Planning Statement to support Change of Use for the upper ground floor (19A) from Use Class E to Use Class C3 (residential self-contained upper ground floor with rear extension and associated alterations DC/24/0691

Justification for the Loss of the Commercial Unit at 19A Carfax, Horsham RH12 1EB

19 Carfax comprises three parts: 19 (lower ground floor), 19A (upper ground floor), and 19B (upper floors). 19 and 19A currently hold Use Class E under the Use Classes Order 2020, while 19B has planning approval for change from A2 to C3, with development ongoing.

Historical Context and Challenges:

- **Vacancy Prior to Acquisition:** Both 19A and 19B were vacant for five years before the current owner acquired the property in 2015.
- **Business Relocation:** The applicant, operating a dress shop 'Xclusiv', relocated from the ground floor (19) to the upper ground floor (19A) in 2016 to revive the empty commercial unit. This relocation proved challenging as the non-street level location is difficult for people with disabilities, senior shoppers, women with pushchairs, and parents with young children to access, limiting the potential customer base.
- **Visibility and Foot Traffic Issues:** The upper ground / First-floor commercial units generally lack visibility and constant foot traffic. An application (DC/22/0217) to replace the upper ground floor window at 19A with a bay window to create a display window for the business and increase retail visibility was refused in 2022.
- **Revenue Decline:** Since moving to 19A, the business has experienced a revenue loss exceeding 70%, highlighting the unsuitability of the upper ground floor location for a viable business.

Property Characteristics and Market Evidence:

- **Shared Entrance and Integration:** 19A and 19B share a single entrance, making it difficult to separate the spaces effectively. With 19B already approved for C3 residential use, converting 19A to residential use would enhance security for residents and fully utilise the space.
- **Local Market Analysis:** There is a higher demand for ground-floor commercial spaces, while upper floors are often underutilised, as demonstrated by market evidence from neighbouring properties**.** 20A (vacant for over 15 years), and 21A (a residential unit for a long time),

23A is used only as a storage room by Oxfam, with its main business on the ground floor demonstrating a lack of demand for upper-floor commercial spaces. 18A and 22A, both owner-occupied dentists, have survived because they are specialist businesses and owner-occupied and have no rent payments. 19A, XCLUSIV, owner-occupied clothing retailer, suffered a huge revenue loss after relocating from the lower ground floor and only survived by reducing staff numbers and having no rent payment pressure. Numerous upper ground/first floor commercial spaces in Horsham remain vacant, making it unnecessary to add more. The increase in people working from home since the COVID period has made renting out office space more challenging than before.

Current and Future Use Considerations:

- **Ground Floor Vacancy:** The ground floor of 19 Carfax has been empty for over a year, previously occupied by a café. The XCLUSIV clothing retailer plans to move to this ground floor. By moving back to the ground floor, instead of making more existing employees redundant, it will create more job opportunities through increased business revenue, as proven by past records. It also aligns with Policy 13, Town Centre Uses, ensuring that no more than 30% of frontage is used for non-A1 retail purposes and contributing to the town's commercial vitality.
- **Economic Efficiency:** Maintaining the upper ground floor as a commercial space without sufficient demand is economically inefficient and wastes resources for both the property owner and the local economy.

Policy and Community Benefits:

- **Government Policy Compliance:** The General Uses Classes Order permits changing use from A2 (now E) to C3 up to an area of 150m^2, suggesting a presumption of approval subject to local policy.
- **Horsham District Planning Framework 2015:** replaces the previous Core Strategy and General Development Control Policies adopted in 2007.
- **Local Housing Needs:** There is a pressing need for residential housing within the district. Converting the upper ground floor to a residential unit would address this shortage, providing accommodation and potentially increasing local business support.
- **Financial Contributions:** Changing to a residential unit would result in council tax contributions and a Community Infrastructure Levy payment

of £2,500 to the local community. Currently, there is no business rate contribution due to the government's small business exemption policy.

- **Policy Alignment:** The proposal aligns with various policies:
    - The proposal accords with Policy 5, Horsham Town, in regard to employment and the contribution to the economy to create a vibrant high street.
    - The proposal accords with Policies 7 & 9, Economic Growth Employment Development, with the intensification of employment opportunities.
    - The proposal accords with Policy 12, Retail Vitality & Viability of Existing Retail Centres, by maintaining a diverse range and choice of suitable uses including retail, business and commercial uses as well as residential use.
    - The proposal accords with Policy 13, Town Centre Uses, by ensuring not more than 30% of frontage is afforded to non-A1 use. The proposal would also add to the vitality as previously described.

Conclusion:

Given the historical challenges, local market conditions, and policy alignments, converting the upper ground floor of 19A Carfax to residential use and relocating the XCLUSIV clothing retailer to the current vacant ground floor of 19 Carfax is a justified and beneficial move. Since 2015, it has become clear that the applicant's attempts to create additional retail business units are unrealistic. Had these attempts not been pursued, the applicant would have applied to convert the upper ground floor along with the 1st and 2nd floor flats simultaneously, for which permission has already been granted.

Closing the business on the upper ground floor does not mean losing a commercial unit. Instead, it corrects an unrealistic commercial approach. So converting the upper ground floor into a residential flat would be a more beneficial use of the property for both the landlord and the community of Horsham. This change will improve space utilisation, meet local housing needs, and support the overall vitality of the town centre.