

Development Management Sub Committee

Wednesday 18 December 2013

**Application for Listed Building Consent 13/03955/LBC
At 3 - 8 St Andrew Square, Edinburgh, EH2 2BD
Demolition of 6/7 St Andrew Square and construction of new
floor plates at upper levels, together with façade
reconstruction.**

Item number	9.2
Report number	
Wards	A11 - City Centre

Links

[Policies and guidance for this application](#)

CITE2, CITE3, CITE4, NSG, CRPNEW, NSLBCA, LPC, ENV2

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Executive summary

Application for Listed Building Consent 13/03955/LBC At 3 - 8 St Andrew Square, Edinburgh, EH2 2BD Demolition of 6/7 St Andrew Square and construction of new floor plates at upper levels, together with façade reconstruction.

Summary

The substantial demolition of the listed building is acceptable. It accords with policy Env 2 of the Edinburgh City Local Plan as the merits of alternative proposals for the site in terms of the provision of Grade A office accommodation deliver significant public benefit to the economic vitality of the city centre and Edinburgh's wider economy. The substantial demolition of the listed building also satisfies the requirements of the Scottish Historic Environment Policy. The loss of the original fabric and the impact on the architectural character of the building will be partly rectified by the re-building of the façade. The current appearance of the building will be largely retained. There is no adverse impact on the character or appearance of the conservation area.

Recommendations

It is recommended that this application be Granted subject to the details below (in section 3 of the main report).

Financial impact

There are no financial implications to the Council.

Equalities impact

This application was assessed in terms of equalities and human rights. The impacts are identified in the Assessment section of the main report.

Sustainability impact

This application is not subject to the sustainability requirements of the Edinburgh Design Guidance.

Consultation and engagement

Pre-Application Process

Pre-application discussions took place on this application.

Publicity summary of representations and Community Council comments

The application was advertised on 4 October 2013.

Six objections were received including letters from the Cockburn Association, the AHSS, the Scottish Civic Trust and DOCOMOMO (The Documentation of Modern Monuments).

Material Representations

- The proposal fails to meet the requirements of the Scottish Historic Environment Policy test.
- The building must be retained.

Non-material Representations

- The application should not have been accepted.
- The consent should not have been renewed with a “flawed design”.
- Drawings are misleading.

Community Council Comments

None

Background reading / external references

- To view details of the application go to
- [Planning and Building Standards online services](#)

Application for Listed Building Consent 13/03955/LBC At 3 - 8 St Andrew Square, Edinburgh, EH2 2BD Demolition of 6/7 St Andrew Square and construction of new floor plates at upper levels, together with façade reconstruction.

1. Background

1.1 Site description

The property is a 1960's office block on the south side of St Andrew Square, forming part of a much larger site consented for a mixed use redevelopment.

The building is 8 storeys high (plus two storeys of underbuilding) and built of mass concrete in the Brutalist style but it is well-proportioned and elegant by the standards of its age. The eastern section primarily consists of vertical elements: the stair tower and a free-floating dumb-waiter style lift. The western section is horizontal in nature with each floor being expressed as a wide horizontal line on the frontage, turned up at each end to create a broad U-form. Each section is separated by plate glass and each floor visually "floats" within this glass.

The building has been extended several times: in the 1970s onto South St David Street (in a similar style) and in the 1990s extended behind two retained Victorian facades to the east (4 and 5 St Andrew Square). These extensions are all consented for removal and redevelopment within the recent planning permissions and listed building consents.

The current application looks solely at the original 1960's structure facing St Andrew Square. This is category B listed (listed on 28 March 1996 ref.43348). It lies in the World Heritage Site.

This property is located within the New Town Conservation Area.

1.2 Site History

3 May 2007: - listed building consent granted to demolish the listed Victorian facades at 4,5 St Andrew Square and demolish all sections of the Prudential building facing South St David Street and all southern extensions other than the original building itself (6/7 St Andrew Square) (Reference: 06/03441/LBC).

12 October 2007: - planning permission granted for a redevelopment creating office space with retail use on the ground floors (Reference: 06/03441/FUL).

18 June 2008: - the scheme (Reference: 06/03441/FUL) was re-presented to Committee in order to resolve a partial Stopping Up Order required on South St David Street.

10 May 2012: - proposal of application notice received covering the renewal of consent (Reference: 12/01498/PAN).

22 October 2012: - section 42 application approved to renew the consent for a period of 3 years (Reference: 12/03241/FUL).

9 November 2012: - renewal of listed building consent (Reference:12/03241/LBC).

27 June 2013: - planning permission to increase the height of the 1960s block by 700mm was approved (Reference: 13/01835/FUL).

14 August 2013: - an application for listed building consent (identical to the current application in all but description) was continued by Committee for a site visit and to include SHEP test (Reference: 13/01834/LBC).

18 September 2013:- the application for listed building consent (Reference: 13/01834/LBC) was withdrawn in relation to legal concerns regarding the description of works.

Within each of these consents, approval was granted to remove all later southern and western extensions from the 1960s building, altering the ground floor level to tally with pavement level and introducing a more open ground floor to permit retail use. All glazing was also to be altered on the retained 1960's block.

2. Main report

2.1 Description Of The Proposal

The application proposes the substantial demolition of the majority of the listed 1960,s office building. The building will be re-built with new floor plates at the upper levels and the facade will be reconstructed.

The proposed demolition includes all the internal structure above pavement floor level and all of the facade except for a stair tower on the north-east corner. The floors below ground level will also remain in place.

It is proposed to re-build the facade to an already consented form with all the structural elements being re-assembled from the demolished elements. Internally, the floor levels are rebuilt in new positions, with one less floor than currently exists. This enables the floors within the reconstructed building to line-up with the floor-levels within the wider redevelopment scheme and to achieve better floor to ceiling heights. The frontage is physically part of each floor plate and to achieve the revised floor plates, this necessitates the demolition of the upper building to the west side of the frontage on St Andrew Square. The new structure would sit around 2m back from the existing frontage effectively as a separate internal facade.

All of the glazing on the frontage is already consented to be replaced and this element remains largely unaltered in relation to existing consents. The principal change to glazing is the full glazing of the ground floor on a new line, less recessed than the existing glazing to create a shopfront. All new glazing is double glazed.

A Supporting Statement was submitted with the application outlining the structural works. An assessment of proposals in relation to Scottish Historic Environment Policy (SHEP) was also submitted. All documents are available via the Planning & Building Standards Online Services.

2.2 Determining Issues

In considering whether to grant consent, special regard must be had to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses. For the purposes of this issue, preserve, in relation to the building, means preserve it either in its existing state or subject only to such alterations or extensions as can be carried out without serious detriment to its character.

Do the proposals harm the character or appearance of the conservation area? If they do, there is a strong presumption against granting of permission.

2.3 Assessment

To address these determining issues, the Committee needs to consider whether:

- a) the demolition of the listed building is acceptable;
- b) the works impact on the special architectural or historic interest of the listed building or its setting;
- c) the works preserve or enhance the character and appearance of the conservation area;
- d) the proposal has any equalities or human rights impacts; and
- e) the representations raise issues to be addressed.

a) Acceptability of Demolition

The application seeks the substantial demolition of 6/7 St Andrew Square leaving only the north-east stair tower and the basement floors in place.

The Scottish Historic Environment Policy (SHEP) outlines that 'no listed building should be demolished unless it can be clearly demonstrated that every effort has been made to retain it'. The demolition of the building should only be approved where the planning authority is satisfied that one of the four tests outlined in the SHEP has been met. One of the tests in the SHEP is test c) where the demolition of the building is essential to delivering significant economic benefits to economic growth or the wider community.

Policy Env 2 (Listed Buildings- Demolition) of the Edinburgh City Local Plan (ECLP) also states that 'proposals for the total or substantial demolition will only be supported in exceptional circumstances taking into account' c) 'the merits of alternative proposals for the site and whether the public benefits to be derived from allowing demolition outweigh the loss'.

The applicant states that the proposed demolition meets test c) of the SHEP and criterion c) of the ECLP in that there are wider economic and public benefits to be gained from the proposals.

In addition, it is also evident that the demolition also meets an element of the SHEP test d) which states that 'the repair of the building is not economically viable and that it

has been marketed at a price reflecting its location and condition to potential restoring purchasers for a reasonable period'. The ECLP policy Env 2 criterion b) also has some relevance in supporting the case for demolition, taking account of *'the adequacy of efforts to retain the building in, or adapt it to, a use that will safeguard its future, including marketing at a price reflecting its location and condition to potential restoring purchasers for a reasonable period'*.

The retention of the building in its current form creates a number of challenges for the applicants. In particular, the relatively low floor to ceiling heights and the lack of contiguous floor plates with the rest of the development means the current office space is not commercially viable. These aspects, alongside other issues such as the proliferation of columns, outlook and occupancy density, impact on the quality and usability of the internal space, result in the building potentially not achieving the standards required for Grade A office space. Without the certainty of achieving Grade A office space, the let-ability of the space and the consequent success of the redevelopment as a whole becomes problematic for the applicant and the economic benefits of a healthy office sector for the City are not realised.

In terms of the Grade A office space, the Council's draft report on 'Office Demand in Edinburgh' (April 2013) outlines that Edinburgh presently appears to have an excess supply over demand on a city wide level. However, whilst there is a relatively good supply of grade B office space, the proportion of Grade A space appears to have reduced particularly in the city centre. This is supported by the statement submitted by CBRE on behalf of the applicant. This confirms that the availability of Grade A accommodation in the city centre fell by 6.5% in 2013 and also 10% in 2012. Of the space available, there are very few options for occupiers seeking space in excess of 15,000sq ft in the city centre. Supply of Grade A office space is therefore unlikely to meet demand in the short to medium term.

Grade A office space is important to Edinburgh. It is important for indigenous businesses who want to re-locate or expand but it is even more critical in attracting new inward investment. Availability of Grade A office space is a key consideration in whether companies will choose to locate in Edinburgh or elsewhere.

There are other development sites within Edinburgh where new Grade A office space could be located. However, St Andrew Square is within the city centre and a desirable location. Grade A office space in the city centre is most sought after due to the accessible location, the status of the address and the high quality environment. Grade A office space is particularly needed in the city centre due to the predicted shortage. This demand will increase as companies seek new offices once leases come to an end in the period 2014-2016. Edinburgh needs new Grade A office space to attract new well established companies to locate to Edinburgh and to meet existing demand.

The substantial demolition and redevelopment of No. 6 /7 St Andrew Square is an opportunity to provide that Grade A office space in the city centre and the wider economic benefits are in the public interest as they support a healthy local economy.

The wider redevelopment scheme includes 75,000sq ft of new modern retail floor space. This would help to strengthen the retail opportunities within the city centre and in particular, it would strengthen the connectivity between Princes Street, Multrees Walk and St James Centre.

The entire site has been vacant for over 10 years. The viability of the entire site is connected with addressing the physical problems of the interior of 6/7 St Andrew Square. Given the inter-connected nature of the various buildings within the wider development site, the applicant is clear that it would be commercially difficult to develop the remainder of the site without including and addressing the problems in 6/7 St Andrew Square.

At present, the site is a lost opportunity to provide new Grade A office space and modern retail floor space. The loss of the listed building would allow the redevelopment of the whole site to move forward. The City would economically benefit from the associated investment and the potential associated job creation.

There are economic benefits that justify the demolition and redevelopment of the listed building. It is argued that the SHEP test c) and the ECLP policy Env 2 criterion c) are met.

The development which was originally granted permission has been actively marketed. However, the applicant has stated that pre-lets for the scheme have not been secured. Pre-lets are essential to the viability of the project. A key difficulty is the compromised quality of internal space that is created through the retention of the listed building, either as part of the wider redevelopment scheme or as a stand alone refurbishment scheme. This has been cited by a number of potential tenants as the reason for not leasing the building.

The applicant has not managed to secure tenants for the consented redevelopment scheme and there is marketing evidence to demonstrate this. It is acknowledged that 6/7 St Andrew Square has not been individually marketed in line with the SHEP requirements. However, given the physical inter-connection of the buildings that form the wider development site, it would not be possible to market 6/7 St Andrew Square individually. Effort has been made to retain or adapt the building to a new use but it has not been possible to secure pre-lets that would allow the regeneration of the wider site.

To conclude, it is considered that the applicant has demonstrated that the current planning consent has been marketed and that interest has been limited due to the poor quality of the interior of the listed building. This has an impact on the economic viability of the wider redevelopment scheme. The substantial demolition of the listed building and its re-building would be key in helping to deliver the overall redevelopment including much needed Grade A office space in the city centre and additional retail space which would have economic benefits for the city centre and the City's economy as a whole. The demolition of the building is therefore acceptable in this context.

b) Impact on the Listed Building and its Setting

Although the listed building would be substantially demolished, some listed fabric would remain at this time. The impact of the proposed works on the listed building does therefore require assessment.

The proposals will involve the removal of the existing floor plates. Under the existing consent, the facade is re-built as it currently exists with some changes to the ground floor to accommodate a retail frontage. Under these proposals, the façade again will be rebuilt as it currently exists but with further modification to the ground floor retail frontage. The existing external cladding panels will be retained and will be re-instated under the existing consent and under this revised scheme. The physical external

elevation will be relatively unchanged from the existing listed frontage. Given the structure of the building, it is not possible to retain the façade in place whilst re-building the floor plates.

The most significant visual change will be the proposed new floor plates to create level floors with the rest of the scheme. The new floors will no longer tie in with the horizontal elements of the re-applied façade. The new floors will therefore be visible from external views.

Buildings dating from the 1960s frequently express their structure as part of the external visual form. The change to the floor plates does alter the character of the building as it will lose a degree of its visual solidity and its integrity as a frontage. However, the façade as a whole remains largely unchanged and it will remain as a visually robust feature even with the revised floor plates behind.

Internally, the building is utilitarian in appearance and the various floors have no architectural merit in themselves. The existing character is of a plain open-plan office looking through panoramic glazing panels to St Andrew Square and this will be retained under these proposals.

The proposals will alter the building through the loss of the existing floor plates and the impact of the re-aligned floor plates on the façade. In terms of the façade, the existing fabric will be taken down and re-instated. This is effectively demolishing the building. However, the façade will be re-built using the original elements. Although the subtleties of the architectural character and integrity will be lost through the proposals and the building is effectively being demolished to accommodate the new floor plates, the façade will generally have the same appearance as it currently exists. This is considered acceptable in the context of achieving the wider redevelopment scheme.

In terms of setting, St Andrew Square contains a number of listed buildings including within the central garden. 6/7 St Andrew Square forms part of the setting for St Andrew Square. Given that the basic appearance of the building will not be significantly different; there is no impact on the setting of the other listed buildings and structures within St Andrew Square.

SETTING

c) Character and Appearance of the Conservation Area

The New Town Conservation Area Character Appraisal outlines the special character and appearance of the conservation area. It outlines that *the New Town Conservation Area is typified by formal plan layouts, spacious stone built terraces, broad streets and an overall elegance...the 20th century's contribution to the New Town has been muted by comparison with the Georgians and Victorians with a sprinkling of good modern buildings that make a contribution to the New Town.*

St Andrew Square was one of the first squares to be built in the New Town but few of the original buildings remain. The square is characterised by a mix of buildings from all periods and this gives it a unique character which is different to other more formal squares in the New Town.

From a conservation area perspective, the external fabric will be largely rebuilt to its current appearance. The impact on the overall appearance of the conservation area will not be affected by the proposals.

In terms of the character of the conservation area, the building represents a high quality modern infill development. The rebuilding of the facade will retain this important part of the area's character and the unique character of the square.

d) Equalities and Human Rights

The proposal improves access across internal floors and would benefit use by people with disabilities.

d) Public Comments

Six objections were received.

Material Representations

- loss of historic fabric/loss of structural integrity - this is assessed in section a) of the assessment
- the SHEP test is not met- this is addressed in section a) of the assessment.

Non-Material Representations

- the Council should not have accepted the application – the Planning authority has a duty to determine all valid planning applications.
- the consent should not have been renewed with a "flawed design" - the Planning authority has a duty to determine all valid planning applications.
- Drawings are misleading - it is considered that the revised application for substantial demolition is clear.

Community Council Comments

None.

Conclusion

The substantial demolition of the listed building is acceptable. It accords with policy Env 2 of the Edinburgh City Local Plan as the merits of alternative proposals for the site in terms of the provision of Grade A office accommodation deliver significant public benefit to the economic vitality of the city centre and Edinburgh's wider economy. and that the public benefits to be derived from the allowing demolition outweigh the loss. The substantial demolition of the listed building also satisfies the requirements of the Scottish Historic Environment Policy. The loss of the original fabric and the impact on the architectural character of the building will be partly rectified by the re-building of the façade. The current appearance of the building will be largely retained. There is no adverse impact on the appearance of the conservation area. There are no other material planning considerations.

No further variation to planning permission is required and the works require listed building consent only.

Notification to the Scottish Ministers is required prior to consent being issued.

3. Recommendations

3.1 It is recommended that this application be Granted subject to the details below

3.2 Conditions/reasons

1. The application shall be notified to the Scottish Ministers prior to determination.
2. No part of the existing structure shall be demolished until a contract including the rebuilding of the facade is in place.

Reasons:-

1. In order to accord with the statutory requirements of the Town and Country Planning (Scotland) Acts.
2. In order to safeguard the character of the statutorily listed building.

Informatives

It should be noted that:

1. The works hereby permitted shall be commenced no later than the expiration of three years from the date of this consent.

**Statutory Development
Plan Provision**

The site lies in the Central Area and New Town Conservation Area as shown in the Edinburgh City Local Plan.

Date registered

20 September 2013

Drawing numbers/Scheme

1-12 and supporting statement,

Scheme 1

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Links - Policies

Relevant Policies:

Policy Env 2 (Listed Buildings - Demolition) identifies the circumstances in which the demolition of listed buildings will be permitted.

Policy Env 3 (Listed Buildings - Setting) identifies the circumstances in which development within the curtilage or affecting the setting of a listed building will be permitted.

Policy Env 4 (Listed Buildings – Alterations & Extensions) identifies the circumstances in which alterations and extensions to listed buildings will be permitted.

Relevant Non-Statutory Guidelines

The New Town Conservation Area Character Appraisal states that the area is typified by the formal plan layout, spacious stone built terraces, broad streets and an overall classical elegance. The buildings are of a generally consistent three storey and basement scale, with some four storey corner and central pavilions.

Non-statutory guidelines 'LISTED BUILDINGS AND CONSERVATION AREAS' provides guidance on repairing, altering or extending listed buildings and unlisted buildings in conservation areas.

Relevant policies of the Edinburgh City Local Plan.

Appendix 1

Consultations

Historic Scotland

We have considered your consultation for the demolition of 6 & 7 St Andrew Square and comment as follows:

The proposals are a re-submission of these we have commented on previously (13/01834/LBC). We note the description of works now more accurately describe what is being proposed, ie demolition of the listed building, and that an assessment against the Scottish Historic Environment Policy (SHEP) tests has been carried out. In this response we now focus on the assessment.

We stated in our previous letter that there may be grounds for justifying demolition on SHEP test c, significant benefits to economic growth, and figures are presented to quantify what redevelopment of the site may bring. The marketing information of the site (pre-let office accommodation), as envisaged by the approved scheme, is also helpful in establishing the background and shows that effort has been made to progress development with the listed building in-situ.

While the public and economic benefit of a redeveloped south side of St Andrew Square is recognised, it appears to us that a key consideration will be the importance of having this quantity of Grade A office space at this location. In considering this, your authority should be mindful of what alternatives might exist, and what options have been examined. While in our view the supporting information does not conclusively prove the economic benefits outweigh retention of the listed building, your Council will be in a better position than us to reach a more informed view of the economic impact of the proposals.

In the event that your council is minded to grant listed building consent, we would expect any notification to include clear reporting on why you are satisfied that the benefits of development outweigh retention of the listed building and why they cannot be achieved elsewhere within the city centre.

Property

Economic Development has commissioned a study looking at development sites within the City centre which have significant job creating potential. We recognise that a well-targeted programme of investment in development and regeneration is critical to ensuring sustainable economic growth and we want to work in a unified way to support new development. It is our aim to unlock the development pipeline and attract further inward investment into the City however we are aware of the challenges facing the market; private finance is restricted and there is a real need to improve the quality of the city's capital assets and environment with high quality infrastructure, connectivity and public spaces. 3-8 St Andrew Square is one of the sites chosen to form part of this

study as it is a prominent development opportunity in the city core with excellent transport connections.

The site has been vacant since 2003. Since the purchase of the site in 2008 the appointed design team have worked to improve the quality of the accommodation and specifically to address concerns expressed by a number of potential office occupiers about the reduction in the efficiency of the space caused by the retention of building 6/7 and its intrusion into the open floor plate.

Requirements for grade A office space in Edinburgh

Many companies are due to renew leases which will come to an end in the period 2014-2016. Some businesses will renew or renegotiate these leases; others will be looking for alternative office space. Edinburgh like several other UK cities presently appears to have an excess of supply over demand at a city wide level. However, while there is a relatively good supply of Grade B space, the proportion of Grade A space appears to have reduced.

Take-up is the most commonly cited indicator of demand which in Edinburgh has tended to be private sector led. Take-up has tended to be strongest in the city centre with take-up of Grade B and C being greater than Grade A in recent years. There is a current strong demand for Grade A space in Edinburgh which is attractive to incoming firms. A Ryden-led property agents' study to inform the emerging Edinburgh Local Development Plan and a recent paper by the Edinburgh Development Forum both suggest that known office occupier demand now has a stronger preference for the city centre than has historically been the case.

However, there is currently very little new or newly refurbished space of any size available in the city centre. The type and location of office floorspace is not aligned with occupier's requirements. An additional short-term problem in Edinburgh is that many potential office buildings are currently under pressure to be converted to other uses i.e. hotels, housing reducing the amount of office space available as grades B and C which is the fall-back for those unable to acquire Grade A. Generally firms are seeking good quality, cost effective space in a central location near good public transport links (80% of office demand is said to be within 15 minutes walk from Haymarket/Waverley Stations) shops and other facilities.

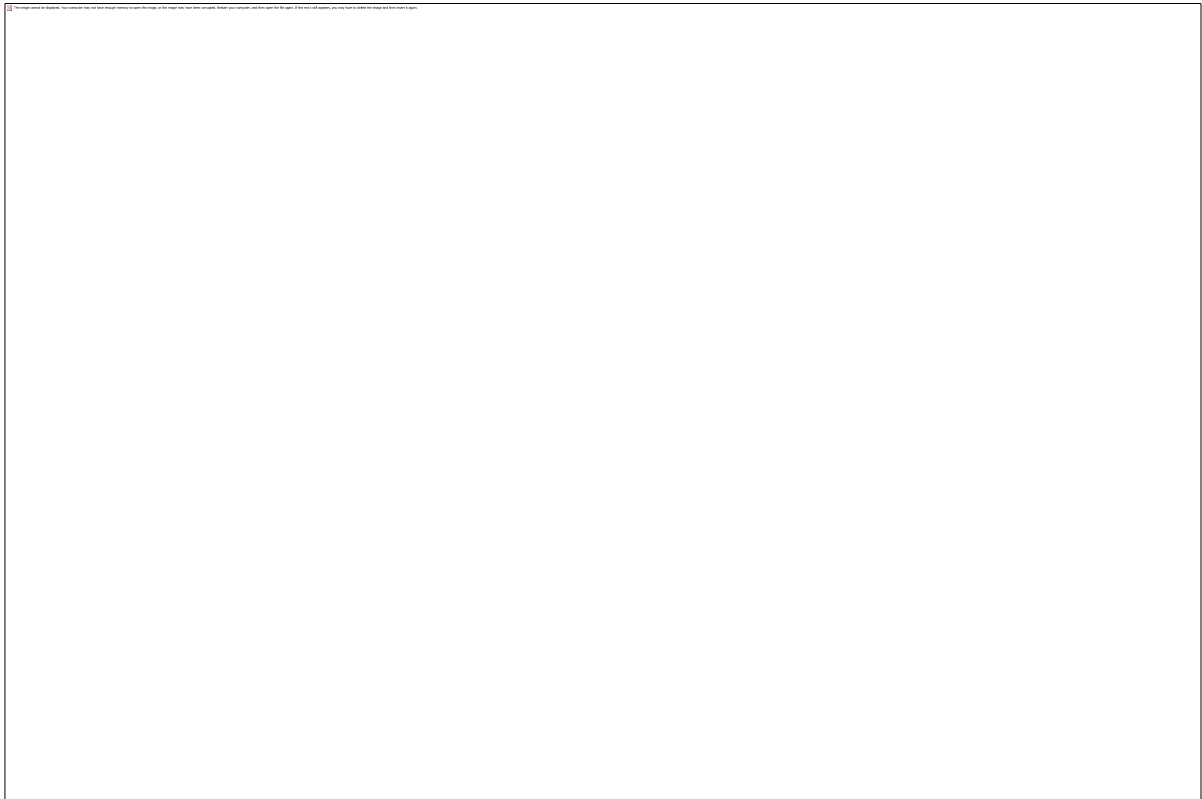
Take-up levels increased for the first time in 2012, and though demand is strong for Grade B & C office space currently Grade A office space in Edinburgh City Centre is the most sought after. A significant number of companies will be seeking new offices when leases come to an end in the period 2014- 2016 though there is currently a mismatch between demand and supply of office space in Edinburgh. Demand is currently strongest for Grade A space in the city centre.

In January 2013 Ryden carried out an analysis of the Edinburgh city centre high quality office market which concluded that in the short term there is a reasonable supply of high quality office space to accommodate known and forecast demand. If planned new development is built the office market should not be adversely affected, but could become constrained if new supply is less than is projected or is delayed. In Edinburgh currently all of the current high quality office supply pipeline forms part of mixed-use schemes where developers might prefer to build other, more viable uses first. This could affect the supply. Edinburgh also attracts high quality investment below the 1000 sq.m level which is likely to erode some supply of high quality offices in the city over the forecast period. In a recent news article it was stated "With only 200,000 sq ft

of genuine Grade-A office space available right now, and virtually nothing in the development pipeline, the capital is heading for a crisis" .

In summary, as Grade A supply reduces, the market will come under pressure, particularly from major occupiers with anticipated lease events between 2013- 2018 . Very little new office space floorspace has been completed during the last five years and the amount of office space being converted to other uses has increased. There is concern that the projected office supply forms part of a few mixed use schemes and delay to these developments coupled with the lack of high quality space is critical and could constrain economic development. The proposed 3-8 St Andrew Square development (a site vacant since 2003) would go some way to addressing this potential supply issue to provide Grade A offices in an attractive and accessible city centre location taking full advantage of the proximity to the tram and rail network. The Council is progressing a feasibility study with regards to Register Lanes, which was agreed at Economy Committee on 19th November 2013. The study will consider the viability of a mixed leisure and retail destination connecting St James, St Andrew Square, Princes Street and Multrees Walk. The proposed retail element (75,000 sq ft) of the 3-8 St Andrew Square development will complement the vision for this area and represents a key driver in the revitalisation of this part of the city centre. The developers estimate that with a build contract of £35 million the development will provide some 450 construction jobs, 950-1200 office related positions and 400 in retail. This development will be of significant economic benefit to the city.

Location Plan



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