

Development Management Sub Committee

Wednesday 2 December 2015

**Application for Listed Building Consent 15/02784/LBC
At 15 - 17, 19 South St Andrew Street, 28 - 48, 50 West Register Street, Edinburgh
Retention and refurbishment of facade of Venetian Gothic warehouse at 28 West Register Street, demolition of remaining building at 28-38 West Register Street and alterations at roof level to create additional office accommodation at 28 West Register Street, to accommodate mixed use development comprising grade A offices, class 1, 2 and 3 uses.**

Item number	7.3(c)
Report number	
Wards	A11 - City Centre

Summary

The case for the demolition of 38 West Register Street against SHEP test a) has not been justified. The building is a well designed, sandstone tenement that, within the context of the First New Town, would have been an appropriate and complementary building of its time. The building forms an important element of the rear lanes of this part of the New Town, contributing significantly to the character of the lanes and the area and to the OUV of the World Heritage Site.

Whilst grade A office space is desirable in the city centre, the applicants have not shown that this site is the only site where this kind of accommodation could be provided nor that the proposal would contribute to economic growth on a national, or regional, scale.

Economic Development confirm that whilst desirable, with potential benefits, the grade A office space is not essential to significant economic growth and therefore fails to meet the requirements of SHEP test c) in relation to the replacement of the building in its own right.

However, there are strategic economic benefits from the wider regeneration of this area as part of City Centre priorities. This public realm improvements associated with the planning application will help make the area more pleasant, safe and attractive to be in, being better connected to the wider St James Quarter and Princes Street. This will help transform the area to the significant benefit of the retail and leisure functions of the city centre.

The benefits to the city's economy and the associated public realm improvements that would result from the development associated with the demolition are of such significance as to outweigh the special regard that must be had to preserving the building. For this reason, demolition is acceptable.

For similar reasons, the alterations to 28 West Register Street are, on balance, acceptable.

Links

<u>Policies and guidance for this application</u>	LPC, CITE2, CITE4, CITEM1, NSG, NSLBCA, CRPNEW,
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Report

Application for Listed Building Consent 15/02784/LBC At 15 - 17, 19 South St Andrew Street, 28 - 48, 50 West Register Street, Edinburgh

Retention and refurbishment of facade of Venetian Gothic warehouse at 28 West Register Street, demolition of remaining building at 28-38 West Register Street and alterations at roof level to create additional office accommodation at 28 West Register Street, to accommodate mixed use development comprising grade A offices, class 1, 2 and 3 uses.

Recommendations

- 1.1 It is recommended that this application be Minded to Grant – Historic Scotland subject to the details below.

Background

2.1 Site description

The West Register Street site comprises four existing buildings in total, three of which are interconnected (19-23 South St Andrew Street / 46-52 West Register Street, 28 West Register Street and 38 West Register Street) and one which is adjacent (15-17 South St Andrew Street). The building at 19-23 South St Andrew Street / 46-52 West Register Street is also connected to 41-42 St Andrew Square by a bridge link at third floor level and together with 41-42 St Andrew Square the interconnected buildings formed the head office for the Royal Bank of Scotland.

The listed building, on the south side of West Register Street, is 28-48 West Register Street. These are two distinct buildings in terms of architectural style and composition but form one listing, are listed category B and were listed on 14 December 1970 (LB Ref: 29620).

The 1850s building (38 West Register Street) at the corner of Register Place has an ashlar, Craigleith sandstone façade with shop frontages to the lane. It was extended in 1877 with an additional two floor levels, one of which is concealed behind a mansard roof, and at which time it became a warehouse. Internally it has been extensively altered to create open plan office space with most original internal features removed.

The Venetian Gothic warehouse (28 West Register Street), which has elevations on West Register Street and West Register Street Lane, has an ornate façade designed by W Hamilton Beattie (George Beattie and Son) and was constructed in 1864. The façades feature rare detail for a former warehouse building including rich carving and bronze bas-relief portraits (currently painted at ground level).

Internally the building has none of the ornate detail visible from the outside. Numerous cast iron columns divide the space and these have been replaced with concrete structure at ground level.

This application site is located within the New Town Conservation Area.

2.2 Site History

9 January 2007 - Permission granted to remove existing high level bridge link; make good and restore facades to original condition (application number 06/04806/FUL);

19 January 2007 - Permission not required for removal of 1960s bridge link between these two buildings, facades of both buildings to be restored to original condition (application number 06/04806/CON);

23 January 2007 - Permission granted to removal of existing high level bridge link between the two buildings; all restoration of facades to return to original condition (application number 06/04806/LBC);

4 December 2007 - Permission refused for change of use from retail class 1 to retail class 2 (Bookmakers) with new internal fit out, including customer toilets and staff area (application number 07/04399/FUL);

13 August 2008 - Permission granted for change of use from kitchen and bathroom show room and design studio to estate and letting agents and coffee shop form new shop front (application number 08/01618/FUL); and

12 September 2014 - Permission approved for a mixed use development including residential, office, hotel, serviced apartments, class 1, 2 & 3 uses and involving partial demolition, refurbishment and new build (application number 14/03550/PAN).

Main report

3.1 Description Of The Proposal

The application is for the full demolition of 38 West Register Street and the substantial demolition and alteration of 28 West Register Street. These alterations comprise of the removal of the interior of the building, retention of the external facades and the increase in height of the building. A new two storey roof is proposed. On top of this, and set back from the eastern facade, a further two storeys are proposed. While the buildings are listed as one, the distinct character of each results in the requirement to assess this as full demolition of the 1850s tenement and substantial demolition and alteration of the Venetian Gothic, not partial demolition of the buildings combined.

Supporting Statement

The applicant has submitted the following documents in support of their proposals:

- Explanatory Document;
- Planning Statement;
- Design and Access Statement;
- Consultation Report;

- Viability and Economic Assessment; and
- Heritage Report.

3.2 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.

3.3 Assessment

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

- Scottish Historic Environment Policy (SHEP) has been met in respect of demolition;
- Local plan policy has been met;
- The substantial demolition and alterations have an adverse impact on the character of the Venetian Gothic building;
- Equalities and human rights issues have been addressed; and
- Representations raise issues to be addressed.

a) Scottish Historic Environment Policy

Once lost, listed buildings cannot be replaced. There is, therefore, a presumption against their demolition. Historic Scotland's Managing Change in the Historic Environment guidance document on demolition states:

'Listed buildings are buildings of architectural or historic interest and contribute significantly to the quality of our built environment, the economy and cultural heritage. The loss of any listed building leads to the erosion of an area's character, distinctiveness and sense of place. The interest of a group of listed buildings can also be damaged by the demolition of a constituent part. There is therefore a strong presumption against the demolition of any listed building'.

It goes on to say that *'positive efforts must always be made to retain listed buildings, using their presence as an opportunity to stimulate regeneration in creative and imaginative ways'.*

Historic Scotland has formally objected to the corresponding planning application (ref: 15/02788/FUL). It states that *if the authority is minded to grant consent our advice to Ministers, given that you will be required to notify them of that intention both for planning permission and listed building consent, is that the current approach does not meet Ministers requirement that the planning system should enable positive change in the historic environment, which is informed by a clear understanding of the importance of the heritage assets affected and ensure their future use.*

Edinburgh World Heritage state that the proposed alteration and demolition of the listed fabric would result in a strongly negative impact on the outstanding universal value (OUV) of the World Heritage site.

Policy context

The Scottish Historic Environment Policy (SHEP) and the Managing Change in the Historic Environment guidance note on demolition set the policy context for dealing with applications for the demolition of listed buildings. SHEP states, at paragraph 3.50, that *'it is Scottish Ministers' policy that no listed building should be demolished unless it can be clearly demonstrated that every effort has been made to retain it'.*

Within this policy context, the paragraph 3.44 of SHEP requires that the following factors are taken into account in determining whether such proposals are justifiable:

- a. whether the building is not of special interest; or*
- b. whether the building is incapable of repair; or*
- c. whether the demolition of the building is essential to delivering significant benefits to economic growth or the wider community; or*
- d. whether 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.*

One or more of these tests must be addressed in full for consent to be granted for the demolition of a listed building.

The overarching policy objective of the SHEP is the retention of listed buildings, unless all efforts to secure their retention have been exhausted. Any attempt to justify demolition of a building requires applicants to set out clearly the practical steps that have been taken to try to keep the building and must be supported by evidence to show why these have failed, including meeting one of the four SHEP tests, in full.

The applicant has chosen to focus its case for demolition on tests a) and c) of the SHEP. It has chosen not to address tests b) or d).

SHEP test a)

Test a) requires that the applicant shows that 'the building is not of special interest' as set out by Annex 2 of the SHEP. This sets out the following criteria against which the special interest of a building is assessed:

1. Age and Rarity

2. Architectural or historic interest including:

- a. Interior.
- b. Plan form.
- c. Technological excellence or innovation, material or design quality.
- d. Setting.
- e. Regional variations.

3. Close historical associations

The applicant argues that the demolition of number 38 West Register Street can be justified by the first test stating that the building is not of special interest. The case for this is set out in the Heritage Report (part 2), which states that *'taking into account the limited contribution that the building makes to the setting of the adjoining listed buildings in the lanes, a compelling case can be made for the demolition of this part of the listed building on the grounds that it is not of special interest'*. The applicant also argues that the building is listed due to being connected to the neighbouring Venetian Gothic building and does not merit a listed status of its own.

To meet the requirements of this test, the Listing and Designed Landscapes team at Historic Scotland would have to be satisfied that the building does not meet the criteria for listing. The applicant provides its assessment of whether the building should be listed or not by addressing the criteria set out in Annex 2 of the SHEP, within its Heritage Report.

The 1850s tenement at 38 West Register Street is a Georgian-style, Craigleith sandstone tenement. Extended upwards in 1877 it was built by the Cowan family of paper manufacturers, who also built, in 1862, the adjacent Venetian Gothic building. 38 West Register Street has, as mentioned, been altered significantly since its original construction and is not an original building of the first New Town.

However, the building is clearly a carefully considered and appropriate development of its time, reflecting on the earlier parts of the First New Town and adding to the character of the street and the area. It has significant townscape value in its current context. The particularly unique character of the rear lanes of the New Town is strengthened by the relationship the tenement has with surrounding buildings, such as the Voodoo Rooms, Venetian Gothic building and Café Royal, creating a character and ambience unlike any other part of the New Town Conservation Area and contributing significantly to the conservation area and World Heritage Site. Furthermore, the family responsible for the development of both the tenement and Venetian Gothic building results in a linkage both physical and by association.

Regardless, the argument that the building is not worthy of listed status is for Historic Scotland, as the body with the responsibility for listing, to assess. Historic Scotland advises that it sees *'benefits in reassessing the building through the formal listing review process'*. However, no formal request has been made by the applicant for Historic Scotland to review the listed status of the building prior to the submission of the PAN. As it stands, Historic Scotland has been clear that, in its view that as the building is category B listed, the proposal fails SHEP test a).

Given the Historic Scotland's stance and the fact the building remains of architectural and historic interest, the proposal for demolition of the listed building fails SHEP test a).

SHEP test c

In order to meet test c) it must be argued that the demolition of the listed building is essential to enable significant benefits to economic growth, or the wider community, to be delivered. For the test to be met it therefore follows that similar benefits cannot be achieved with the buildings retained in a manner that also retains their special interest.

There are two main elements to this test. Firstly, whether the development would contribute significant benefits to economic growth for the wider community, and secondly, the essentiality of demolition to achieving this. These are assessed separately.

Whether there is a significant benefit to Economic Growth

Historic Scotland states that *'for the purposes of SHEP test c), benefits derived from the proposed demolition must be 'substantial (and able to be quantified), and should be of national, or at least regional significance'*. The new Forth Crossing, the expansion of an airport or the extension/construction of a major trunk road are the types of strategic developments that would have the potential benefits to economic growth to meet the requirements nationally significant of test c). The St James Centre redevelopment is an example of development that has regional significance. Historic Scotland states that *'whilst providing Grade A office space can be desirable, we do not agree that its provision can be used as an argument to demolish listed buildings because they cannot accommodate such a use'*. Historic Scotland does recognise that account has to be taken of the benefits that would be secured by the development, in relation to bringing both West Register Street and No 42 St Andrew Square into active use as well as the improvements in the public realm.

To assess the potential for the development to provide significant benefit to economic growth of the region, demand, job creation and the contribution to the wider St James Quarter are assessed in turn:

Demand

Economic Development states that the supply of office space in Edinburgh is *'being eroded by rising demand, a weak development pipeline and the ongoing loss of existing office space to other uses'*. They highlight that there is a demand within the city for both grade A and grade B office space.

Grade A office space is seen as high profile investment. It can arise from new inward investment but more commonly, within Edinburgh, it is from the expansion or relocation of existing businesses. This is known as "churn." New inward investments account for a modest share of economic growth, with the majority of growth generated by employers already in Edinburgh. Economic Development acknowledges that some businesses prefer Grade A office space in convenient locations - highlighting 3-8 St Andrew Square, the building currently being built, as an example. West Register Street is in close proximity to 3-8 St Andrew Square and has the same location benefits for Grade A office space.

The applicant supports this assessment by referring to developments under construction or planned for Grade A office space in the city. These are situated primarily in peripheral locations outside of the "traditional" city centre and the applicant states *'this will not be the preferred option for the majority of occupiers presently located within the traditional city centre and particularly to the financial services-orientated tenants located in or around Princes Street, George Street and St Andrew Square'*.

The Edinburgh City Local Plan identifies the 'Exchange' district as the most appropriate location for new office development. It states that 'development of other suitable sites for office use in the city centre will be encouraged' but highlights that new office development must be carried out 'with full respect for the historic environment'. However, the Second Proposed LDP does not direct office proposals to the Exchange. Rather, it supports office use in the city centre as defined in the proposals map. This extends from the St James Quarter through the historic city centre to Fountainbridge.

Economic Development advises that there is an ongoing loss of existing office space to other uses within the city and that demand for both grade A and grade B office space exists, with grade B office space often more attractive to inward investors. They highlight that some businesses prefer Grade A office space, due to the large flexible floor plates which new development can provide.

The proposed development will therefore contribute to meeting this demand.

Job Creation

Economic Development has looked at the impact on jobs for this application site and for the neighbouring application site for 42-44 St Andrew Square. The buildings have been largely vacant for nine years and the current uses on both sites generate approximately 10 full time jobs. In their present form, and if fully let, the buildings on South St Andrew Street and West Register Street have the potential to contribute 362 full time jobs.

The applicant highlights that the new development would generate approximately 734 jobs. Economic Development suggests that a more realistic figure is approximately 640. Whilst this is a significant number of potential jobs being created it does not show the whole picture. Factoring in 42 St Andrew Square is an important part of the overall assessment. This is subject of accompanying applications 15/02786/FUL and 15/02782/LBC.

At present, 42 St Andrew Square could accommodate 356 full time office jobs. Therefore, in total, the combined existing site could provide 718 potential full time jobs. The total potential full time jobs for the overall redevelopment site is 713, an overall negative of 5 potential full time jobs. Whilst it is acknowledged that the south side of the street would be unlikely to create this number of jobs in its present condition, account must be taken of the potential jobs that could be created by using the building in its current form rather than full redevelopment of the site.

The proposed development would make a significant contribution to job numbers over and above the numbers likely from the existing buildings on the site.

Contribution to wider St James Quarter

The proposed Edinburgh Local Development Plan (LDP) states:

'Prioritising the city centre remains a key objective of the LDP. The Council aims to strengthen the position of the city to maintain its shopping role within the region and to attract more investment. The planned redevelopment of the St James Quarter will bring major benefits to the city centre providing additional retailing floorspace, significant environmental improvements and a more vibrant mix of uses'.

This objective is supported by the development principles CC1 set out in the LDP for the St James Quarter which seek the regeneration of the area with a range of uses that much better integrate into the historic fabric of the city.

Economic Development states that the proposed development is an integral part of the wider Register Lanes Initiative, which is strategically important to the continuing economic success of the City Centre. It highlights that *the proposed development will contribute positively to public realm and connections within and to the wider area and act as a benchmark for future developments in The Registers area.*

The applicant states that the proposals help to underpin the proposed Edinburgh St James development by providing essential links to the city centre and by contributing generally to the regeneration of the east end of the city centre. Economic Development supports this view commenting that *improvements to public realm could be expected to increase footfall in the area and enrich the east end of Princes Street.*

Economic Development states that *'the proposed development is an integral part of the wider Register Lanes initiative, which is strategically important to the continuing economic success of the City Centre and will generate significant economic growth'.*

The development would make an important contribution to the development of the St James Quarter.

Conclusion on whether there is a significant benefit to Economic Growth

There will be very strong economic benefits resulting from the scheme. Historic Scotland however maintains its objection. It states it is *'not clear whether [the buildings'] reuse is viable without the current level of harm to the historic environment'*. While the benefits may not be of the level required to fully meet SHEP test c), the development would result in significant benefits to the economic growth of the city.

Essential

The second consideration in relation to SHEP test c) is whether the demolition is essential. Essentiality requires the applicant to show that demolition of the building is the only option to delivering significant benefits to economic growth. There are two aspects to whether demolition is essential. Firstly, there is viability and secondly there is the locational aspect.

Viability

If the buildings can be refurbished or reconfigured to create office space, albeit not grade A, or indeed other uses then essentiality of demolition is called in to question.

The applicant undertook a viability exercise as part of the process to highlight that every effort had been made to retain the building. This is also a useful tool for analysing potential redevelopment opportunities and uses for the buildings. The exercise looked at a wide variety of development iterations as well as potential uses and Estates confirm that the information provided shows that, in all instances, the proposals would be unviable.

The applicant argues that this exercise shows that not only has every effort been made to retain the building but also that the buildings cannot successfully be converted into alternative uses. It suggests that the proposed scheme is the only way to achieve the benefits to economic growth and that no-one would consider refurbishment, or a less invasive scheme, on site. However, in order to test this assumption, the site would have to be offered on the open market. Only in this way could it be proven that every effort had been made to retain the listed building on site.

The applicant's Economic Assessment indicates that were the applicant's proposals not to be granted consent, the most likely outcome would be that the buildings would remain as they are for the indefinite future. This implies some continued use of at least the retail space at 19-23 South St Andrew Street and 38 West Register Street, which was occupied until very recently.

Location

The applicant fails to provide any information about alternative sites for Grade A office space in the city centre. Only by showing that there are no alternative locations for a development of this nature could it show that the proposed demolition is essential. If Grade A office space could be delivered elsewhere in the city centre, it follows that the demolition of the listed building on this site would not be essential to address the short fall, as argued by the applicant. The applicants have not submitted any information indicating that other potential locations have been considered.

It therefore cannot be stated that a case has been made that demolition is essential at this location.

Other considerations

3-8 St Andrew Square

The applicant highlights 3-8 St Andrew Square as a relevant consideration in the determination of this application. This section will explore this and whether the economic benefit of the scheme outweighs the special regard that must be had to preserving the building. Consent for demolition of a listed building was granted on the grounds of test c) and d) of the SHEP.

However, there are a number of key differences between the consented scheme at 3-8 St Andrew Square and the proposals for the demolition of 38 West Register Street.

Firstly, and significantly, 3-8 St Andrew Square had been vacant for over 10 years it remained under single ownership during that period. While 38 West Register Street has been vacant since 2006, the buildings have been in the ownership of the applicant since 2013 after extensive marketing and the applicants purchase of the site.

Secondly, at 3-8 St Andrew Square, a consented scheme retaining the listed building was marketed for an extensive period of time. The building was inextricably linked to the overall development of the site and the mixed use consented scheme had been marketed. The findings of this exercise showed that it had not been possible to attract tenants for the office space due to the interior of the building. This had an impact on the economic viability of the site. At West Register Street, the listed building could be separated easily from the rest of the site and marketed individually to attract restoring purchasers.

Demolition was clearly "essential" to the future redevelopment of 3-8 St Andrew Square and this had been justified through extensive marketing of the consented scheme, with every effort made to retain the listed building in the proposals. 3-8 St Andrew Square is partly grade A office and partly retail, so whilst parallels can be drawn between the two there are significant differences both physically and economically.

Alternative proposals

In its third response to this application (contained in the appendix to this report), Historic Scotland advise that it is *'keen to find a solution that brings this important site back into use'*. It explains how its objection might be withdrawn. It advises, for example, that the a more *'specialised and conservation treatment than currently proposed'* could be used for 28 West Register Street with retention and restoration of more of the original roof form without upward extension and some separation of the building form from the wider development would be seen as positive. It also highlights the potential for setting back of the building line of the proposed frontage to South St Andrew Street.

In respect of this, the applicant has indicated that it considers *'there to be some scope for further discussion post Committee'*. However, this report cannot make recommendation on that potential future scenario as it must address the application proposals. There has been no alternative scheme put forward by the applicant and so Historic Scotland's objection remains.

Overall conclusion in respect of SHEP

The overall policy objective of the SHEP is the retention of listed buildings and value is what is derived from retention. The SHEP tests for demolition need to be considered against the policy objective that *'no listed building should be demolished unless it can be clearly demonstrated that every effort has been made to retain it'*.

The proposal for demolition of the listed building fails SHEP test a) because it remains a listed building and because the building remains of architectural and historic interest.

Given the above, it is clear that proposals do not address the over arching policy objective of the SHEP, while having significant economic benefits, the proposals do not fully comply with the requirements of test c).

On its own, the proposed demolition of 38 West Register Street, does not comply with the SHEP.

b) Local Plan Policy

The aim of the national policy is reinforced by the Edinburgh City Local Plan policy ENV2 and policy Env 2 of the Second Proposed Local Development Plan which state:

Proposals for the total or substantial demolition of a listed building will only be supported in exceptional circumstances, taking into account:

a) the condition of the building and cost of repairing and maintaining it in relation to its importance and to the value to be derived from its continued use.

b) the adequacy of efforts to retain the building in, or adapt it to, a use that will safeguard its future, including its marketing at a price reflecting its location and condition to potential restoring purchasers for a reasonable period.

c) the merits of alternative proposals for the site and whether the public benefits to be derived from allowing demolition outweigh the loss.

Criteria a), b) and c) need to be considered together.

The cost of repairing and maintaining the building in relation to its importance and to the value derived by its continued have been explored in the section a) above under 'viability'. It is accepted that the schemes assessed by the applicant, which include proposals of varying degree of intervention with the listed building, are not viable and that criteria a) is met.

The adequacy of efforts to retain the building in, or adapt it to a use that will safeguard its future are similarly assessed above. However, the building has not been marketed. It therefore does not meet the requirements of criterion b) of the policy.

The merits of the alternative proposal are assessed in the accompanying planning report (15/02788/FUL). These are acceptable for the site's context.

As set out in section a) above, there are clear LDP policies that support the regeneration of this area. In addition, Policy Emp 1 of the plan supports office development in the City Centre. The LDP recognises *'the important role of the financial sector and other office based businesses in providing jobs and contributing to economic growth.'*

While the economic impact of the scheme does not meet the requirements of SHEP test c), Economic Development is clear that there are significant economic benefits. This is a result of GVA, jobs and other economic benefits. As is set out in section a), in addition, the public realm improvement associated with the planning application scheme will improve the area. They will make it more pleasant, safe and attractive to be in and better connect it to the wider St James Quarter and Princes Street. This will help transform the area to the significant benefit of the retail and leisure functions in the city centre.

In weighing up the arguments, for and against demolition, consideration must be given to the 'special regard' that must be had when determining listed building consent applications. The benefits to the city's economy and the associated public realm improvements that would result from the development associated with the demolition are of such significance as to outweigh the special regard that must be had to preserving the building. For this reason, demolition is acceptable in this wider context.

The circumstances of this case are an exception to the general requirement of the policy to retain listed buildings, given the economic and regeneration benefits that would result from the proposed development. The public benefits of the proposal outweigh the loss of the listed building and the proposal meets criterion c) of Policy Env 2 of the LDP and Policy Env 2 of the ECLP.

c) Demolition and alteration to the Venetian Gothic Building

SHEP states that '*where a proposal involves alteration or adaptation which will have an adverse or significantly adverse impact on the special interest of the building, planning authorities, in reaching decisions should consider carefully:*

- a) *The relative importance of the special interest of the building;*
- b) *The scale of the impact of the proposals on that special interest;*
- c) *Whether there are other options which would ensure continuing beneficial use for the building with less impact on its special interest; and*
- d) *Whether there are significant benefits for economic growth or the wider community which justify departure from the presumption set out in paragraph 3.40. '*

The Venetian Gothic warehouse, which has elevations on West Register Street and West Register Street Lane, has an ornate façade designed by W Hamilton Beattie (George Beattie and Son) and was constructed in 1864. It stands as a rare example of Venetian Gothic architecture in Scotland making its significance even greater. Whilst category B listed, there is an argument that the building is of national or international value and could easily be a category A listed building on its own.

The scale of proposed alteration to this building is significant. The proposals involve the substantial demolition of all but three of the perimeter stone facades of the building, with the argument that repairing the facades outweighs the loss of the remainder. The applicants state that '*the proposed development will result in a net heritage gain, with the demolition of the listed 38 West Register Street being more than balanced by the ability to retain the fine features of the Venetian Gothic building's façade*'. They claim that demolition represents 10% of the historic fabric of the site and, in the context of whole development, only 6%.

As set out by Historic Scotland's document 'Scotland's Listed Buildings', the owners of listed buildings are responsible for the repair and maintenance of their property. Repair of the facades of the Venetian Gothic building, therefore, is an expectation of ownership rather than a measure to help justify alteration and demolition.

Demolition represents 100% of one building and approximately 70% of another. This is what the assessment centres around.

Substantial demolition of the Venetian Gothic building would undoubtedly have an adverse impact on the composition, integrity and special character of this important listed building. The interior of the building, though plain, adds to the character of this former warehouse and lends itself easily to alteration. The proposed demolition and new floor plates consider the building only as part of the wider development proposals and fails to understand or respect the special character of the listed building in its own right.

In addition, the proposed new, two- storey roof would have an adverse impact on the integrity and composition of the building. Whilst the existing roof is not built as the original design proposed, it is of a scale and character that is befitting of the listed building. A double height mansard, in the form proposed, has an adverse impact on the composition and character of the building. Whilst there may be a way to extend this building sensitively, the current proposals fail to reflect the delicate and ornate detail of the building and have an adverse impact on its character.

In relation to part d) of this part of SHEP, for the reasons set out in section a) above, it cannot be stated that the economic benefits are sufficient to meet that requirement.

In relation to Policy Env 4 Listed Buildings - Alterations and Extension of the ECLP, this states:

Proposals to alter or extend a listed building will be permitted where those alterations are justified, will not cause any unnecessary damage to historic structures or diminish its interest and where any additions are in keeping with other parts of the building.

Because of the adverse impact on the building's character, the proposal does not meet the requirements of the policy.

However, in a similar way to the conclusion reached in section b) above, the benefits to the city's economy and the associated public realm improvements that would result from the development associated with the alteration are of such significance as to outweigh the special regard that must be had to preserving the building. For this reason, on balance, the alterations are acceptable.

d) Equalities and Human Rights

There are no issues relating to equalities or human rights associated with the applications for listed building consent. Access issues are addressed in the corresponding planning application (application number 15/02788/FUL).

e) Material Representations

- Unacceptable demolition of 1850s tenement - this is addressed in section 3.3a); and
- Unacceptable demolition and alteration of Venetian Gothic Building - this is addressed in section 3.3b).

Conclusion

The case for demolition against SHEP test a) has not been justified. The building is a well designed, sandstone tenement that, within the context of the First New Town, would have been an appropriate and complementary building of its time. The building forms an important element of the rear lanes of this part of the New Town, contributing significantly to the character of the lanes and the area and to the OUV of the World Heritage Site.

Whilst grade A office space is desirable in the city centre, the applicant has not shown that this site is the only site where this kind of accommodation could be provided nor that the proposal would contribute to economic growth on a national, or regional, scale. Economic Development confirms that whilst desirable, with potential benefits, the grade A office space is not essential, on its own, to significant economic growth. However this redevelopment forms part of the Register Lanes project - which is strategically important to the future retail and leisure functions of the city centre.

Therefore, there are significant economic benefits. In addition, the public realm improvement associated with the planning application scheme will help make the area more pleasant, safe and attractive to be in, being better connected to the wider St James redevelopment and Princes Street. This will help transform the area to the significant benefit of the public.

The benefits to the city's economy and the associated public realm improvements that would result from the development associated with the demolition are of such significance as to outweigh the special regard that must be had to preserving the building. For this reason, while demolition cannot be fully justified against SHEP test c) it is justified under Policy Env 2 of the ECLP and Policy Env 2 of the LDP.

It is recommended that this application be Minded to Grant – Historic Scotland subject to the details below.

3.4 Conditions/reasons/informatives

1. The application shall be notified to the Scottish Ministers prior to determination.

Reasons:-

1. In order to accord with the statutory requirements of the Town and Country Planning (Scotland) Acts.

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.
2. This consent is for Listed Building Consent only. Work must not begin until other necessary consents, eg Planning Permission, have been obtained.

Financial impact

4.1 The financial impact has been assessed as follows:

There are no financial implications to the Council.

Risk, Policy, compliance and governance impact

5.1 Provided planning applications are determined in accordance with statutory legislation, the level of risk is low.

Equalities impact

6.1 The equalities impact has been assessed as follows:

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

7.1 The sustainability impact has been assessed as follows:

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

Consultation and engagement

8.1 Pre-Application Process

Pre-application discussions took place on this application.

8.2 Publicity summary of representations and Community Council comments

The application was advertised on 26 June 2015. Thirty three letters of representations were received. Sixteen of these were late representations. All representations received on time were objections. The letters of representation raised the following material issues:

- unacceptable loss of 1850s tenement. (addressed in section 3.3a); and
- unacceptable substantial demolition of the Venetian gothic building, which should be retained in its entirety. (addressed in section 3.3b).

Background reading/external references

- To view details of the application go to
- [Planning and Building Standards online services](#)
- [Edinburgh City Local Plan and Rural West Edinburgh Local Plan](#)
- [Planning guidelines](#)
- [Conservation Area Character Appraisals](#)

- [Edinburgh Local Development Plan](#)
- [Scottish Planning Policy](#)

**Statutory Development
Plan Provision**

The application property is located in the Central Area within the Edinburgh City Local Plan.

Date registered

12 June 2015

Drawing numbers/Scheme

1-61,

Scheme 1

David R. Leslie

Acting Head of Planning and Building Standards

Contact: David Givan, Team Manager

E-mail:david.givan@edinburgh.gov.uk Tel:0131 529 3679

Links - Policies

Relevant Policies:

Relevant policies of the Edinburgh City Local Plan.

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

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

Policy Emp 1 (Office Development) identifies locations and circumstances in which office development will be permitted.

Relevant Non-Statutory Guidelines

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

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.

Appendix 1

**Application for Listed Building Consent 15/02784/LBC
At 15 - 17, 19 South St Andrew Street, 28 - 48, 50 West
Register Street, Edinburgh
Retention and refurbishment of facade of Venetian Gothic
warehouse at 28 West Register Street, demolition of
remaining building at 28-38 West Register Street and
alterations at roof level to create additional office
accommodation at 28 West Register Street, to accommodate
mixed use development comprising grade A offices, class 1,
2 and 3 uses.**

Consultations

Historic Scotland first response

We note that the two sides of the site have been split for the purposes of the application, although much of the supporting information views the site, and benefits pertaining to it, as a whole. In order to address this issue we have prepared both individual consultation responses and a covering letter for all the works.

We view, and understand that your Council shares this view, that the two separate buildings at 28 and 38 West Register Street are covered by a Category B listing, in much the same way that a terrace of buildings may be covered as one listing. Thus, we see the listed building consent relating to two individual listed buildings, one of which will be totally demolished (No.38) and the other (No.28) will be substantially altered/demolished.

No. 38 West Register Street is a five-storey building with mansard roof built in 1850 in Craighleith stone to a Georgian style and extended upwards in 1877. It was built by the Cowan family of Paper manufacturers, who also built, in 1862, the adjacent No.28 West Register Street, a studious Venetian Gothic building, generally agreed to be of exceptional interest.

38 West Register Street

Turning first to the proposed demolition of No.38 West Register Street. In order to justify the demolition of a listed building the applicants must meet one of the SHEP tests;

3.44. Where the application proposes the demolition of a listed building applicants will be expected to provide evidence to show that:

- a. the building is not of special interest; or*
- b. the building is incapable of repair; or*

c. the demolition of the building is essential to delivering significant benefits to economic growth or the wider community; or
d. 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 applicants have put forward tests a and c.

Test a).

Looking carefully at the supporting information the applicants have argued that the demolition of No.38 can be justified by the first test, that is, it is not of special interest. Essentially, to meet this test it the building should not meet the criteria for listing, a decision that would be made by the Listing and Designed Landscapes team at Historic Scotland after assessing the information provided. This process has not yet been undertaken. We welcome the additional research undertaken and the invaluable information about the history and evolution of the site, the buildings and their owners. With this in mind we accept that No.38 dates from the mid rather than early nineteenth century, as the list description notes. However, we do not view this omission as fundamental to its interest, and view the inclusion of 121-3 Princes Street as a similar case in the Heritage Report as misleading. The demolition of Nos.121-3 was agreed, not because of a misleading list description, but because the building had existing permission for a façade retention scheme, and the stone façade itself was in such poor condition that it had to be rebuilt - resulting in a building with little or no historic integrity. No.38 is not a similar case, as the facades of Craighleith stone are in relatively good condition, with an unusually intact ground floor. To conclude, whilst the new information on the history and evolution of the building is useful, the building remains listed at Category B, and we consider its special interest merits its retention on the list.

Test c).

The applicants have also argued that the demolition of No.38 is essential to realising significant benefits to economic growth or the wider community. In making this argument the benefits from such a redevelopment scheme must be substantial (and able to be quantified), and should be of national, or at least regional importance. It is also necessary to provide clear evidence that every effort has been made to adapt or incorporate the listed building within the development and that there is no practical way of realising the promised benefits, or similar benefits, without the building's demolition. We note the useful economic assessment included, and consider your Council will be in a better position to assess the impact and scale of the economic benefits flowing from the proposals.

Our initial view is that whilst the demolition of the building may be desirable for providing the Grade A office space proposed and the consequent economic return, its demolition is not essential to reuse of the site, and other noted benefits, such as improved vibrancy and active frontages at ground floor could be easily achieved with a far less invasive scheme. We also have concerns over the whether the benefits suggested by Grade A office space in this position are indeed substantial, in the true meaning of the test.

We consider the argument to demolish buildings simply because they cannot (arguably) provide Grade A office space is a dangerous precedent, and note with concern the more recent arbitrary division of the site into two separate applications, despite the sole ownership of the site. We suspect there would be more options for the treatment of the listed buildings if the site was considered as a whole.

No.28 West Register Street

There is a dichotomy in the approach to No.28. On the one hand the importance of the building is clear, with the heritage assessment judging it worthy of Category A listing, albeit placing most/all of its value in the facades. But, on the other hand, the scheme involves the demolition of all but three of the perimeter stone façades, with the argument that repairing the facades outweighs the loss of the remainder. Whilst we recognise the repair of the facades as welcome, we struggle to see how the very invasive works, which are substantial demolition, can be seen as a 'net heritage benefit'.

The supporting evidence clearly shows that the original mansard roof design was an integral part of the composition, designed, unlike many roofscapes, to be visible, a visibility heightened by the use of distinctive Gothic dormers as well as brattishing. This was a definite roofscape expression of the decorative facades below, and a conscious decision by the original architect. If we follow the applicant's argument that the quality of the building's façade is 'outstanding' and 'exceptional' this would strongly suggest that the opportunity to restore the distinctive mansard and dormers (and brattishing) as part of the overall composition would be taken, and we believe this was an original aspiration for the scheme. However, not only is the original roof proposed for removal, it is to be replaced with a two-storey roof which cannot possibly relate to the 'exceptional' building below. When one adds in the complete removal of the interior of the building, quickly dismissed in the supporting information, but which retains its original cast iron-columned structure and internal lightwell, then we have a proposal with a significantly harmful outcome to the authenticity and integrity of the listed building, rather than a 'net heritage gain'. Whilst there may be an approach that would deliver some conservation gains to this building, this scheme does not.

Conclusion

To conclude, we do not consider that the SHEP tests for the demolition of the B listed building at 38 West Register Street have yet been met. We also consider that the loss of authenticity, and failure to offer any benefits, beyond the repair of the facades, would adversely affect the special interest of No.28 to an unacceptable degree.

Historic Scotland second response

We have looked over the comments made by your Economic Development colleagues regarding the planning application 15/02786/FUL. Historic Scotland has previously objected to the application over the cumulative effect we consider the development will have on the OUV of the World Heritage Site. Your colleagues letter notes the development will deliver significant economic growth, one of the SHEP tests for demolition of a listed building, and it is this element, previously discussed under our comments of 10th July on 15/02784/LBC, that we will address in this response.

In considering national policy on the demolition of listed buildings, SHEP states that 'no listed building should be demolished unless it can be clearly demonstrated that every effort has been made to retain it.' The SHEP tests need to be seen against this overarching policy consideration. In detail SHEP test c) states that; the demolition of the building is essential to delivering significant benefits to economic growth or the wider community.

In this case, in order to meet the test it must be argued that the demolition of listed buildings (one full demolition - No.38, and one substantial demolition No.28) are essential to enable significant benefits to economic growth or the wider community to be delivered. And it follows that similar benefits cannot be achieved with the buildings retained in a manner that also retains their special interest.

Looking at both parts of SHEP test c) we must address whether;

- i). Significant public or economic benefits are delivered by the project, and*
- ii). That these benefits can only be achieved with the demolition of the building(s).*

Dealing with i). we have strong concerns that the economic benefits argued would not be substantial in terms of the SHEP test, which sets a high bar on such developments. Substantial benefits should be at least at Regional level, with the example used in our Managing Change guidance, the extension of the M74 in Glasgow, a major infrastructure project that required the demolition of a listed building on its route.

Whilst we can agree that providing Grade A office space can be desirable, we do not agree that its provision can be used as an argument to demolish listed buildings because they cannot accommodate such a use. There are several other uses that the buildings on the site could accommodate (including non-Grade A office space), and they could all have certain benefits. We are also mindful of the precedent this would set for any listed building which cannot easily be accommodated for open-plan Grade A offices.

Dealing with ii), the need for the building(s) to be demolished, we also have strong concerns. The comments by your Economic Development colleagues suggests that the projected job numbers between a refurbishment of the entire site and the proposed development are broadly similar.

If the site in question (south of West Register Street) is taken by itself, as we previously considered, there are 362 jobs with a refurbishment scheme and 640 with the proposed scheme, a difference of 278 jobs. It is only when the current jobs (10) on the largely empty site are taken into consideration with the proposed scheme that the difference is more substantial. However, in terms of the SHEP test we don't consider this is a fair comparison as the test requires the demolition of the buildings as being essential in order to reap the benefits. If the buildings on the site can be refurbished or reconfigured to create office space (albeit not Grade A) or other uses then this is, in itself, a benefit. Although it may not be as economically significant as the proposed scheme, the differences between a refurbishment and new-build scheme become far less significant. It may indeed be more economically desirable to redevelop the site with Grade A office space, but policies put the retention of the listed building(s) as the main priority.

Your colleagues state that it is unclear whether the costs of bringing the site, as is, back into use would be covered by the rents the refurbished offices would then command. We understand the applicants have argued that no scheme they have considered is economic, so it is significant that your colleagues cannot confirm this in their report.

In Historic Scotland's LBC consultation response of 10th July 2015, it was noted that 'it is necessary to provide clear evidence that every effort has been made to adapt or incorporate the listed building(s) within the development and that there is no practical way of realising these benefits, or similar benefits, without the buildings demolition.' In order to support the proposed scheme we would need to be convinced that the benefits are significant and that they could not be achieved with the listed buildings in their current configuration (or within a less invasive scheme). This essentially argues that the proposed scheme is the only way to achieve the benefits and that no-one would consider refurbishment of (or a less invasive scheme for) the site, as it was not considered financially viable or worthwhile. Arguably, in order to accurately test whether the site is indeed viable, rather than rely on scenarios, it would have to be offered to the open market in its entirety. However, as it stands, it is difficult to understand why the buildings on the site, noting their condition and central location, would not be viable or desirable for some form of adaptive reuse.

To conclude, although the proposed scheme may be more economically beneficial we have not seen evidence that convinces us that there are significant benefits to economic growth, above other less invasive schemes. Whilst we understand several alternative options for the site have been investigated, and your Council has seen details of why these are considered economically unviable, this information is not set out in your colleagues response. Indeed, the response states they are unclear whether a straight refurbishment scheme would be viable.

Therefore, we are still unconvinced that the SHEP tests for demolition of the listed building(s) have been met. If your authority is minded to grant consent our advice to Ministers; given that you will be required to notify them of that intention both for planning permission and listed building consent, is that the current approach does not meet Ministers requirement that the planning system should enable positive change in the historic environment which is informed by a clear understanding of the importance of the heritage assets affected and ensure their future use.

Historic Scotland - Third Response 19 November 2015

I am writing following a meeting we had with Chris Stewart regarding the Registers development. At this meeting we talked about both the challenges and merits of the current development proposals and the position of Historic Environment Scotland. We have also met with the planning consultant Paul Scott to see if an alternative solution could be reached that would address our concerns over the development.

Following these discussions we have reviewed our position. As our e-mail of 12 November noted, we remain of the opinion that the development at West Register Street as currently proposed would have a significant cumulative impact on the historic environment, comprising as it would the demolition of one listed building, the substantial demolition of a second, impact on the setting of Category A listed No. 42 St Andrew Square, and the impact on the World Heritage Site.

As the proposals have not meanwhile significantly changed, our objection on application 15/02788/FUL remains in place.

However, in looking at our previous consultation responses, we recognise that it may have been more helpful if we had fully outlined what we think the benefits the wider scheme bring (including the reuse of No. 42 St Andrew Square). We think it will also be helpful if we offer, at this stage, comments on how the current objection can be mitigated to a level that would lessen our concerns over the scheme, or indeed, allow us to withdraw our objection.

There will inevitably be impacts on the historic environment in developing a complex city centre site like West Register Street and some aspects of the development will be more difficult for us to accept than others. In looking at the component parts of the development on West Register Street, we do see areas where some compromise might allow our objection to be withdrawn.

Dealing first with the proposed complete demolition of No. 38 West Register Street. The building does have an interest and clearly contributes to the character of the New Town Conservation Area. It has been argued strongly by the applicant that the building does not meet the criteria for listing. Having looked at the research undertaken, and again at the interest of the building in this context, we would see benefits in reassessing the building through the formal listing review process. We recognise the arguments the applicants have put forward for demolition, and the potential this could have in unlocking the difficulties in developing the site, but the loss of the building would still, in our view, represent a negative impact on the historic environment.

However, in dealing with this complex site, we consider there may scope to consider whether this impact can potentially be mitigated by improvements elsewhere in the overall scheme.

No. 28 West Register Street is the most significant historic asset within the existing block and the scheme proposes to repair and incorporate its facades, recognised as being of considerable interest, into the development. The nature of the building's structure, original use and subsequent alterations, means that significant internal alterations will likely be required in any scheme of re-use and adaptation. However, we believe this element of the scheme requires a more specialised and conservation-based treatment than that currently proposed. The issue we have currently is that the internal alterations combined with the loss of the original roof-form would make a significant impact on the integrity and authenticity of the building. If revisions can be made that retain and restore more of the original roof-form without upward extension, and keeps some form of separation of the building from the wider development, it is likely that we would accept substantial alteration to the interior to allow its reuse.

We also consider that a compromise can potentially be found to address our concerns over the impact of the replacement building fronting St Andrew Square. At the moment, we consider the massing and lack of articulation of the replacement, combined with bringing its frontage forward to the pavement line, will have a significant impact on the setting of the adjacent Category A listed building. If revisions can be made to reduce the cumulative impact, i.e. reducing the height or setting back the top two floors, or setting the building frontage back, there is potential to produce a development that we are more comfortable with.

In the consideration of the proposals we are aware your Council will also need to take into consideration the benefits that would be secured by this development. The public benefits in bringing both West Register Street and No. 42 St Andrew Square into active use is recognised, as is the potential for improvements to the public realm. The scheme for No. 42 St Andrew Square does represent a major conservation benefit and we do recognise the positives in this scheme, i.e. retention of the more significant board rooms and returning the banking hall into a single space. We have highlighted the rooftop extension as a concern, and ideally this should be avoided, but we do consider this is an instance where the adverse impacts have been mitigated by improvements elsewhere. If the conclusion of the Council is that the benefits of these development proposals outweigh the negative impacts on the historic environment, your Council need to clarify what these benefits are.

A lot of the emphasis of the supporting material has focused around the economics of the case. While we acknowledge the economic benefits development will bring, compared to the existing largely vacant site, your Council may also wish to consider the recent history of the site. The acquisition of the site involved complexities due to past ownership and this contributes to the background to this case which hasn't come through clearly in the publicly available supporting information. We recognise that if these important buildings hadn't been acquired, the future of the site would be more uncertain, but it is still not clear whether their reuse is viable without the current level of harm to the historic environment.

We appreciate that these additional comments are coming late in your Council's assessment process. However, we are keen to find a solution that brings this important city-centre site back into use, and following our recent meetings with the applicant, we have felt it necessary to clarify our position.

As the proposals currently stand, we consider the cumulative impact of development on the historic environment at West Register Street causes us concerns that still merit our objection. However, as this position is based on cumulative impacts, it follows that improvements to the scheme, as outlined above, may reduce the impact of development to a level that may allow us to find the overall scheme acceptable.

We remain happy to advise further on any revisions to the scheme to mitigate the impact on the historic environment should the opportunity arise.

Location Plan



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