****Appraisal Summary for Phase 1**

Currency in £

**REVENUE****Rental Area Summary**

	Units	ft <sup>2</sup>	Rent Rate ft <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Theatre	1	38,546	42.81	1,650,154	1,650,154	1,650,154
Hotel	<u>302</u>			29,406	<u>8,880,608</u>	<u>8,880,608</u>
<b>Totals</b>	<b>303</b>	<b>38,546</b>			<b>10,530,762</b>	<b>10,530,762</b>

**Investment Valuation**

<b>Theatre</b>						
Current Rent	1,650,154	YP @	5.0000%	20.0000	33,003,085	
<b>Hotel</b>						
Current Rent	8,880,608	YP @	5.5000%	18.1818	161,465,600	
<b>Total Investment Valuation</b>					<b>194,468,685</b>	

**GROSS DEVELOPMENT VALUE****194,468,685**

Purchaser's Costs	(13,223,871)
Effective Purchaser's Costs Rate	6.80%
	(13,223,871)

**NET DEVELOPMENT VALUE****181,244,815****NET REALISATION****181,244,815****OUTLAY****ACQUISITION COSTS**

Fixed Price	2,900,000	
Fixed Price	2,900,000	
		2,900,000
Stamp Duty		134,500
Effective Stamp Duty Rate	4.64%	
Agent Fee	1.00%	29,000
Legal Fee	0.50%	14,500
		178,000

**CONSTRUCTION COSTS**

Construction	Units	Unit Amount	Cost
Theatre	1 un	38,274,000	38,274,000
Hotel Keys	<u>302 un</u>	313,626	<u>94,714,934</u>
<b>Totals</b>			<b>132,988,934</b>
CIL/S106			4,000,000
			136,988,934

**PROFESSIONAL FEES**

Professional Fees	12.50%	16,623,617
		16,623,617

**DISPOSAL FEES**

Sales Agent Fee	1.00%	330,031
Sales Legal Fee	0.50%	165,015
		495,046

**FINANCE**

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)		
Land		1,611,768
Construction		34,335,257
Total Finance Cost		35,947,024

**TOTAL COSTS****193,132,621**

**Saville Theatre  
Scenario 3a**
**PROFIT**
**(11,887,807)**
**Performance Measures**

Profit on Cost%	-6.16%
Profit on GDV%	-6.11%
Profit on NDV%	-6.56%
Development Yield% (on Rent)	5.45%
Equivalent Yield% (Nominal)	5.42%
Equivalent Yield% (True)	5.60%

IRR% (without Interest) 5.16%

Rent Cover -1 yrs -2 mths

Profit Erosion (finance rate 7.500) N/A

**APPRAISAL SUMMARY****BPS SURVEYORS****Saville Theatre  
Scenario 3b:****Appraisal Summary for Phase 1**

Currency in £

**REVENUE****Rental Area Summary**

	Units	ft <sup>2</sup>	Rent Rate ft <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Theatre	1	38,546	42.81	1,650,154	1,650,154	1,650,154
Hotel	<u>473</u>			25,765	<u>12,186,704</u>	<u>12,186,704</u>
<b>Totals</b>	<b>474</b>	<b>38,546</b>			<b>13,836,858</b>	<b>13,836,858</b>

**Investment Valuation**

<b>Theatre</b>					
Current Rent	1,650,154	YP @	5.0000%	20.0000	33,003,085
<b>Hotel</b>					
Current Rent	12,186,704	YP @	5.5000%	18.1818	221,576,436
<b>Total Investment Valuation</b>					<b>254,579,522</b>

**GROSS DEVELOPMENT VALUE****254,579,522**

Purchaser's Costs	(17,311,407)
Effective Purchaser's Costs Rate	6.80%
	(17,311,407)

**NET DEVELOPMENT VALUE****237,268,114****NET REALISATION****237,268,114****OUTLAY****ACQUISITION COSTS**

Fixed Price	2,600,000	
Fixed Price	2,600,000	2,600,000
Stamp Duty		119,500
Effective Stamp Duty Rate	4.60%	
Agent Fee	1.00%	26,000
Legal Fee	0.50%	13,000
		158,500

**CONSTRUCTION COSTS**

Construction	Units	Unit Amount	Cost
Theatre	1 un	38,274,000	38,274,000
Hotel Keys	<u>473 un</u>	321,353	<u>151,999,934</u>
<b>Totals</b>			<b>190,273,934</b>
CIL/S106			4,000,000
			194,273,934

**PROFESSIONAL FEES**

Professional Fees	12.50%	23,784,242
		23,784,242

**DISPOSAL FEES**

Sales Agent Fee	1.00%	330,031
Sales Legal Fee	0.50%	165,015
		495,046

**FINANCE**

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)		
Land		1,444,464
Construction		48,271,256
Total Finance Cost		49,715,720

**TOTAL COSTS****271,027,442**

**Saville Theatre  
Scenario 3b:**
**PROFIT**
**(33,759,328)**
**Performance Measures**

Profit on Cost%	-12.46%
Profit on GDV%	-13.26%
Profit on NDV%	-14.23%
Development Yield% (on Rent)	5.11%
Equivalent Yield% (Nominal)	5.44%
Equivalent Yield% (True)	5.62%

IRR% (without Interest)	2.55%
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Rent Cover	-2 yrs -5 mths
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Profit Erosion (finance rate 7.500)	N/A
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## APPENDIX E – Pre-application Design Review Panel feedback

**London Borough of Camden Design Review Panel**

**Report of Formal Review Meeting: 135-149 Shaftesbury Avenue**

Friday 10 November 2023

Camden Council, 5 Pancras Square, London N1C 4AC

**Panel**

Hari Phillips (chair)  
Amber Fahey  
Barbara Kaucky  
Chloë Phelps  
Ty Tikari

**Attendees**

Bethany Cullen	London Borough of Camden
Kevin Fisher	London Borough of Camden
Victoria Hinton	London Borough of Camden
Edward Jarvis	London Borough of Camden
Tom Bolton	Frame Projects
Shona Henry	Frame Projects

**Apologies / report copied to**

Colette Hatton	London Borough of Camden
Alex Kresovic	London Borough of Camden
Daniel Pope	London Borough of Camden
Daren Zuk	London Borough of Camden
Deborah Denner	Frame Projects

**Confidentiality**

This is a pre-application review, and therefore confidential. As a public organisation Camden Council is subject to the Freedom of Information Act (FOI), and in the case of an FOI request may be obliged to release project information submitted for review.

# CONFIDENTIAL

## 1. Project name and site address

The former Saville Theatre, 135-149 Shaftesbury Avenue, London WC2H 8AH

## 2. Presenting team

Trevor Morriss	SPPARC
Dom Fanning	SPPARC
Gareth Fox	Montagu Evans
Louisa Smith	Montagu Evans
Chris Ray	Yoo Capital
Andrew Thorpe	Yoo Capital
Charlotte Dutton	Horley

## 3. Planning authority briefing

The existing building, seven storeys in height, including a double-storey basement was originally constructed as the Saville Theatre and is currently in use as a four-screen cinema operated by Odeon. It is a steel-framed building clad in red-brown brick with an artificial stone plinth and frieze to the front. Along the top of the façade are a series of plaques, which represent 'art through the ages'.

The building is Grade II listed. The site is not located in a conservation area but sits in between the Seven Dials Conservation Area (to the south) and the Denmark Street Conservation Area (to the north). There are no listed buildings immediately adjoining the site, but there are a number nearby including the Grade II listed Phoenix Theatre 50 metres to the north-west. To the north of the site is the Phoenix Community Garden public open space.

Planning permission was recently refused for the comprehensive refurbishment of the listed building and the addition of a two-storey roof extension with a new four-screen cinema and spa at basement levels, a ground floor restaurant and bar, a 94-bed hotel and a roof terrace and bar. There were 14 reasons for refusal including land use, harm to listed building, and design. This scheme was reviewed twice by the panel, in February and April 2018.

The current scheme adds a five-storey roof extension plus setback plant room, and four levels of basement. The roof extension will incorporate a hotel with approximately 200 rooms, and the basement will deliver the reinstatement of the former theatre use, with a capacity ranging from 350 to 500 seats.

Officers asked for the panel's comments on the height, scale, and massing of the proposals; potential harm to the listed building from the proposed extension; impact on the two adjacent conservation areas; overshadowing of Phoenix Community Garden; impact on neighbouring daylight and sunlight; noise disturbance from roof plant; how to retain the significance of the theatre as the primary use; and the sustainability of the proposals, including basement excavation.



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## 4. Design Review Panel's views

### *Summary*

The panel supports the principle of bringing the building back into use as a theatre, but thinks that the designs require reassessment and further design development to ensure the quality required for redeveloping a listed building. Full information is needed on the historic fabric being removed. A more comprehensive justification is required for excavation of a basement, including showing that the existing building cannot host a different type of auditorium, and making the case for its carbon impact. While the height proposed can be justified for a high-quality design, more work is needed to show that the proposed massing is the right approach for the listed building and its setting. The panel is concerned that the massing will have a negative impact on The Phoenix Garden to the rear, and asks that options to mitigate the impact including stepping back are considered. Detailed analysis of the overshadowing impact on the garden and on residential properties is needed.

The panel asks for design development to provide greater clarity on architectural approach and the intended relationship between old and new elements. The materiality and detailing of the extension must be of exceptional quality, and further detail is therefore needed to demonstrate that this will be the case, including full representation of the way the building will look. The panel suggests the building should be more publicly accessible, and asks for thinking on how to activate the rear elevation at ground floor level. The front entrance should be opened out to provide a dramatic foyer experience, and an upper bar level bar considered. Sustainability should drive design decisions, with the embodied carbon of materials revisited, a circular economy strategy developed, and if a double skin façade is proposed it should contribute to the energy strategy. Innovative ways to reduce the hotel's operational carbon impact should be considered. The hotel should be designed to allow for future adaptation. Construction impact on residents should be mitigated.

These comments are expanded below.

### *Overall approach*

- The panel strongly supports the principle of bringing the site back into use as a theatre. However, it does not feel it has the information needed to reach a judgement on the impact the proposals will have on the internal fabric of the listed building. A full survey of the listed fabric should be presented to show what exactly remains of the original interiors, so the impact of the loss can be balanced against the benefits the scheme will deliver. Without survey information, it is not possible for the panel to reach a conclusion on whether the proposals provide public benefit that offsets their impact.
- With both the hotel and the new theatre predominately extending beyond the fabric of the existing structure, the space being added is much greater than the volume of the current building. The panel would like to see more information showing why a theatre cannot be incorporated within the existing fabric, and that the space that already exists cannot be used differently.



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- The panel also finds the extent of the proposed basement excavation problematic. The amount of digging and construction required below ground will consume a significant amount of carbon. More work is needed to justify the project's environmental impact and to justify this approach.

### *Height and massing*

- The panel does not consider the proposed height of the building to be a problem in principle. However, it has doubts that the proposed additional of extra storeys above the existing theatre is an appropriate strategy for redeveloping the building. There is a risk that the extension will overwhelm the theatre below, detracting from its identity.
- The current proposals need further justification to show that they represent the best solution, including massing studies to show how the approach was developed, and how the extension responds to its setting. The panel asks for further explanation of why the proposals represent the best solution, especially for the listed building.
- The panel is also concerned that the rear façade of the building will create an oppressive presence next to The Phoenix Garden. The bulk and scale of the sheer elevation on this side of the building seem out of scale with the garden, and does not reflect the stepped massing of neighbouring buildings, which establishes a lower cornice line. This rear massing will have a negative visual impact on an important community asset. If the building is to have a positive relationship to local communities, this should be reflected in design principles. The panel asks for more thinking on how the impact of the extension on the garden can be reduced, for example by narrowing it or by stepping additional storeys back from New Compton Street to mitigate their height.
- Stepping the massing back would also create the opportunity for roof terraces to provide amenity space for the hotel, potentially incorporating gardens.
- The panel is also concerned that the building will overshadow The Phoenix Garden. Information is needed to show what the overshadowing impact will be at different times of day and year but, as this was not presented, the panel is unable to judge whether the impact of the building will have an excessively damaging impact on an important community amenity. More extensive daylight and sunlight test results are needed to address this concern.
- Tests should include an assessment of the building's impact on the planting in the garden, and on the viability of the green roof of The Phoenix Garden Community Centre. The daylight and sunlight impact on New Compton Street residential properties should also be considered.

### *Architecture*

- The panel emphasises that the architectural quality of the extension must be exceptional to match the quality of composition and form in the listed building,



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and to enhance and complement its qualities. The panel thinks that further design development is needed to achieve the level of quality required.

- The panel is also unclear about the intended architectural relationship between the old and new elements: whether the extension is intended as an extrusion of the existing building, appearing light and glassy, or a separate pavilion sitting above it and drawing attention. Further thinking is needed about the conceptual drivers for the architectural approach.
- There is a risk that the extension will look heavy, especially during the day, rather than sitting lightly above the theatre building. The success of the design will depend on the balance between old and new massing. More detail is therefore needed on the design and materiality of the façade to show exactly how it will appear. For example, the panel is concerned that the inner façade skin is not fully shown in illustrations and will be a more significant part of the building's appearance. Likewise, hotel room curtains will make a substantial contribution to appearance in reality.
- An extension to a listed building must immaculately detailed and considered. The panel therefore asks that a greater level of detail is provided to give it confidence that it can fully consider the way the extension will appear.

## *Ground floor*

- The panel thinks, although the ground floor is public, it currently feels private. With only one entrance on Shaftesbury Avenue, it will be difficult to provide the restaurant with visibility and attract customers. To counter this more could be done to create public accessibility at ground floor level on the rear elevation of the building. Thought should be given to how the layout can be rearranged to activate the back of the building, and offer more to The Phoenix Garden frontage.
- The panel feels that more could also be done to reinterpret or reference the original theatre foyer and create a dramatic entrance experience. The stairs are currently close to the entrance, but the space would be improved if the volume of the space could be opened up in plan as well as in height.
- The panel also suggests that jump lifts could connect directly to a public terrace lobby and bar with a view, at the point where the new extension springs from the existing building. This would help to give the building more public presence and offer greater public benefit. Herzog & de Meuron's Elbphilharmonie building in Hamburg provides a useful precedent.

## *Sustainability*

- The panel would like to see carbon reduction objectives driving the overall design approach more clearly. For example more consideration should be given to reducing the project's embodied carbon impact. A range of material



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options should be presented to demonstrate that the double-skin glazed façade approach is the optimum approach in terms of its carbon impact.

- A material reuse and recycling strategy should be developed, as an important part of the environmental strategy where significant amounts of the existing building are being removed.
- The panel suggests that the extension's pleated glass outer skin could contribute more to the building's thermal performance. Variations in the pleats should be driven by façade orientation to help manage overheating, as part of the building's energy strategy.
- Options should be developed to replace existing windows at the rear of the building to ensure their u-values align with those in the triple-glazed extension.
- The panel notes that the environmental strategy should also consider the operation of the hotel as well as the theatre. This could include an innovative wastewater heat recovery system, as hot water use will be large part of the hotel's operational carbon.
- The panel suggests that space within the front façade of the existing building could be used for plant, reducing the amount of basement space required.
- The panel asks for more consideration of how the public realm around the building could be improved as part of the project, for example by introducing sustainable drainage systems to improve water management.

### *Flexibility*

- The panel asks about the future flexibility of the building. As well as ensuring the theatre can adapt to a different tenant if needed, consideration should be given to how the hotel can adapt. The requirements of the proposed operator are specific, and the panel is concerned that the double-skin façade design and the floor-to-ceiling heights will mean it cannot be converted to an alternative use. More consideration is needed of how the building can be designed with the flexibility to enable a long life.

### *Construction*

- The panel notes that the construction of this proposal on a tight and busy site will be complex and is likely to have an impact on surrounding residents in terms of noise, vehicle movements and vibration. The panel notes the need to showing how a construction management strategy will mitigate these impacts.

### *Next steps*

The panel would like to review the scheme again, once the applicant has had the opportunity to respond to its comments.





## APPENDIX F – Full application Design Review Panel feedback

**London Borough of Camden Design Review Panel**

**Report of Formal Review Meeting: 135-149 Shaftesbury Avenue**

Friday 28 February 2025

Camden Council, 5 Pancras Square, London N1C 4AC

**Panel**

Hari Phillips (chair)

Neil Davidson

Amber Fahey

Anna Liu

Fred Pilbrow

**Attendees**

Laura Dorbeck	London Borough of Camden
Neil McDonald	London Borough of Camden
Nabiha Qadir	London Borough of Camden
Tom Bolton	Frame Projects
Deborah Denner	Frame Projects
Bonnie Russell	Frame Projects

**Apologies / report copied to**

Bethany Cullen	London Borough of Camden
Collette Hatton	London Borough of Camden
Holly Hayward	London Borough of Camden
Victoria Hinton	London Borough of Camden
Edward Jarvis	London Borough of Camden
Daniel Pope	London Borough of Camden

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## 1. Project name and site address

The former Saville Theatre, 135-149 Shaftesbury Avenue, London WC2H 8AH

## 2. Presenting team

Amit Doshi	SPPARC
Trevor Morriss	SPPARC
Gareth Fox	Montagu Evans
Louisa Smith	Montagu Evans
Chris Ray	Yoo Capital
Andrew Thorpe	Yoo Capital
Mark Wilkinson	Hoare Lea

## 3. Planning authority briefing

The existing building is part-five, part-six storeys in height, with a double-storey basement. Most recently, it has been used as a cinema, but is now vacant. The building was originally constructed as the Saville Theatre in 1929-30 by the architect Bertie Crewe, incorporating work by the sculptor Gilbert Bayes, and is Grade II listed.

The building has a strong rectangular form fronting four streets: New Compton Street to the north, St Giles Passage to the east, Stacey Street to the west, and Shaftesbury Avenue to the south. It is a steel-framed building, clad in red-brown brick. There is an artificial stone plinth and frieze to the front called Drama Through the Ages, which makes a significant contribution to the building's significance, advertising the entertainment use within.

The site is not located in a conservation area, but sits between the Seven Dials Conservation Area to the south, and the Denmark Street Conservation Area to the north. There are no listed buildings immediately adjoining the site, although there are several in the vicinity. These include the Grade II-listed Phoenix Theatre at 110 Charing Cross Road, 50 metres to the north-west. To the north of the site is the Phoenix Garden public open space, a designated Local Site of Nature Conservation Importance.

The current scheme was first presented to the panel in November 2023. The applicant proposes a five-storey roof extension, and six levels of basement. The roof extension will incorporate a hotel with approximately 200 rooms, and the basement will deliver a theatre with a flexible capacity.

Officers asked for the panel's comments, in particular, on the detailed design of the roof extension, including architecture, form, materials, and plant area; the proposals to increase the depth of the basement; and on how well the applicant has addressed the panel's previous comments.



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## 4. Design Review Panel's views

### *Summary*

The panel is encouraged by positive responses to a number of its previous comments, but remains concerned that other issues remain unresolved, including the project's embodied carbon intensity, impact on the Phoenix Garden, deliverability, and risk of damage to the listed building.

The panel supports bringing the building back into theatre use, and accepts that this may require redevelopment on the scale proposed. The roof extension is now in better proportion to the listed building, and could be an exciting addition. However, the double-skin design will create high embodied and operational carbon. The panel asks for a more work to achieve a thermally efficient building envelope, using low embodied carbon materials and construction. Lowering the roof extension by a storey is a positive decision, and improves the visual impact on the Phoenix Garden. However, it will still partly overshadow the open space. The applicant should demonstrate the nature of this impact, and whether it can be mitigated.

The panel remains concerned about the carbon impact of the proposed basement extension, which is now deeper than previously proposed. The project presents a technical challenge, and evidence is needed to show that both the basement and roof extension can be delivered without damaging the listed building.

The panel ask for more information on how the scheme will improve the public realm on Shaftesbury Avenue and generate more activation on New Compton Street, for example with a more generous hotel entrance. A planted balcony level would be beneficial. Hotel corridors should be naturally lit wherever possible. Negotiations with Transport for London and a construction management strategy will be essential.

### *Overall approach*

- At the previous design review meeting, the panel was not convinced that extending the listed theatre building both upwards and downwards was a justifiable strategy. However, it now considers that, in principle, this approach could be acceptable if it represents the only option to bring the building back into use as a theatre.
- There is significant public benefit in providing a high-quality theatre with a long-term future in a Theatreland location.
- The panel is pleased that an adaptable theatre space is proposed, with a range of possible configurations to support future use. It also supports the flexible design approach to the wider building, including the incorporation of 'soft spots' to allow future adaptation, including increasing the size of stairs and lifts.
- Measures providing long-term flexibility are essential if the theatre is to have a functional life beyond the proposed Cirque de Soleil lease.



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- The panel emphasises the need to show that the extensive remodelling proposed can be delivered without damage to the fabric of the listed building.
- It asks for evidence to demonstrate how both the basement, extending beyond the walls of the existing building, and the roof extension can be successfully constructed. Full information should be provided to reassure Camden officers that the proposals are deliverable.

## *Roof extension*

- The panel welcomes the reduction made in the height of the proposed roof extension since the previous review. It thinks that this improves the proportion of the extension in relation to the listed building below, helping to create a clearer, more sympathetic relationship between the two.
- The panel thinks the integrated green roof, extended since the last review meeting, is a positive addition. It also supports the inclusion of permeable paving, which will contribute to the ecology and drainage strategies, and encourages the inclusion of rainwater harvesting.
- The panel thinks that the overall design of the roof extension has also improved since the last review. It now appears more restrained and less monolithic, in comparison with the previous proposal.
- The extension is potentially exciting, with architectural drama suited to the building's entertainment use. The concept of wrapping a curtain around the upper floors also relates well to the theatre below.
- However, while the panel understands the use of brick to relate to the historic building, it is still concerned about the carbon intensity of the roof extension.
- At the previous review, it asked for a range of material options to demonstrate that the double-skin façade is the best approach in terms of carbon impact.
- This information has not been presented, and the double-skin extension will create high embodied and operational carbon. The panel would like to see the project driven by more rigorous thinking about low carbon materials and construction, and the thermal efficiency of the building envelope.
- It is essential that the extension is of an exceptional architectural quality, to match the quality of composition and form in the existing listed building.
- The design of the roof extension is complex. Evidence is needed to demonstrate how the quality presented will be delivered in the completed structure. Design detail is needed to show how it will be constructed, and maintained in the long term.



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- The panel also notes that placing a brick screen in front of the hotel windows reduces the potential for views, and potentially the quality of rooms. The applicant should demonstrate the visual impact of the brick screen from within the rooms.
- The panel suggests that the raised corner of the brick curtain above the existing fly-tower could be scaled back. While the bulge in the curtain above the main entrance works well, the panel thinks the rear of the building should be quieter and more recessive by comparison. A less fragmented approach to the massing could bring more coherence to the northern elevation. A smaller bulge could be used instead to indicate the hotel entrance.

### *The Phoenix Garden*

- The panel notes that, despite the reduction in height, the roof extension will still overshadow the Phoenix Garden. It is important that the qualitative impact on an important but vulnerable open space is fully understood.
- The panel thinks that the proposals could only be acceptable if the applicant can show how the building would act as a good neighbour to the Phoenix Garden.
- Detailed thinking is required, in discussion with the Phoenix Garden charity, about mitigating the negative impact of the proposals on the space.
- At the last review, the panel asked for evidence of the building's impact on the planting in the garden, and on the viability of the green roof of the Phoenix Garden Community Centre, which is still needed. These effects should be measured, and discussions held to determine whether they could be mitigated with support from the applicant.

### *Theatre*

- At the previous review the panel requested a full survey of the listed fabric to inform a judgement on the balance between any harm to the building and the public benefit of the proposals. This information is still needed to demonstrate exactly what will be retained and what will be removed. This should include information on whole life carbon impact.
- The panel's previous comments on the carbon impact of the basement have not been addressed. The proposed basement is now two storeys deeper, and this is likely to increase the project's overall carbon impact. The applicant should demonstrate the overall carbon impact of this, and explain the measures taken to mitigate it.
- The panel also thinks that more work is needed to ensure the theatre has a civic presence at ground-floor level.



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- For example, the proposed spiral staircase could provide a dramatic portal to a theatre space. It is important that the designs integrate the ground floor with the theatre.

## *Ground floor and public realm*

- The panel asks for more thinking on how the public realm around the building can be improved, in partnership with Camden Council.
- Public realm improvements on Shaftesbury Avenue would be valuable to provide a sense of arrival that begins beyond the building envelope.
- At the previous review, the panel asked for greater public accessibility to generate more activation at ground level on New Compton Street, to the rear of the building. It continues to think that more needs to be done to achieve this.
- As part of achieving this, the panel thinks that the hotel entrance on New Compton Street should be more generous.
- The panel is pleased to see a more uniform lighting approach to the building after dark, which will give it presence in the streetscape.
- There is the potential for a stronger visual connection between the hotel entrance and the theatre foyer and, by extension, between Shaftesbury Avenue and New Compton Street.

## *Hotel plan*

- The panel encourages public access to an outside balcony at sixth floor level at the top of the existing building. The balcony should be planted, taking the opportunity to allow users contact with nature.
- The panel asks for hotel corridors to be connected to the façade, wherever possible, to admit natural light, improving the quality of these spaces.

## *Construction*

- The panel emphasises the need to consult with Transport for London on the practical implications of building close to an active Underground line. Evidence is needed that the discussions have taken place to ensure a buildable scheme
- The panel previously requested a construction management strategy to show how the noise, vibration and vehicle impacts of building such a complex project will be mitigated. It reiterates the importance of convincingly showing how construction will be managed.





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- Evidence should be provided to demonstrate that the proposals can be built without damage to the listed building.

### *Next steps*

The panel asks the applicant team to consider its comments in liaison with Camden officers, and is available to review the proposals again if required.

